

25<sup>th</sup> October 2012

Company Announcements Office  
Australian Securities Exchange Limited  
4<sup>th</sup> Floor  
20 Bridge Street  
SYDNEY NSW 2000

Dear Sir/Madam

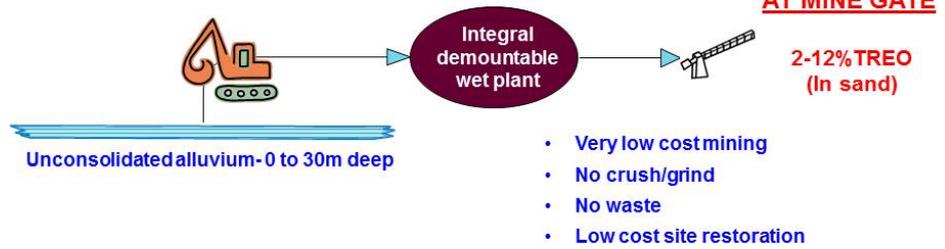
**CHARLEY CREEK REE PROJECT SCOPING STUDY MOVES AHEAD**

- A contract has been signed with ALS Metallurgy to conduct acid leach testwork on Xenotime-Monazite concentrate from Charley Creek alluvials.
- Contractors are being engaged to undertake the various elements of a Scoping Study that will investigate the capital and operating costs of a mining and processing REE project to produce 7,000 tonnes of contained TREO per annum.
- Crossland's confidence that the Charley Creek Project can be an early starter and long-term producer of valuable rare earth products is firming. Compared with many competing projects, most of which are based on hard-rock deposits, the Charley Creek alluvial project enjoys important advantages. Some of these advantages are presented in the diagrams overpage.

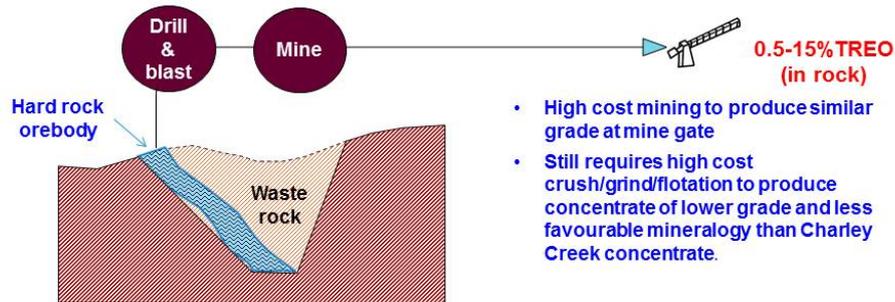
The leach testwork is intended to confirm that the Xenotime and Monazite minerals in the concentrate behave as expected under hydro-metallurgical conditions. The leach tests will be conducted on samples of final concentrate grading greater than 40% TREO produced by AML Laboratories from Charley Creek alluvial ore. This testwork will be the final link in the metallurgical scoping testwork chain to confirm that the Charley Creek ore can be processed from mining through to the production of saleable REE products, using well understood and low cost technology.

Negotiations with an engineering company to provide a Scoping Study on a 7,000 tonnes per annum of contained TREO mining project and mineral processing plant are at an advanced stage. The study will estimate likely capital and operating costs for the project and will embrace all engineering issues including infrastructure, mining and processing plant. Negotiations are also in train with consultants to provide an Environmental Impact Study planned to commence with baseline flora, fauna and hydrology studies in November 2012.

### CHARLEY CREEK ALLUVIAL REE MINE

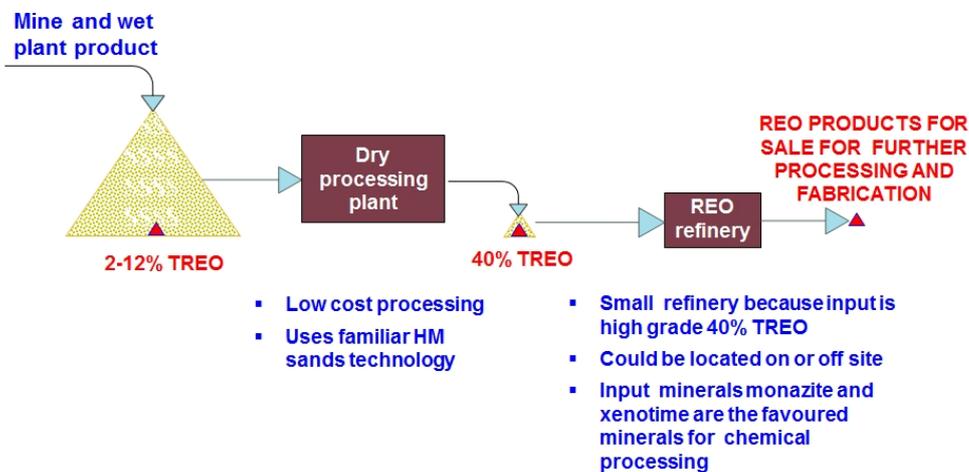


### TYPICAL HARD ROCK REE MINE



**Before the Mine Gate.** The key point for comparison of Charley Creek with typical hard-rock projects is at the Mine Gate, at which stage Charley Creek will be producing material with competitive TREO grades following low cost, heavy mineral sands style mining and wet plant processing.

### CHARLEY CREEK PROCESSING



**After the Mine Gate.** The mine and wet plant product has two very important qualities;

- **High HREO.** The proportion of the critical Heavy REO in concentrates to be produced from Charley Creek alluvial mine is about 17% of TREO and substantially higher than many other known advanced REE resource projects. Charley Creek contains a mixture of all of the Rare Earth Elements, but more than half of the contained value is in the critical Heavy REO.
- **Favourable mineralogy.** The rare earth minerals in the concentrate produced from the alluvium are Xenotime and Monazite. These minerals are regarded as preferred feedstock for REE production, with few of the problems that may confront more complex silicate REE mineralogy contained in many other prospective REE deposits.

Shareholders will be advised as further results and progress with the Scoping Study come to hand.



**Geoff Eupene**

Exploration Director FAusIMM (CP)

*The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by **Geoffrey S Eupene CP**, a Fellow of the Australasian Institute of Mining and Metallurgy. He is a director of the Company and a full time employee of Eupene Exploration Enterprises Pty Ltd. He has sufficient experience which is relevant to the styles of mineralisation and types of deposits under consideration, and to the activity which he is undertaking to qualify as a Competent Person as defined in the December 2004 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Geoffrey S Eupene has consented to the inclusion in this report of the matters based on this information in the form and context in which it appears.*