CROSSLAND STRATEGIC METALS LIMITED

ABN 64 087 595 980

Half Yearly Report

30 June 2013

DIRECTORS
Robert L Richardson (Chairman)
Sia Hok Kiang
Geoffrey S Eupene
Peter W Walker
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 2012 and any public announcement made by Crossland Uranium Mines and Crossland Strategic Metals 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 Strategic Metals Limited (formerly Crossland Uranium Mines Ltd) and the entities it controlled at the end of, or during the six months ended 30 June 2013.

Directors

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

Bob Richardson (Chairman)
Geoffrey Eupene
Peter Walker
Malcolm Smartt
Robert Cleary (Resigned 24 Feb 13)
Sia Hok Kiang (Appointed 7 Aug 13)

Review of operations

CHARLEY CREEK

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

The highlight of the period was the release of the Charley Creek Alluvial Rare Earth Scoping Study on 15th April. This demonstrated robust project economics and the lowest capital cost of any Rare Earth project that has released capital cost estimates through to production of saleable radionuclide free product. The Scoping Study was prepared to the standard of the newly revised JORC Code, and is one of the first to comply with this new Code ahead of mandatory requirements from December 2013. The Scoping Study generated cost estimates for the various stages of production, and this process has allowed identification of topics that require examination to further reduce capital and operating cost estimates, and these studies have been commissioned as availability of funds permits.

Subsequent to release of the Scoping Study, rare earth oxide (REO) prices suffered further decline due to lack of market. Most significant producers have cut back on production as prices were lower than production costs. At the time of writing, prices have significantly rebounded on increased demand for most REO in the Charley Creek basket, most to levels higher than those assumed for the Scoping Study. This augurs well for long terms pricing of the Charley Creek basket, the value of which is dominated by the Critical REO. (Nd, Eu, Tb, Dy & Y)

Release of the Scoping Study has also provided a basis for promotion of the Project to potential offtake partners and other possible sources of funding for the Feasibility Study that is the next major milestone for the project. This is estimated to cost around $10 million. These presentations have generated significant interest and the process is continuing to identify those parties that wish to be involved in more advanced negotiations. Some effort is being directed to special studies designed to evaluate specific product properties as follow up to these discussions.

Environmental baseline studies leading towards a full Environmental Impact Statement for the project were commenced last year by the respected consultants GHD. This work continued through until March at full pace, culminating in an assessment of wet season flora and fauna distributions in areas where mining activities were predicted. The studies are proceeding to ensure that seasonal study opportunities are not allowed to slip, while conserving cash. One impediment to concluding significant components of the study is that the full layout of the project facilities has not been finalised, and this in turn limits the studies that can be finalised.

It is anticipated that with the participation of HK Rare Earths Sdn. Bhd. as a significant shareholder in Crossland, the pace of these studies in the lead-up to a full scale Feasibility Study will accelerate, as will efforts to identify other strategic partnerships to help with development of the project.

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.

The Joint Venture has decided to focus on the Charley Creek REO Project and is seeking other investors to pursue the drill targets that Crossland has developed at Chilling.

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.

No work was undertaken at Kalabity as the Joint Venture's efforts were focused on Charley Creek.

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 Panconoz Pty Ltd ("Pancon").

Crossland is continuing to seek a partner to assist in advancing the project. Some interest has been expressed and negotiations with an investing party are in progress.

Director's Report

GYPSUM CLIFFS, SA.

Crossland continues to examine opportunities to expand its project portfolio. Crossland has identified potential concentrations of high value heavy minerals on drainages into Lake Eyre. This project is not included in the Joint Venture with Pancon.

Crossland has applied for and been awarded three substantial Exploration Licences in South Australia,. Initial work designed to establish proof of concept have been completed, and these produced concentrates that contained high proportions of rutile and zircon, with credits of several additional strategic elements. The next phase of reconnaissance will involve attempts to identify optimum concentration sites for these elements. Crossland considers that this high risk/ reward target is compatible with its new direction into Strategic Metals.

Geoffrey Eupene

Director

28th August 2013

Statement of Comprehensive Income

For the six months ended 30 June 2013

	Note	Consolidated 2013 $	2012 $
Revenue from ordinary activities	2	**5,445**	64,203
Administration costs		**(143,307)**	(165,968)
Borrowing costs		**(315)**	(200)
Consultants fees		**(87,309)**	(55,250)
Depreciation		**(45,998)**	(53,811)
Employment Costs		**(163,307)**	(124,793)
Exploration Costs Written off		**(36,852)**	(35,759)
Office rent		**(46,697)**	(62,856)
Share of associates losses		**-**	-
Other expenses from ordinary activities		**(24,880)**	(59,770)
Loss from ordinary activities before income tax expense		**(543,220)**	(494,205)
Income tax expense	3	**308,797**	366,116
Net loss from ordinary activities after income tax expense	7	**(234,423)**	(128,089)
Other comprehensive income			
Other comprehensive income before income tax expense		**-**	**-**
Foreign exchange gain on translation of overseas subsidiary		**-**	9
Income tax expense		**-**	-
Other comprehensive income for the period		**-**	9
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD		**(234,423)**	(128,080)
Total comprehensive income attributable to members of Crossland Uranium Mines Limited		**(234,423)**	(128,080)
Basic and diluted loss per share (cents)	7	**(0.14)**	(0.09)

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

Statement of Financial Position

As at 30 June 2013

	Note	Consolidated 30.6.2013 $	31.12.2012 $
CURRENT ASSETS			
Cash		**576,227**	1,085,639
Receivables		**68,303**	101,548
Other Current Assets		**8,049**	19,464
TOTAL CURRENT ASSETS		**652,579**	1,206,651
NON-CURRENT ASSETS			
Receivables		**104,163**	118,888
Exploration properties		**5,888,235**	5,321,126
Plant and equipment		**89,224**	135,222
TOTAL NON-CURRENT ASSETS		**6,081,622**	5.575,236
TOTAL ASSETS		**6,734,201**	6,781,887
CURRENT LIABILITIES			
Payables		**192,611**	329,789
TOTAL CURRENT LIABILITIES		**192,611**	329,789
NON-CURRENT LIABILITIES			
Provisions		**72,083**	60,017
TOTAL NON-CURRENT LIABILITIES		**72,083**	60,017
TOTAL LIABILITIES		**264,694**	389,806
NET ASSETS		**6,469,507**	6,392,081
SHAREHOLDERS' EQUITY			
Contributed equity	4	**17,156,386**	16,851,191
Share Based Payments Expense Reserve		**343,790**	337,196
Accumulated losses	5	**(11,030,669)**	(10,796,246)
TOTAL EQUITY		**6,469,507**	6,392,081

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 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
Balance at 1 January 2013		**16,851,191**	**(10,796,246)**	**-**	**337,136**	**6,392,081**
Comprehensive income						
Loss for the period		**-**	**(234,423)**	**-**	**-**	**(234,423)**
Other comprehensive income for the period		**-**	**-**	**-**	**-**	**-**
Total comprehensive income for the half year		**-**	**(234,423)**	**-**	**-**	**(234,423)**
Transactions with owners, in their capacity as owners, and other transfers						
Shares issued during the period		**300,000**	**-**	**-**	**-**	**300,000**
Share issue costs		**5,195**	**-**	**-**	**-**	**5,195**
Options issued during the period		**-**	**-**	**-**	**6,654**	**6,654**
Total transactions with owners and other transfers		**305,195**	**-**	**-**	**6,654**	**311,849**
Balance at 30 June 2013		**17,156,386**	**(11,030,669)**	**-**	**343,790**	**6,469,507**

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 2013

	Consolidated	
	2013	2012
	$	$
CASH FLOWS FROM OPERATING ACTIVITIES		
Payment to suppliers (inclusive of GST)	**(539,299)**	(348,770)
Interest received	**5,445**	18,053
Interest paid	**(315)**	(200)
Other income	**-**	20,000
R&D Tax offset rebate received	**308,797**	-
NET CASH (OUTFLOWS) FROM OPERATING ACTIVITIES	**(225,372)**	(310,917)
CASH FLOWS FROM INVESTING ACTIVITIES		
Expenditure on mining interests (exploration)	**(1,041,104)**	(734,873)
Reimbursement of exploration expenditures	**437,144**	312,946
Payments for security deposits	**-**	-
Refunds of security deposits	**14,725**	2,000
Payments for property, plant and equipment	**-**	-
Proceeds of sale of property, plant and equipment	**-**	-
NET CASH INFLOWS / (OUTFLOWS) FROM INVESTING ACTIVITIES	**(589,235)**	(419,927)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	**300,000**	-
Share Issue Costs	**5,195**	-
NET CASH INFLOWS FROM FINANCING ACTIVITIES	**305,195**	-
NET (DECREASE) / INCREASE IN CASH HELD	**(509,412)**	(730,844)
Cash at the beginning of the financial half year	**1,085,639**	1,665,894
CASH AT THE END OF THE FINANCIAL HALF YEAR	**576,227**	935,050

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

Notes to the Financial Statements

30 June 2013

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

These general purpose financial statements for the interim half-year reporting period ended 30 June 2013 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 Strategic Metals Limited (formerly Crossland Uranium Mines Ltd)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 2012 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:

Operative date 1 July 2013 with an application date for the group of 1 January 2014.

AASB 1053 Application of Tiers of Australian Accounting Standards and AASB 2012–2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements AASB 1, 2, 3, 5, 7, 8, 101, 102, 107, 108, 110, 111, 112, 116, 117, 119, 121, 123, 124, 127, 128, 131, 133, 134, 136, 137, 138, 140, 141, 1050 & 1052 and Interpretations 2, 4, 5, 15, 17, 127, 129 & 1052

This Standard establishes a revised differential financial reporting framework consisting of two tiers of financial reporting requirements for those entities preparing general purpose financial statements:

- Tier 1: Australian Accounting Standards; and

- Tier 2: Australian Accounting Standards — Reduced Disclosure Requirements.

This Standard deems the Group to be a Tier 1 entity and hence there is no accounting impact to be considered going forward.

AASB 2011–4: Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements

This Standard adds application guidance to AASB 132: Financial Instruments: Presentation to address potential inconsistencies identified in applying some of the offsetting criteria of AASB 132, including clarifying the meaning of "currently has a legally enforceable right of set-off" and that some gross settlement systems may be considered equivalent to net settlement.

This Standard is not expected to significantly impact the Group's financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

New Accounting Standards for Application in Future Periods (continued)

Operative date 1 January 2014 with an application date for the group of 1 January 2014.

AASB 2012–3: Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities

This Standard adds application guidance to AASB 132: Financial Instruments: Presentation to address potential inconsistencies identified in applying some of the offsetting criteria of AASB 132, including clarifying the meaning of "currently has a legally enforceable right of set-off" and that some gross settlement systems may be considered equivalent to net settlement.

This Standard is not expected to significantly impact the Group's financial statements.

Operative date 1 January 2015 with an application date for the group of 1 July 2015.
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]

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; and
- reclassifying financial assets 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.
- 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.

Notes to the Financial Statements

30 June 2013

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

New Accounting Standards for Application in Future Periods (continued)

No other new or proposed accounting standards or interpretations are expected to have a material impact on the Group.

2. REVENUE

	Consolidated	
	2013	2012
	$	$
Revenue from outside operating activities		
Interest received	**5,445**	18,053
Other income	**-**	46,150
Total revenue	**5,445**	64,203

3. INCOME TAX

Loss from ordinary activities before income tax expense	**(543,220)**	(494,205)
Income tax calculated @ 30% (2012 – 30%)	**(162,966)**	(148,262)
Future income tax benefits not brought to account in respect of current year	**162,966**	148,262
R&D Tax Offset Rebate received or receivable	**308,797**	366,116
Income tax attributable to operating loss	**308,797**	366,116

4. SHARE CAPITAL

Issued Capital		
167,629,043 fully paid ordinary shares (2012 – 137,123,067)	**18,025,434**	**16,514,067**
Less share issue costs	**(869,048)**	**(815,781)**
	17,156,386	**15,698,276**
Movement in issued capital		$
Shares on issue 1 January 2013	**157,629,043**	**16,851,191**
Placement	**10,000,000**	**300,000**
Less share issue costs	**-**	**5,195**
Shares on issue 30 June 2013	**167,629,043**	**17,156,386**

Notes to the Financial Statements

30 June 2013

	Consolidated	
5. ACCUMULATED LOSSES	**2013**	2012
	$	**$**
Accumulated losses at the beginning of the half year	**10,796,246**	8,796,934
Net loss for the six months	**234,423**	128,089
Retained losses at the end of the half year	**11,030,669**	9,105,023

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 rare earths, uranium and base metals in Australia. Operating segments are therefore determined on the same basis

	Exploration	Total
Six months ended 30.06.2013		
	$	**$**
Revenue		
Interest revenue	**5,445**	**5,445**
Other revenue	**-**	**-**
Total segment revenue	**5,445**	**5,445**
Segment net profit before tax	**(327,926)**	**(327,926)**
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		**(45,998)**
Unallocated items:		
— administration charges		**(169,296)**
Net profit before tax from continuing operations		**(543,220)**
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)

6. FINANCIAL REPORTING BY SEGMENT (CONTINUED)	**2013** **$**	2012 $
Segment Assets	**6,734,201**	7,208,736
Unallocated assets	**-**	-
Group assets	**6,734,201**	7,208,736
Segment Liabilities	**264,694**	339,334
Unallocated liabilities	**-**	-
Group liabilities	**264,694**	339,334

7. EARNINGS PER SHARE

Basic and diluted	**2013**	2012
Weighted average number of shares used in basic and diluted earnings per share	**164,259,180**	137,123,067
Basic and diluted earning per share (cents per share)	**(0.14)**	(0.09)

8. CONTINGENT LIABILITIES

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

9. SUBSEQUENT EVENTS

The Market was advised on 5 August that an agreement had been executed where a Malaysian Company (HK Rare Earth Sdn Bhd) would take a placement of 40 million shares in two tranches at an average of 3 cents per share thus raising circa $1.2 million.

In addition the market was also advised that Mr Sia Hok Kiang had been appointed a Director of the Company. Mr Sia is a graduate of the University of Malaya in Applied Geology, an economic geologist with more than 30 years world-wide experience. He is an active member of the Malaysian Geological Society and a Council Member of the Malaysian Chamber of Mines and has significant experience relevant to the Charley Creek project.

Both releases can be viewed at www.crosslandstrategic.com

There were no other matters or circumstances which have arisen since 30 June 2013 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 2013.

DIRECTOR'S DECLARATION

The directors declare that the financial statements and notes set out on pages 6 to 14

(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 2013 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 this 28th day of August 2013

On behalf of the Board

R L Richardson
Chairman

bdjpartners audit pty limited
ACN:154 694 925
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Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of Crossland Strategic Metals Limited and Controlled Entities

I declare that, to the best of my knowledge and belief during the half year ended 30 June 2013 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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Anthony J Dowell
Director

23 August 2013

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Independent Auditor's Review Report

To the members of Crossland Strategic Metals Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Crossland Strategic Metals Limited and controlled entities ("the consolidated entity"), which comprises the consolidated condensed statement of financial position as at 30 June 2013, 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 Crossland Uranium Mines Limited 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 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 consolidated entity's financial position as at 30 June 2013 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 Strategic Metals 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.

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Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Crossland Strategic Metals Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

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 Strategic Metals Limited is not in accordance with the *Corporations Act 2001* including:

(a) giving a true and fair view of the consolidated entity's financial position as at 30 June 2013 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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Anthony J Dowell
Director

28 August 2013