

31 January 2013

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

Dear Sir/Madam

QUARTERLY REPORT FOR PERIOD ENDED 31 DECEMBER 2012

HIGHLIGHTS

Charley Creek REE Project.

- The Scoping Study for a mining and processing operation to produce REO carbonate products at the Charley Creek Alluvial Rare Earth Project is proceeding well.
- Crossland expects that the Scoping Study and financial analysis will provide a compelling business case and that the project will then proceed quickly to further resource drilling of starter pit areas, and a Feasibility Study.

Financial

- Crossland raised \$287,296 through a rights issue of a listed option. These options are listed as ASX Code CUXO and have a strike price of 15 cents and expire on 30 November 2014.
- Pancontinental (45% Joint Venture Partner) have contributed in excess of \$1.1 million during 2012 for joint venture activity and have confirmed their commitment to continue to fund.

CROSSLAND URANIUM MINES LIMITED

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EXPLORATION DETAIL

Charley Creek Project, NT - EL24281, EL 25230; EL25657, EL27283, EL27284, EL27338, EL27358, EL27359, EL28154, EL28155, EL28224, EL28225, EL28226, EL28434, ELA28500, EL28795, EL28796, EL28866, EL28875, EL28964, EL28965 and ELA29789 : Crossland 55%: Pancontinental 45%

At the Charley Creek Project, Crossland is targeting alluvial rare earth deposits; secondary targets include bedrock REE deposits, granite-related uranium; calcrete and redox- related palaeodrainage uranium targets; and layered mafic intrusive- related copper, nickel and platinoids.

The Scoping Study for a mining and processing operation at the Charley Creek Alluvial Rare Earth Project is proceeding well. The study will produce capital and operating cost estimates for all of the major facets of the Charley Creek project including mining operations, wet and dry plant mineral concentration facilities, REO refinery, infrastructure, accommodation, water supply, and draft environmental scoping document.

The study assumes of wet and dry mineral concentrators to produce a high grade (40%+) TREO concentrate followed by on- site refining to remove uranium, thorium and major gangue elements to produce a high purity mixed rare earth carbonate product.

Progress on specific elements of the study is as follows:

- MSP Engineering was awarded the engineering scoping study in November 2012 and is on track to deliver their final study report at the end of February. This study will provide a capital and operating cost estimate for the production of a high grade monazite/xenotime concentrate and associated infrastructure. ALS Metallurgy (Ammtec) has completed sulphuric acid bake and caustic 'crack' test work on a high grade Monazite/Xenotime concentrate sample from the Charley Creek project. Initial results indicate both process routes are technically feasible. Further optimisation test work on the production of concentrate and the refinery will be undertaken in the first half of this year.
- Process design for the REO refinery has been awarded to a specialist consultant. A process design package will be provided to MSP Engineering to generate a +/-35% capital and operating estimate for the construction and commissioning of the REO refinery. The study flowsheet will consist of the following process steps:

Sulphuric acid pug roast --> Water leach --> Iron/Thorium precipitation --> Uranium Ion Exchange --> RECO₃ Mixed Carbonate precipitation --> RECO₃ drying and packaging.

Capital and operating cost estimates for the REO refinery are expected to be available at the end of the first quarter of 2013.

- GHD is progressing towards the draft EIS for the Charley Creek project. GHD is also undertaking hydrogeological studies across the Charley Creek project area to source sufficient underground water for mining and processing plants.

These studies will generate the necessary data to allow economic assessment of the Charley Creek project to be quantified. The Scoping Study and economic assessment of the project will be made available to shareholders on completion. Crossland expects that the Scoping Study and financial analysis will provide a compelling business case and that the project will then proceed quickly to further resource drilling of starter pit areas, and a Feasibility Study.

Chilling Project, NT - EL22738, EL24557, EL25076, EL25077 and 28433. Crossland 55%: Pancontinental 45%

At the Chilling Project, Crossland's primary targets are unconformity-related uranium deposits, the deposit style that hosts most of the world's high grade uranium. Other target commodities exist, such as base metals, gold, tin, and cobalt. Other uranium deposit styles are also possible.

- EL 25076 has been renewed for a further 2 years; EL 25077 is being assessed by DME pending proposed renewal; EL 25078 has been surrendered; EL28433 remains unchanged.
- A proposed reduction for EL 22738 has been applied for. Crossland is awaiting acceptance from DME.
- All statutory requirements for the project licences are up to date and all licences are currently in good standing.

Mount Stafford, NT - EL28492; ELA29660, ELA29661, ELA29662 and ELA29758. Crossland 55%: Pancontinental 45%

The Mount Stafford Project covers a setting conducive for REE, uranium and gold deposits. The licence is situated approximately 83 km northwest of Nolans Bore, the world class rare earth deposit owned by Arafura Resources.

An additional licence, EL29758 'Leichhardt' was applied for during the quarter.

Lake Woods, NT – SEL28198 and SEL28199: Crossland 100%

At Lake Woods, Crossland has identified an outcropping alkali basaltic sill intruded around 1,300 million years ago. The intrusion has unusual properties that may indicate the potential for commodities such as nickel, copper and platinoids as well as diamonds. This area is not included in the Joint Venture with Pancontinental.

An updated Mining Management Plan was compiled for the project following a request from DME.

Gypsum Cliffs, SA – ELA 2012/00130, ELA 2012/00133 and ELA2012/00134. Crossland 100%

At Gypsum Cliffs, Crossland is targeting alluvial mineral sands deposits incorporating rare metal credits.

Utilising public Geoscience Australia (GA) data, Crossland has selected two areas for reconnaissance based upon interesting results from GA surveys. The Gypsum Cliffs project is located in north-eastern South Australia. Results from GA included several stream sediment samples with relatively high values for several metals, including Nb, Sn, Ta, W, and REE, as well as Ti and Zr.

Crossland has currently been advised by the Department of Primary Industries and Regions South Australia (PIRSA) that applications for three Exploration Licenses will be issued for accepted.

A preliminary site visit for reconnaissance and landholder meetings was undertaken during the quarter. Crossland has now completed processing and analysis of re-sampling from four GA stream sediment sample sites. The purpose of these was to confirm previous GA results. The results are being evaluated in the current quarter, and the element pattern in the GA data appears to be confirmed. Crossland intends to undertake further sampling once the titles are granted.



Geoff Eupene
Exploration Director

*The review of exploration activities and results contained in this report are 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.*