Crossland Uranium Mines Limited

ABN 64 087 595 980

Half Yearly Report 30 June 2012

DIRECTORS
Robert L Richardson (Chairman)
Geoffrey S Eupene
Peter W Walker
Robert A Cleary
Malcolm K Smartt

SECRETARY
Malcolm Smartt

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AUDITORS
BDJ Partners Audit Pty Limited

BANKERS
Westpac Banking Corporation

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 31 December 2011 and any public announcement made by Crossland Uranium Mines Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

Director's Report

Your Directors present their report on the consolidated entity consisting of Crossland Uranium Mines Limited and the entities it controlled at the end of, or during the six months ended 30 June 2012.

Directors

The following persons were directors of Crossland Uranium Mines Limited during the whole of the financial period and up to the date of this report unless otherwise stated:

Robert L Richardson (Chairman)
Geoffrey S Eupene
Peter W Walker
Robert A Cleary
Patrick J D Elliott (Resigned 10 May 12)
Malcolm K Smartt (Appointed 21 Jun 12)

Review of operations

<u>CHARLEY CREEK</u>

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

Charley Creek – Rare Earths

Analysis of 931 regional stream sediment samples identified the presence of high concentrations of HREE (Heavy Rare Earth Elements) in alluvial deposits at Charley Creek. Of the total, 199 samples had a HREO/TREO (Heavy Rare Earth Oxide/Total Rare Earth Oxide) ratio greater than 20%. This ratio is high when compared to most rare earth deposits. The ratio is important because certain HREE e.g. Dysprosium are in critical short supply. The mineral Xenotime has been identified as the predominant HREE host.

The stream sediment results suggest that HREO ratios may be higher in the large alluvial areas to the east of where drilling has taken place to date. There is also the potential here for hard rock mineralisation

On May 15 Crossland released a Mineral Resource Estimate for the project

- **Indicated Resource – 387 million tonnes containing 114,000T TREO**
- **Inferred Resource – 418 million tonnes containing 121,000T TREO**

The resource is hosted in loosely consolidated alluvial material and testwork indicates that it can be relatively easily upgraded to a high grade heavy mineral TREO concentrate. A saleable zircon mineral sand by product would also be produced.

The area within which these resources have been estimated to represent less than 1% of the total area of potentially mineralised outwash within Crossland's tenements.

Mr. Alastair Stevens was appointed as an advisor during the period. Mr Stevens has a strong commercial and technical background in the REE minerals industry.

Crossland has also engaged a highly qualified Perth-based metallurgical consultant to oversee and guide studies of process options for the project. A detailed review of the chemistry and process fundamentals for uranium and REE has been presented to Crossland by the consultant. The review also includes a series of preliminary processing flowsheets covering all aspects of the operation.

Results from an initial wet plant gravity flowsheet testwork program confirm the REE-bearing material is amenable to beneficiation via a wet gravity spiral plant. Both grade and recoveries were excellent. A recovery of 76% TREO at a grade of 6.24% contain within 2.4 wt% of the initial feed was achieved.

During the June quarter the market was advised that Pancontinental has recommenced contributions and have paid arrears from 1 January 2012. They will maintain their equity position at 45%. They have also notified Crossland that they have hired a Canadian REE consultant to advise them on aspects of the Charley Creek project.

Market releases made in recent time provide more detail.

Director's Report

Charley Creek – Uranium

No uranium- related exploration work was undertaken at Charley Creek.

CHILLING PROJECT

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, and other uranium deposit styles are also possible.

Assay results for the diamond core drilling program, conducted in 2011, were received in the first quarter. The program consisted of ten holes for a total of 2,291 metres. The assay results indicate significant levels of base metal anomalism as well as confirming higher grade results from structurally controlled sulphide mineralisation intersected in two of the holes. Eleven samples showed >1,000 ppm in copper and/or zinc and/or lead.

The highest lead value was 6.3% (63,000 ppm) over a sampled interval of 1 metre in hole D007, which corresponded to a galena-rich vein. This intersection also produced 6 ppm silver, 1,589 ppm copper and 3,319 ppm zinc.

Hole D006 had two anomalous localised intersections with up to 1,831 ppm lead and 1,778 ppm zinc.

Host rocks for the sulphide occurrences are both volcanics and granite.

In conclusion the drilling has shown widespread supergene base metal mobility. The higher grade intersections in in the above rock types indicate a potential for mobilisation and concentration of base metals. The presence of widespread surficial and subsurface anomalism in the sedimentary units (uranium and base metals) suggests that these lithologies could also act as hosts for mineralisation.

Crossland is in the process of seeking out Joint Venture partners for the Chilling project.

KALABITY

(Earning 60% in Joint Venture with Platsearch NL and Eaglehawk Geological Prospecting

At Kalabity, Crossland's interest is through an agreement with PlatSearch NL and Eaglehawk Geological Prospecting Pty Ltd to earn a majority share in EL3297. Previous work has identified widespread elevated values of uranium and other metals. Recent work by Crossland has identified a new anomalous zone which has been named the Tabita Prospect.

The licence has been renewed.

LAKE WOODS, NT

At Lake Woods, NT, previous exploration, as well as that by Crossland, has identified an anomalous cluster of rare micro- diamonds that are considered to indicate a local source. The area has potential for other commodities. This area is not included in the Joint Venture with Pancon.

Crossland is continuing to seek a joint Venture partner to assist in advancing the project.

NEW PROJECTS

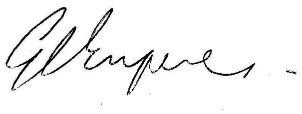
Crossland continues to examine opportunities to expand its project portfolio.

Director's Report

CROSSCONTINENTAL JOINT VENTURE

Burkina Faso, West Africa

The progress with the additional applications lodged on behalf of Crosscontinental is slow and it is difficult to allocate a priority to work on these at present.



Geoffrey Eupene

Director

12 September 2012

Statement of Comprehensive Income

For the six months ended 30 June 2012

	Note	Consolidated 2012 $	2011 $
Revenue from ordinary activities	2	**64,203**	57,007
Administration costs		**(165,968)**	(160,018)
Borrowing costs		**(200)**	(199)
Consultants fees		**(55,250)**	(51,250)
Depreciation		**(53,811)**	(62,186)
Employment Costs		**(124,793)**	(168,507)
Exploration Costs Written off		**(35,759)**	(59,079)
Office rent		**(62,856)**	(55,820)
Share of associates losses		**-**	(14,586)
Other expenses from ordinary activities		**(59,770)**	(61,285)
Loss from ordinary activities before income tax expense		**(494,205)**	(575,923)
Income tax expense	3	**366,116**	65,073
Net loss from ordinary activities after income tax expense	7	**(128,089)**	(510,850)
Other comprehensive income			
Other comprehensive income before income tax expense		**-**	**-**
Foreign exchange gain on translation of overseas subsidiary		**9**	494
Income tax expense		**-**	-
Other comprehensive income for the period		**9**	-
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD		**(128,080)**	(510,356)
Total comprehensive income attributable to members of Crossland Uranium Mines Limited		**(128,080)**	(510,356)
Basic and diluted loss per share (cents)	7	**(0.09)**	(0.40)

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

Statement of Financial Position

As at 30 June 2012

	Note	Consolidated 30.6.2012 $	31.12.2011 $
CURRENT ASSETS			
Cash		**935,050**	1,665,894
Receivables		**420,778**	229,956
Other Current Assets		**15,614**	16,685
TOTAL CURRENT ASSETS		**1,371,442**	1,912,535
NON-CURRENT ASSETS			
Receivables		**121,175**	123,175
Exploration properties		**5,542,945**	5,156,777
Plant and equipment		**173,174**	226,985
TOTAL NON-CURRENT ASSETS		**5,837,294**	5,506,937
TOTAL ASSETS		**7,208,736**	7,419,472
CURRENT LIABILITIES			
Payables		**315,584**	398,240
Provisions		**23,750**	23,750
TOTAL CURRENT LIABILITIES		**339,334**	421,990
NON-CURRENT LIABILITIES			
TOTAL NON-CURRENT LIABILITIES		**-**	-
TOTAL LIABILITIES		**339,334**	421,990
NET ASSETS		**6,869,402**	6,997,482
SHAREHOLDERS' EQUITY			
Contributed equity	4	**15,698,286**	15,698,296
Foreign Currency Translation Reserve		**(60,997)**	(61,006)
Share Based Payments Expense Reserve		**337,136**	337,136
Accumulated losses	5	**(9,105,023)**	(8,976,934)
TOTAL EQUITY		**6,869,402**	6,997,482

The above statement of financial position should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

For the six months ended 30 June 2012

Consolidated Group	Note	Ordinary Share Capital	Accumulated Losses	Foreign Currency Reserve	Share Based Payments Reserve	Total
		$	$	$	$	$
Balance at 1 January 2011		12,113,951	(6,586,600)	(60,653)	337,136	5,803,834
Comprehensive income						
Loss for the period		-	(510,850)	-	-	(510,850)
Other comprehensive income for the period		-	-	(494)	-	(494)
Total comprehensive income for the half year						
Transactions with owners, in their capacity as owners, and other transfers						
Shares issued during the period		3,782,441	-	-	-	3,782,441
Share issue costs		(173,997)	-	-	-	(173,997)
Total transactions with owners and other transfers						
Balance at 30 June 2011		15,722,395	(7,097,450)	(61,147)	337,136	8,900,934
Balance at 1 January 2012		**15,698,286**	**(8,976,934)**	**(61,006)**	**337,136**	**6,997,482**
Comprehensive income						
Loss for the period		**-**	**(128,089)**	**-**	**-**	**(128,089)**
Other comprehensive income for the period		**-**	**-**	**9**	**-**	**9**
Total comprehensive income for the half year		**15,698,286**	**(9,105,023)**	**(60,997)**	**337,136**	**6,869,402**
Transactions with owners, in their capacity as owners, and other transfers						
Shares issued during the period		**-**	**-**	**-**	**-**	**-**
Share issue costs		**-**	**-**	**-**	**-**	**-**
Total transactions with owners and other transfers		**-**	**-**	**-**	**-**	**-**
Balance at 30 June 2012		**15,698,286**	**(9,105,023)**	**(60,997)**	**337,136**	**6,869,402**

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Statement of Cash Flows

For the six months ended 30 June 2012

	Consolidated	
	2012	2011
	$	$
CASH FLOWS FROM OPERATING ACTIVITIES		
Payment to suppliers (inclusive of GST)	**(348,770)**	(1,176,693)
Interest received	**18,053**	56,759
Interest paid	**(200)**	(199)
Other income	**20,000**	248
R&D Tax offset rebate received	**-**	65,073
NET CASH (OUTFLOWS) FROM OPERATING ACTIVITIES	**(310,917)**	(1,054,812)
CASH FLOWS FROM INVESTING ACTIVITIES		
Expenditure on mining interests (exploration)	**(734,873)**	(1,843,050)
Reimbursement of exploration expenditures	**312,946**	871,237
Payments for security deposits	**-**	(43,428)
Refunds of security deposits	**2,000**	-
Payments for property, plant and equipment	**-**	(36,561)
Proceeds of sale of property, plant and equipment	**-**	-
NET CASH INFLOWS / (OUTFLOWS) FROM INVESTING ACTIVITIES	**(419,927)**	(1,051,802)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	**-**	3,782,441
Share Issue Costs	**-**	(173,997)
NET CASH INFLOWS FROM FINANCING ACTIVITIES	**-**	3,608,444
NET (DECREASE) / INCREASE IN CASH HELD	**(730,844)**	1,501,830
Cash at the beginning of the financial half year	**1,665,894**	2,003,608
CASH AT THE END OF THE FINANCIAL HALF YEAR	**935,050**	3,505,438

The above statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the Financial Statements

30 June 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

These general purpose financial statements for the interim half-year reporting period ended 30 June 2012 have been prepared in accordance with requirements of the Corporations Act 2001 and Australian Accounting Standards including AASB 134 Interim Financial Reporting. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

This interim financial report is intended to provide users with an update on the on the latest annual financial statements of Crossland Uranium Mines Limited and its controlled entities (the Group). As such it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 31 December 2011 together with any public announcement made during the half-year.

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

New Accounting Standards for Application in Future Periods

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the Group. The Group has decided not to early adopt any of the new and amended pronouncements. The Group's assessment of the new and amended pronouncements that are relevant to the Group but applicable in future reporting periods is set out below:

AASB 9: Financial Instruments (December 2010) and AASB 2010–7: Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127] (applicable for annual reporting periods commencing on or after 1 January 2013).

These Standards are applicable retrospectively and include revised requirements for the classification and measurement of financial instruments, as well as recognition and derecognition requirements for financial instruments.

The key changes made to accounting requirements include:

- simplifying the classifications of financial assets into those carried at amortised cost and those carried at fair value;
- simplifying the requirements for embedded derivatives;
- removing the tainting rules associated with held-to-maturity assets;
- removing the requirements to separate and fair value embedded derivatives for financial assets carried at amortised cost;
- allowing an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument;
- requiring financial assets to be reclassified where there is a change in an entity's business model as they are initially classified based on: (a) the objective of the entity's business model for managing the financial assets; and (b) the characteristics of the contractual cash flows; and
- requiring an entity that chooses to measure a financial liability at fair value to present the portion of the change in its fair value due to changes in the entity's own credit risk in other comprehensive income, except when that would create an accounting mismatch. If such a mismatch would be created or enlarged, the entity is required to present all changes in fair value (including the effects of changes in the credit risk of the liability) in profit or loss.

The Group has not yet been able to reasonably estimate the impact of these pronouncements on its financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

New Accounting Standards for Application in Future Periods (continued)

AASB 2010–8: Amendments to Australian Accounting Standards – Deferred Tax: Recovery of Underlying Assets [AASB 112] (applies to periods beginning on or after 1 January 2012).

This Standard makes amendments to AASB 112: Income Taxes and incorporates Interpretation 121: Income Taxes – Recovery of Revalued Non-Depreciable Assets into AASB 112.

Under the current AASB 112, the measurement of deferred tax liabilities and deferred tax assets depends on whether an entity expects to recover an asset by using it or by selling it. The amendments introduce a presumption that an investment property is recovered entirely through sale. This presumption is rebutted if the investment property is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

The amendments are not expected to significantly impact the Group.

AASB 10: Consolidated Financial Statements, AASB 11: Joint Arrangements, AASB 12: Disclosure of Interests in Other Entities, AASB 127: Separate Financial Statements (August 2011), AASB 128: Investments in Associates and Joint Ventures (August 2011) and AASB 2011–7: Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards [AASB 1, 2, 3, 5, 7, 9, 2009–11, 101, 107, 112, 118, 121, 124, 132, 133, 136, 138, 139, 1023 & 1038 and Interpretations 5, 9, 16 & 17] (applicable for annual reporting periods commencing on or after 1 January 2013).

AASB 10 replaces parts of AASB 127: Consolidated and Separate Financial Statements (March 2008, as amended) and Interpretation 112: Consolidation – Special Purpose Entities. AASB 10 provides a revised definition of control and additional application guidance so that a single control model will apply to all investees. The Group has not yet been able to reasonably estimate the impact of this Standard on its financial statements.

AASB 11 replaces AASB 131: Interests in Joint Ventures (July 2004, as amended). AASB 11 requires joint arrangements to be classified as either "joint operations" (where the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities) or "joint ventures" (where the parties that have joint control of the arrangement have rights to the net assets of the arrangement). Joint ventures are required to adopt the equity method of accounting (proportionate consolidation is no longer allowed).

AASB 12 contains the disclosure requirements applicable to entities that hold an interest in a subsidiary, joint venture, joint operation or associate. AASB 12 also introduces the concept of a "structured entity", replacing the "special purpose entity" concept currently used in Interpretation 112, and requires specific disclosures in respect of any investments in unconsolidated structured entities. This Standard will affect disclosures only and is not expected to significantly impact the Group.

To facilitate the application of AASBs 10, 11 and 12, revised versions of AASB 127 and AASB 128 have also been issued. These Standards are not expected to significantly impact the Group.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

New Accounting Standards for Application in Future Periods (continued)

AASB 13: Fair Value Measurement and AASB 2011–8: Amendments to Australian Accounting Standards arising from AASB 13 [AASB 1, 2, 3, 4, 5, 7, 9, 2009–11, 2010–7, 101, 102, 108, 110, 116, 17, 118, 119, 120, 121, 128, 131, 132, 133, 134, 136, 138, 139, 140, 141, 1004, 1023 & 1038 and Interpretations 2, 4, 12, 13, 14, 17, 19, 131 & 132] (applicable for annual reporting periods commencing on or after 1 January 2013).

AASB 13 defines fair value, sets out in a single Standard a framework for measuring fair value, and requires disclosures about fair value measurement.

AASB 13 requires:

- inputs to all fair value measurements to be categorised in accordance with a fair value hierarchy; and
- enhanced disclosures regarding all assets and liabilities (including, but not limited to, financial assets and financial liabilities) to be measured at fair value.

These Standards are not expected to significantly impact the Group.

AASB 2011–9: Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income [AASB 1, 5, 7, 101, 112, 120, 121, 132, 133, 134, 1039 & 1049] (applicable for annual reporting periods commencing on or after 1 July 2012).

The main change arising from this Standard is the requirement for entities to group items presented in other comprehensive income (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently.

This Standard affects presentation only and is therefore not expected to significantly impact the Group.

AASB 119: Employee Benefits (September 2011) and AASB 2011–10: Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) [AASB 1, AASB 8, AASB101, AASB124, AASB134, AASB1049 & AASB 2011–8 and Interpretation 14] (applicable for annual reporting periods commencing on or after 1 January 2013).

These Standards introduce a number of changes to accounting and presentation of defined benefit plans. The Group does not have any defined benefit plans and so is not impacted by the amendment.

AASB 119 (September 2011) also includes changes to the accounting for termination benefits that require an entity to recognise an obligation for such benefits at the earlier of:

(i) for an offer that may be withdrawn – when the employee accepts;

(ii) for an offer that cannot be withdrawn – when the offer is communicated to affected employees; and

(iii) where the termination is associated with a restructuring of activities under AASB 137: Provisions, Contingent Liabilities and Contingent Assets, and if earlier than the first two conditions – when the related restructuring costs are recognised.

The Group has not yet been able to reasonably estimate the impact of these changes to AASB 119.

Notes to the Financial Statements

30 June 2012

2. REVENUE

	Consolidated	
	2012	2011
	$	$
Revenue from outside operating activities		
Interest received	**18,053**	56,759
Other income	**46,150**	248
Total revenue	**64,203**	57,007

3. INCOME TAX

Loss from ordinary activities before income tax expense	**(494,205)**	(575,923)
Income tax calculated @ 30% (2011 – 30%)	**(148,262)**	(172,777)
Future income tax benefits not brought to account in respect of current year	**148,262**	172,777
R&D Tax Offset Rebate received or receivable	**366,116**	65,073
Income tax attributable to operating loss	**366,116**	65,073

4. SHARE CAPITAL

Issued Capital		
137,123,067 fully paid ordinary shares (2011 – 137,123,067)	**16,514,067**	16,514,067
Less share issue costs	**(815,781)**	(791,672)
	15,698,276	15,722,395
Movement in issued capital		$
Shares on issue 1 January 2012	**137,123,067**	115,480,270
Placement	**-**	11,500,000
Share Purchase Plan	**-**	10,142,797
Less share issue costs	**-**	-
Shares on issue 30 June 2012	**137,123,067**	137,123,067

5. ACCUMULATED LOSSES

Accumulated losses at the beginning of the half year	**8,976,934**	6,586,600
Net loss for the six months	**128,089**	510,850
Retained losses at the end of the half year	**9,105,023**	7,097,450

6. FINANCIAL REPORTING BY SEGMENT

The group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and allocating resources. The group is managed primarily on the basis of exploration for uranium in Australia. Operating segments are therefore determined on the same basis

	Exploration	Total
Six months ended 30.06.2012		
Revenue	**$**	**$**
Interest revenue	**18,053**	**18,053**
Other revenue	**46,150**	**46,150**
Total segment revenue	**64,203**	**64,203**
Segment net profit before tax	**(214,455)**	**(214,455)**
Reconciliation of segment result to group net profit/(loss) before tax		
Amounts not included in segment result but reviewed by the Board:		
— depreciation and amortisation		**(53,811)**
Unallocated items:		
— administration charges		**(225,938)**
Net profit before tax from continuing operations		**(494,205)**
Six months ended 30.06.2011		
Revenue		
Interest revenue	56,759	56,759
Other revenue	248	248
Total segment revenue	57,007	57,007
Segment net profit before tax	(277,468)	(277,468)
Reconciliation of segment result to group net profit/(loss) before tax		
Amounts not included in segment result but reviewed by the Board:		
— depreciation and amortisation		(62,186)
— equity-accounted profits of associates		(14,586)
Unallocated items:		
— administration charges		(221,683)
Net profit before tax from continuing operations		(575,923)

	2012	2011
	$	$
Segment Assets	**7,208,736**	9,381,639
Unallocated assets	**-**	-
Group assets	**7,208,736**	9,381,639
Segment Liabilities	**339,334**	480,705
Unallocated liabilities	**-**	-
Group liabilities	**339,334**	480,705

Notes to the Financial Statements

30 June 2012

7. EARNINGS PER SHARE

Basic and diluted	2012	2011
Weighted average number of shares used in basic and diluted earnings per share	**137,123,067**	128,996,086
Basic and diluted earning per share (cents per share)	**(0.09)**	(0.40)

8. CONTINGENT LIABILITIES

There are no contingent liabilities which have arisen since the end of the previous financial year

9. SUBSEQUENT EVENTS

There were at the date of this report no matters or circumstances which have arisen since 30 June 2012 that have significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in the financial years subsequent to 30 June 2012.

DIRECTOR'S DECLARATION

The directors declare that the financial statements and notes set out on pages 5 to 15

(a) comply with Accounting standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and

(b) give a true and fair view of the company's and consolidated entity's financial position as at 30 June 2012 and of their performance, as represented by the results of their operations and their cash flows, for the six months ended on that date.

In the directors' opinion:

(a) the financial statements and notes are in accordance with the Corporations Act 2001; and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

The directors have been given the declarations by the chief executive officer and chief financial officer required by section 295A.

This declaration is made in accordance with a resolution of the directors.

Dated at Sydney this12th day of September 2012

On behalf of the Board

R L Richardson
Chairman

bdjpartners audit pty limited

ACN:154 694 925

CHARTERED ACCOUNTANTS

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Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of Crossland Uranium Mines Limited and Controlled Entities

I declare that, to the best of my knowledge and belief, during the half year ended 30 June 2012 there have been:

a. no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and

b. no contraventions of any applicable code of professional conduct in relation to the review.

BDJ Partners Audit Pty Limited

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Steven Dadich
Director

12 September 2012

bdjpartners audit pty limited

ACN:154 694 925

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Independent Auditor's Review Report

To the members of Crossland Uranium Mines Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Crossland Uranium Mines Limited and controlled entities, which comprises the consolidated condensed statement of financial position as at 30 June 2012, the consolidated condensed statement of comprehensive income, consolidated condensed statement of changes in equity and consolidated condensed statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the company's financial position as at 30 June 2012 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting and the Corporations Regulations 2001*. As the auditor of Crossland Uranium Mines Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Crossland Uranium Mines Limited is not in accordance with the *Corporations Act 2001* including:

(a) giving a true and fair view of the company's financial position as at 30 June 2012 and of its performance for the half-year ended on that date; and

(b) complying with Accounting Standard AASB 134 *Interim Financial Reporting and Corporations Regulations 2001*.

BDJ Partners Audit Pty Limited

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Steven Dadich
Director

12 September 2012