

5th July 2012

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

Dear Sir/Madam

CROSSLAND ACCELERATES PROGRAM TO ENHANCE, EXPAND, AND DE-RISK THE CHARLEY CREEK RARE EARTH PROJECT

Crossland Uranium Mines Limited (Crossland: ASX:CUX) are the Managers of a Joint Venture (CUX 55%:PUC 45%) with Canadian listed Pancontinental Uranium Corporation (TSX-V:PUC). Crossland has advised the market that Pancontinental has resumed funding of their 45% equity in the Joint Venture.

Crossland made a market announcement on 15 May 2012 detailing the following Mineral Resources at its Charley Creek Alluvial REE project

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

Crossland has commenced a comprehensive technical program to rapidly Enhance Expand, and De-risk the Project to begin assessment of the economic viability of a large scale alluvial Rare Earth Oxide (REO) mining and processing operation. The principal elements of this program are as follows.

- **ENHANCE.** Heavy rare earth oxides (HREO) have a much better fundamental demand and price outlook versus Light rare earth oxide (LREO)'s. Within the Charley Creek Alluvial Fans, there are significant opportunities to identify areas of mineralized alluvium with higher- grades and ratios of HREO which will have a positive impact on project economics.
- **EXPAND.** The current Charley Creek JORC-compliant Resource for the Western Dam and Cattle Creek areas covers less than 5% of the area of prospective alluvial deposits within the Charley Creek property. Crossland believes there is significant potential to expand on the inaugural Resource estimate.
- **DE-RISK.** Particular emphasis is also being given to **process development testwork** to permit plant design and to demonstrate that REO products will be readily extracted from Charley Creek mineralisation using proven, low cost processes. The **evaluation of process test work** currently under way, together with the **expansion and enhancement programs** will lead to a **Scoping Study** and Preliminary Economic Assessment that will significantly **de-risk** the project, making it attractive for strategic investors.

SUMMARY

Crossland believes that the program outlined above will support ongoing marketing efforts to increase investor awareness of the advanced stage of the Charley Creek project, to the benefit of both Crossland and Pancontinental shareholders.

The potential of Charley Creek is yet to be widely realised and the current program is specifically designed to rapidly demonstrate the project's potential for expansion and enhancement. This should significantly de-risk the project in advance of a future large-scale, low-cost alluvial mining operation to produce high-grade REE and zircon heavy mineral concentrate products. This approach, if successful, would advance Charley Creek's development timetable ahead of many other potential rare-earth producers.

The Program will produce significant results in coming weeks and the market will be updated as these are interpreted. This will lead to an initial Scoping Study which is expected to be completed during the fourth quarter of 2012. Crossland looks forward to communicating these results.

RESOURCE SIZE AND DEFINITION

Crossland recently released an initial JORC-compliant Resource estimate of Indicated and Inferred alluvial Rare Earth Oxide (REO) Resources for two areas at the Charley Creek Project (see May 15 ASX release for additional information).

The Charley Creek property has demonstrated anomalous TREO contents with variable HREO ratios over an area measuring 135 km long and 5 – 7 km wide, an area of approximately 800 square kilometres. See Figure 1.

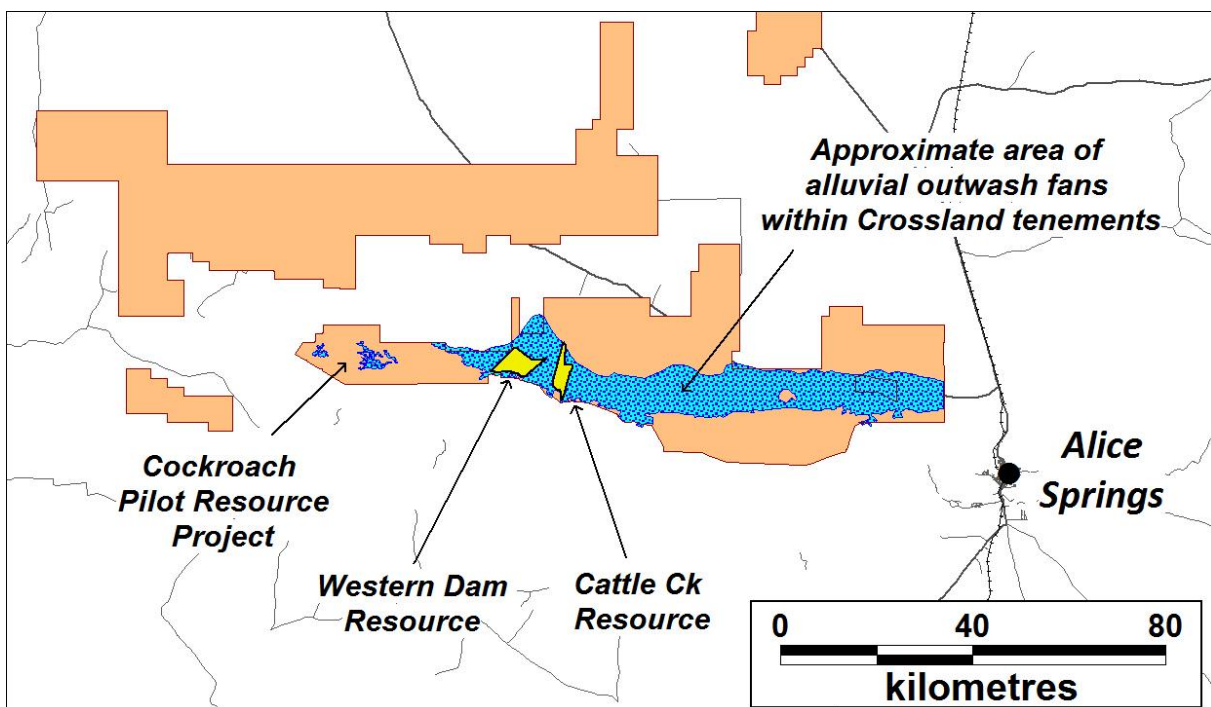


Figure 1

The current Resource exhibits exceptional continuity of mineralization both laterally and vertically within the outwash alluvial fans. Statistical analysis suggests that drill holes located on 800m centres are acceptable for Resource estimation. This analysis will significantly reduce drill costs while producing reliable data for Resource estimation.

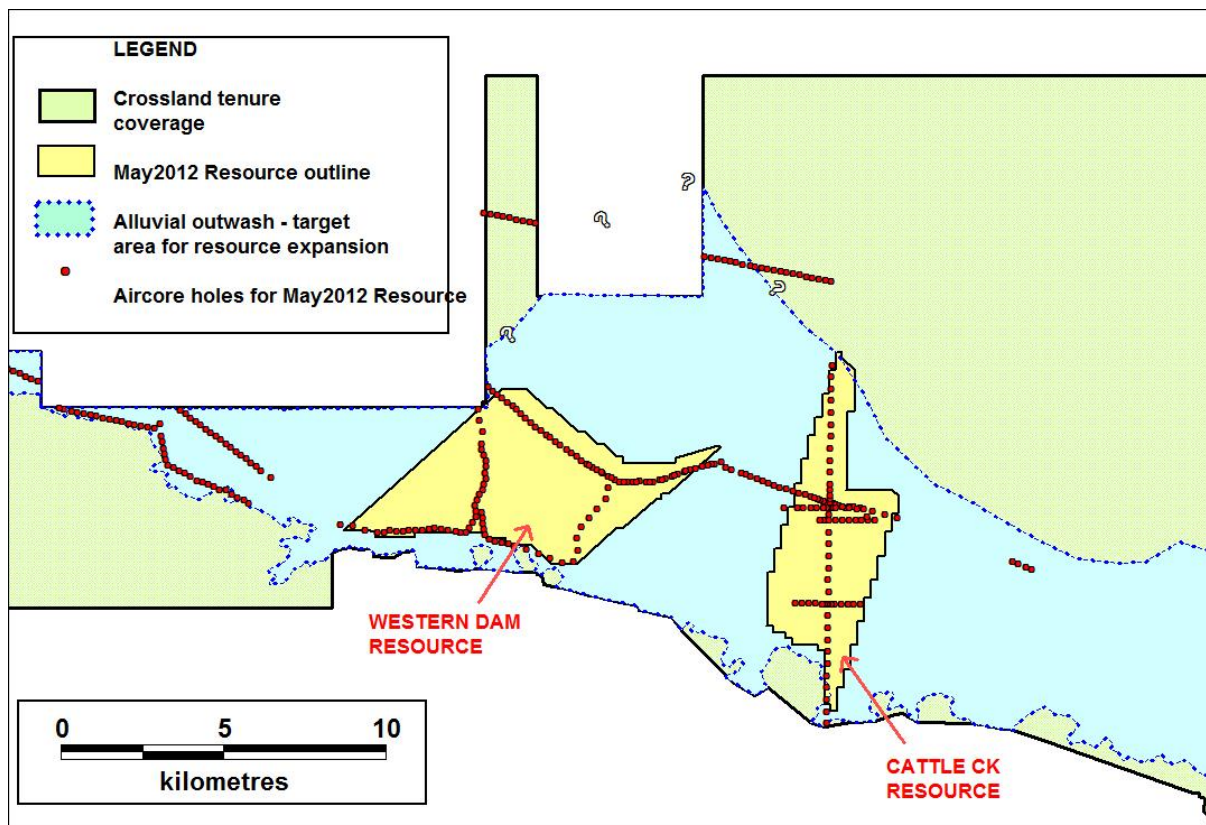


Figure 2

HEAVY RARE EARTH CONTENT

The REO is contained almost exclusively in monazite and xenotime minerals and the current Resource has a Heavy Rare Earth Oxide (HREO) / Total Rare Earth Oxide (TREO) ratio of approximately 17%. There is significant opportunity to increase this ratio by targeting known areas of enriched xenotime mineralization located outside of the current Mineral Resource volume, (see April 5th 2012 ASX release).

Survey results included high grades of up to 0.6% TREO in alluvium (5,778ppm TREO) and HREO/TREO ratios as high as 69.5%. The data suggest that higher ratios of HREO could be expected in the large alluvial deposits to the east of Cattle Creek as evidenced by approximately 21% of the survey samples returning a HREO/TREO ratio of greater than 20% versus the average HREO/TREO ratio of approximately 17% reported for the sample data base of the current Resource. See Figures 3 & 4.

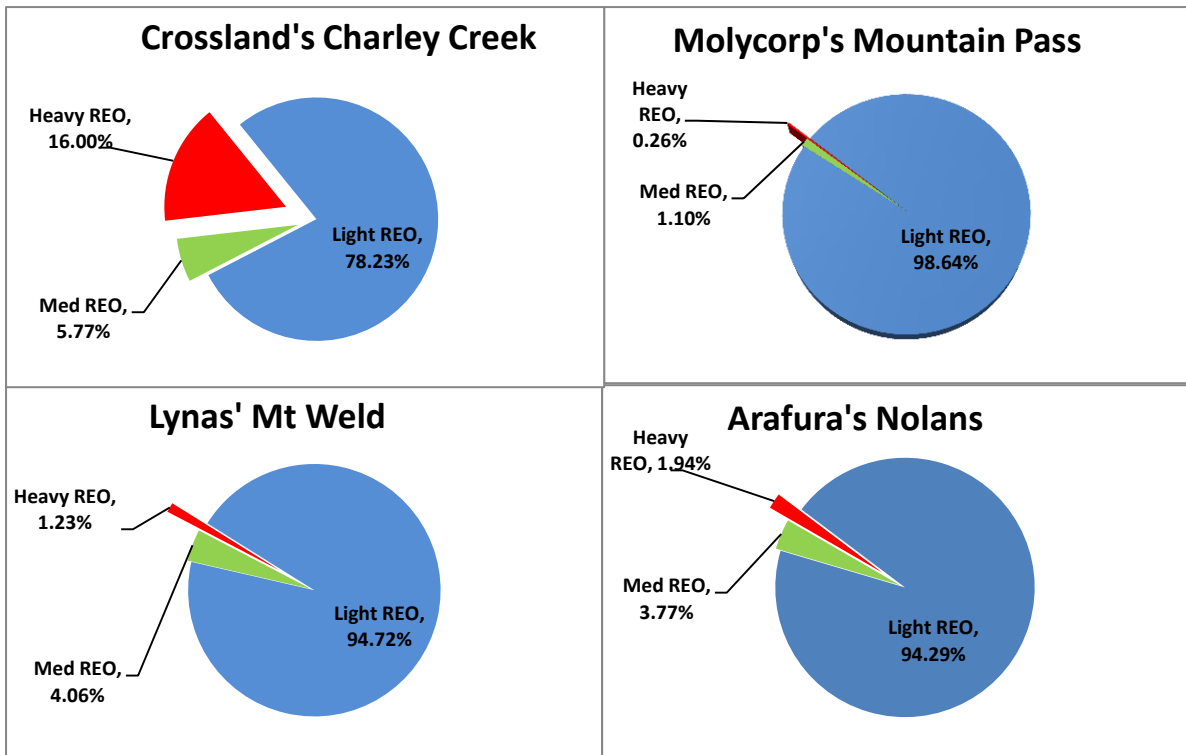


Figure 3

Graphs illustrate the proportions of Light, Medium and Heavy REO in ores from Crosslands' Charley Creek, Molycorp's Mountain Pass, Lynas' Mount Weld and Arafura's Nolans projects, expressed as percentages of Total REO that is Light (LREO: La, Ce, Pr, Nd), Medium (MREO: Sm, Eu, Gd) and Heavy (HREO: Tb, Dy, Ho, Er, Tm, Yb, Lu, Y)

These results provide focus and guidance to identify areas where further drilling could delineate higher- grade HREO- bearing alluvium. Previous mineralogical studies have shown that xenotime is the HREO host mineral in the Charley Creek Project area. Xenotime (Yttrium Phosphate) is highly enriched in high-value heavy rare earths.

Charley Creek's enriched HREO ratio enhances its strategic and economic value.

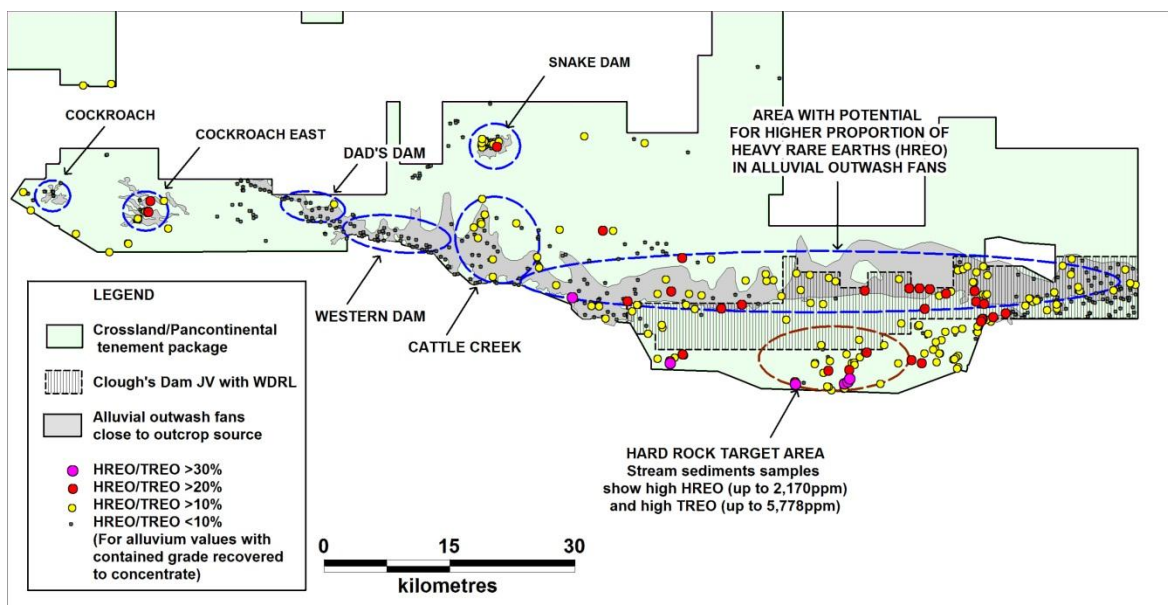


Figure 4

MINERALOGY, METALLURGY, PERMITTING AND MARKETING

The metallurgical treatment of xenotime and monazite minerals found at Charley Creek, is well understood technology. Both monazite and xenotime are phosphate minerals. These minerals have well documented and relatively straight forward and predictable processing characteristics. Both of these REO- bearing minerals are easily dissolved in common acids, making them preferred feedstocks with well-established, low-cost and low-risk processing options for high-quality REO production.

Preliminary **test work has indicated that it will be possible to produce high-grade concentrates** of these minerals using **low-cost physical processes** that are well-understood in the mineral sands industry.

As part of a program to systematically de-risk the project, work has been under way on heavy mineral concentrate flowsheet development and will soon commence on confirmation of expected leaching characteristics of high grade monazite/ xenotime concentrates produced from Charley Creek alluvium in earlier test work. Ongoing studies include the following.

- **Wet Plant Processing to produce initial Heavy Mineral Concentrate (HMC)**
Heavy mineral separation flowsheet development is currently under way at Allied Mineral Laboratories P/L in Perth
 - Spirals are showing good HM recoveries
 - A grade of 6.25% TREO has been achieved in HMC in initial tests
- **Dry Plant Processing of HMC using magnetic and electrostatic processes common to the heavy mineral sand industry**
Production of high grade monazite/ xenotime concentrate is being assessed (TARGET 50%TREO) . A separate Zircon concentrate can also be produce.
- **Hydrometallurgy process requirements as they relate to the production of rare earth oxide products**
 - A first stage “process confirmation” of hydrochloric and sulphuric acid leach characteristics will commence soon on monazite/ xenotime concentrates and will be reported during this phase of testing
 - Preliminary hydrometallurgical process studies for leaching monazite/ xenotime concentrate, with processing to produce value added, separate refined rare earth oxide and hydroxide products will follow in a subsequent testing phase
- **Permitting and baseline environmental studies will be initiated.**
- **Marketing studies will be initiated when sufficient initial product is available to commence distributing samples.**



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.*