CROSS LAND

Uranium Mines Limited

ABN 64 087 595 980

ANNUAL REPORT 2011

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Geoffrey S Eupene (Executive Director)
Patrick J D Elliott (Non Executive Director)
Peter W Walker (Non Executive Director)
Robert A Cleary (Non Executive Director)

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CHAIRMAN'S REPORT

Rare earths has taken centre stage for Crossland as the team drives the Charley Creek project in Central Australia towards the definition and development of an alluvial resource and its assessment for possible mining.

Within a relatively short period following the discovery in 2010 of significant rare earth (REE) values the Crossland team has advanced this project to the stage where the elements of a possible mining project are now being seriously investigated. This is a remarkable achievement given that the REE field from exploration, mining, processing to marketing is a relatively new and emergent industry, with technical issues and procedures that are very different from and more complex than say iron ore, or precious metals.

For instance, to state the obvious, at Charley Creek we are exploring for fifteen rare earth elements at once, all with different and shifting values depending on changes in supply and demand, politics, and applications development in what is an evolving industry. We are also quantifying the amounts of monazite and xenotime minerals, that contain most of the REE elements, as well as zircon which would be a minor but valuable by-product of any mining operation.

Crossland has had its share of unforeseen technical hurdles to overcome. Because the Charley Creek REE are in alluvium, the alluvial material has been sampled by producing gravity concentrates of bulk field samples and forwarding these concentrates for laboratory assay. These concentrate samples contain relatively high grades of REE, up to 50% TREO (total rare earth oxides), which is unusual compared with hard-rock REE ore and this has challenged the ability of the commercial laboratories to provide reliable assays of Crossland's higher grade concentrate samples. This is due to a worldwide shortage of high grade REE standards to use for instrument calibration. The commercial laboratories, working with our exploration team, has now developed methods to overcome this problem, but not before causing serious delays in obtaining reliable assays of higher grade concentrates and thereby holding up the determination and announcement of a JORC resource at Charley Creek.

Being hosted in unconsolidated, shallow alluvium, Crossland's REE is expected to be easier and cheaper to extract than REE from hard rock deposits because it will be amenable to extraction using familiar heavy minerals sand mining technology. Because subsequent gravity processing of the mined alluvium can produce a relatively high grade concentrate of the REE minerals, the size and complexity of the processing plant to produce individual REE products should be relatively small compared with hard rock REE projects. Of particular encouragement is the indicated high proportion of the critical, and more valuable heavy REEs in the Charley Creek concentrate mix. Identification and delineation of those parts of the alluvial resource that contain higher grades of heavy REE will have an important bearing on the viability of a mining project. It is expected that these advantages will work to offset the low in-situ grade of the deposits.

The uranium potential of Crossland's areas has not been forgotten. Diamond core drilling in 2010 on the radiometrically "hot" Teapot Granite at Charley Creek, whilst failing to intersect significant ore grade uranium, confirmed that this is a very large and fertile environment for intrusive hosted uranium mineralization. Study of the core has revealed valuable information on mineralisation controls and has pointed the way towards further drilling targets. These targets are waiting "in the wings" for the exploration team to re-visit down the track as emphasis on the REE project moves from exploration to development. Despite further unseasonal rains and access difficulties in the Top End, systematic exploration including drilling in the Chilling area has advanced our understanding and confidence in this area for unconformity related uranium mineralization.

Crossland has been fortunate in having management with deep technical experience in its team. For an exploration company, the importance of having people with the ability, firstly to recognize and quickly advance opportunities that may well have gone unnoticed by others, and secondly to grapple with and overcome technical issues thrown up in an evolving new field, cannot be overestimated. This team has been augmented recently with the engagement of two consultants with extensive experience in the rare earth arena. Rolly Nice is a metallurgist and is providing advice on REE processing options for Charley Creek ore. Alistair Stephens has gained sound knowledge of the rare earths market from his previous work with other potential suppliers to this growing and very important renewable energy industry, and I feel certain that both Rolly and Alistair will enhance Crossland's prospects as we evaluate the economic viability of developing a commercial rare earths project for shareholders.

Although evaluation of the rare earths resource in Central Australia has been our priority during 2011 and consumed the majority of funds expended, we have not lost sight of the potential of our exploration tenements at Chilling and elsewhere. However the aftermath of the Fukushima nuclear plant tsunami damage has resulted in a worldwide step-back in commitment to new and some existing nuclear power plants, with a resultant collapse in the price for U_3O_8. This is expected to overhang the nuclear industry for 18 months - 2 years, so your board considers it prudent that Crossland directs its priorities for the immediate future towards evaluating the economic potential of other commodities discovered by our exploration team over the last couple of years on our tenements.

Bob Richardson
Chairman
28 March 2012

REVIEW OF OPERATIONS

INTRODUCTION

Crossland's exploration activity was maintained at a high level during 2011, particularly at the Charley Creek Project in Central Australia where an intensive work program has demonstrated the existence of very extensive deposits of REE-bearing alluvium. The delineation and assessment of the economic potential of these REE deposits at Charley Creek is now the main focus for the Crossland team.

Aside from REE, the uranium potential in Crossland's areas has not diminished and a steady program of geophysical surveys, geochemical sampling, mapping and drilling for uranium has continued in the Chilling area in the Top End. Excellent targets for uranium remain also in the Charley Creek tenements and these may be further examined down track.

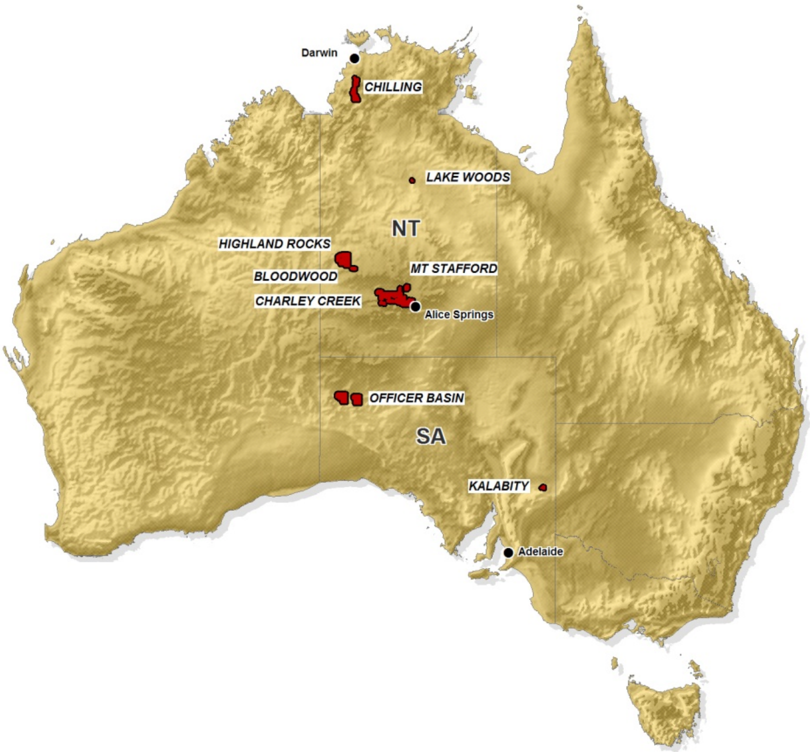
Early stage investigatory work has also been completed in the Mount Stafford, Highland Rocks and Bloodwood tenements in the Northern Territory and the Kalabity tenement in South Australia.

The operations of the Company are described in detail in the quarterly operations reports to ASX. This annual report summarises the information contained in the quarterly reports and on the company's website, which is kept current with the most recent announcements and reports. This can be accessed at www.crosslanduranium.com.au.

Most of the company's releases are accompanied by an interview on Boardroom Radio, which can

The delineation and assessment of the economic potential of these REE deposits at Charley Creek is now the main focus for the Crossland team.

be accessed from their website, from the Crossland website, or from links on many financial web sites. It is also possible to access all of the interviews as they are released by subscribing on the Boardroom Radio website.



EXPLORATION STRATEGY

Crossland's exploration strategy is to pursue the discovery of major deposits of REE, uranium or associated minerals using the extensive experience of its team and the use of modern and innovative exploration techniques.

The company generally follows a systematic appraisal process, gathering basic field data on all project areas using regional techniques such as high quality airborne geophysical surveys, ground radiometrics, geological mapping and stream geochemical sampling. Targets selected from this work are ground checked and advanced with detailed surveys and drilling.

Crossland's exploration activities are spread across some 32 tenements located in the Northern Territory and South Australia.

- The **Charley Creek Project** in Central Australia has emerged as a promising Rare Earth Elements (REE) opportunity with potential for decades of REE production sourced from shallow, easily mined alluvium. Although the priority at Charley Creek has now shifted from uranium exploration to advancement of the REE project, the potential for uranium in other parts of the tenement package is excellent and this will be pursued in the future.
- At the **Chilling Project** in North Australia, Crossland is targeting unconformity- related uranium and/ or base metal deposits. The Chilling tenements cover an area of over 2,900km^2 on the western margin of the Pine Creek Orogen, a geological region that hosts the unconformity- related uranium deposits at Ranger 1 and Rum Jungle that have provided most of Australia's production to date.
- Renewed exploration effort at **Kalabity** in 2010 resulted in the identification of uranium grades of interest in association with a variation on the calcrete deposit theme. The metallurgical properties of this mineralisation are being assessed.
- The **Bloodwood, Highland Rocks and Mount Stafford Projects** in Central Australia have been the subject of extensive stream and rock-chip sampling in late 2011. Results are being compiled currently with a view to identifying areas for more detailed investigation. Crossland believes that these tenements have uranium, REE, gold and copper potential.
- Drilling was conducted at the **Lake Woods Project** with assistance from an NT Government drilling subsidy in 2009. This drilling revealed a layered basic intrusive that may be the source of microdiamonds that have been found in numbers in local drainages. Crossland is seeking a partner to advance this project.

As occurred during 2010, unusual unseasonal weather patterns during 2011 caused serious interruptions to planned field work programs in some areas. Nevertheless, the Crossland team with its extensive practical experience operating in remote and harsh environments, has managed to work around these difficulties and achieve substantial field progress during the year.

The Charley Creek Project in Central Australia has emerged as a promising Rare Earth Elements (REE) opportunity with potential for decades of REE production sourced from shallow, easily mined alluvium

During the year Crossland was granted drilling assistance of $100,000 from the Northern Territory Government. This is the second such grant and is a testament to the quality of Crossland's exploration concepts and the capability of its team.

Vehicle-mounted light aircore drilling rig used for alluvium sampling at Charley Creek

ACTIVITY SUMMARY

Charley Creek Project NT (*ELs 24281, 25230, 27283, 27284, 27338, 27358, 27359, 28155, 28224, 2822, ELAs 28154, 28281, 28500: Crossland 55%, Pancon 45%; EL 25657 Crossland/Pancon earning 60%)*

Rare Earths

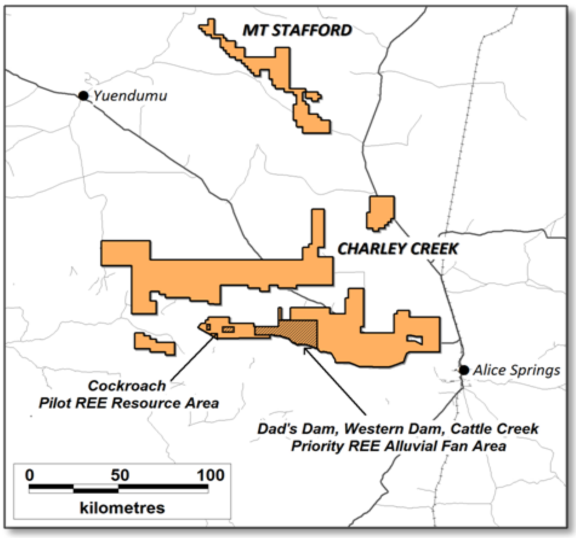
With the discovery of very large deposits of alluvium containing REE at Charley Creek, the emphasis has shifted from uranium exploration to the assessment of the REE deposits and their advancement through resource development to possible mining.

Early work showed that streams and unconsolidated alluvial sediments in the area contained heavy minerals with strong REE values. It became evident that both the Teapot Granite and the gneissic rocks it intrudes are the sources of heavy minerals containing REEs that have been transported by erosion and outwash from the hills onto the Quaternary alluvial plains to the north.

An extensive program of stream sediment sampling, trench sampling, auger drilling, has now been completed within the 6,500 square kilometre Charley Creek tenement package.

This program has included the following physical work:

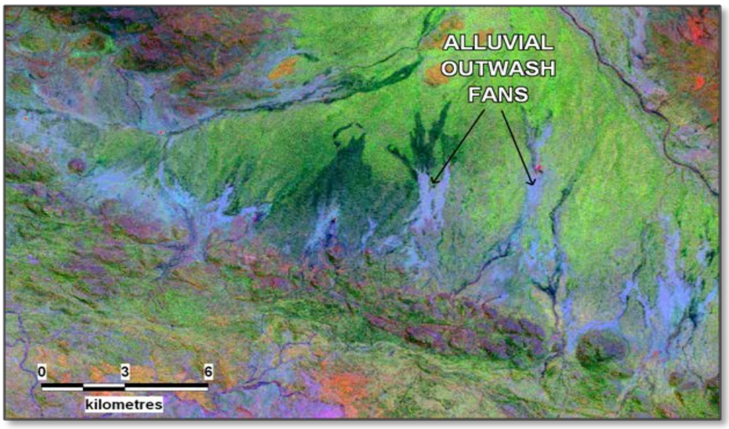
- 1,007 soil samples (each 25kgs) from widely spaced locations across the extensive alluvial fans.
- 1,407 samples from auger, air-core drilling and shallow pitting on 400m x 100m grid across the Cockroach Dam and Cockroach East pilot resource study area.
- 1,280 samples from 564 aircore holes on the Cockroach Dam and Cockroach East pilot resource study areas on 400m by 100m and 200m by 100m grids.
- 222 aircore holes at Dad's Dam, Western Dam and Cattle Creek alluvial fan areas, which also sampled bedrock.
- 75 aircore holes averaging 45m deep have been completed at the Cattle Creek Bedrock REE prospect.
- The Crossland field team has processed over 4,200 samples from the above sampling and drilling using Crossland's in-field gravity and magnetic processing facility. Assays have been conducted by ALS Laboratories and more recently check assaying has been conducted by Genalysis.



Plan shows location of Crossland's Charley Creek and Mount Stafford tenements in Central Australia

The proportion of the critical heavy REE in concentrates produced from Charley Creek alluvium is substantially higher than most other known advanced REE resource projects

- Bulk samples totalling 15,000 kgs have been extracted from 12 test pits in alluvium at Cockroach East and Cockroach Dam and subjected to metallurgical tests in a Perth

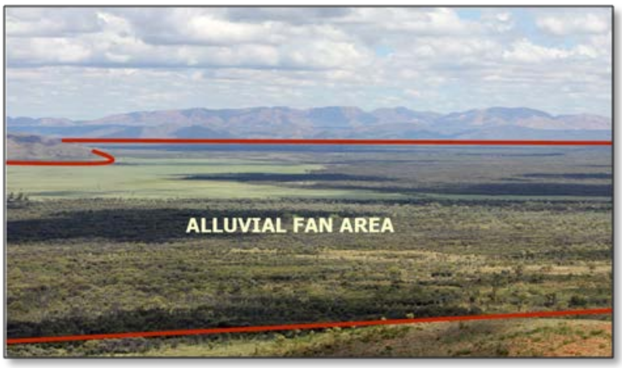


Landsat imagery shows alluvial outwash fans that carry the REE minerals from the outcropping source rocks to the alluvial plains.

laboratory to define an optimal process route for production of saleable heavy minerals (HM). Processing of these samples has produced heavy mineral concentrates (HMC) and middlings for metallurgical test work to generate optimum mineral concentrates of the valuable heavy mineral phases.

At Cockroach and Cockroach East prospects a detailed auger and aircore drilling program was conducted to determine a pilot alluvial resource estimation. These alluvials are relatively shallow (average depth 1.2m), and about 17 million bank cubic metres of alluvium will fall within resource outlines in two separate drainage basins. The drainages are close to an obvious source of REE minerals in the Teapot Granite so, in the early stages of the REE study, they represented a low risk opportunity to develop the methodology for defining and estimating an alluvial REE resource and to produce concentrates of monazite, xenotime and other heavy minerals for other studies.

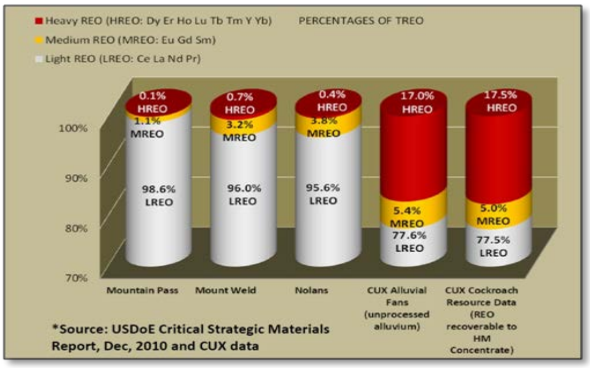
The study has provided valuable materials for testing, and knowledge that future REE alluvial resource evaluations will draw on. It will also provide a supplemental resource to the larger deposits at Dad's Dam, Western Dam and Cattle Creek prospects as well as other alluvial fan that are the main REE target for Crossland at Charley Creek.



Picture shows a view of the Charley Creek alluvial plains with a rough outline of the area of interest

The Cockroach pilot resource estimation program consisted of 1,261 auger/soil samples collected and 564 aircore holes for 1,256 meters and 1,279 samples. All samples were processed to produce heavy mineral concentrates.

Finalisation of the pilot resource estimate was frustrated and delayed by an unusual assay problem. Check sampling and assays as part of



Graph shows comparison of LREO, MREO & HREO proportions between the Charley Creek REE alluvium and known advanced REE projects

internal due diligence procedures returned significant (positive) differences when compared with the original results. The issue has reportedly been caused by a worldwide shortage of suitable certified analytical standards to cover the very high REE contents of some Charley Creek concentrates. The resolution of this matter has not been straightforward.

Crossland has worked with the assay laboratories to resolve these difficulties to ensure that resource estimates based on these high grade alluvial concentrates will be compliant with best industry practice. In early 2012, new laboratory procedures were developed and tested by Genalysis Laboratories to overcome these problems. This capability to reliably analyse high grade concentrates has allowed the finalisation of metallurgical tests and the Cockroach resource estimate can now be finalised.

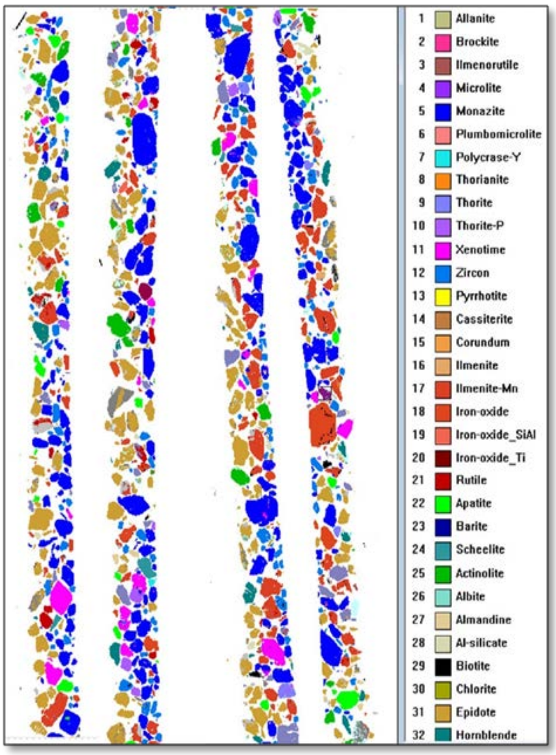
An experienced process engineering consultant has been engaged to overview the metallurgical testwork being conducted and provide advice on an optimal process route for production of saleable REE products.

Important conclusions from the work completed to date are summarized below.

- The Charley Creek alluvial material is easily treatable using low-cost methods familiar to the heavy mineral sands (HM) industry, to produce a high grade concentrate.
- Significant REE values extend from surface to at least 20 metres depth, over very extensive areas.
- The volumes of REE rich alluvium are potentially very large. Aircore drilling has

indicated continuous thicknesses of REE rich alluvium within a 150 sq km area embracing Cattle Creek, Western Dam and Dad's Dam prospects. Other alluvial fans also show promise for large tonnages.

- The results of testwork and processing on 4,200 stream sediment, auger and aircore drill samples, and bulk samples from test pits indicate that it should be possible for simple gravity processing to produce a concentrate containing Monazite (which contains Light and Medium REE), Xenotime (which contains the critical and valuable Heavy REE and Yttrium), Zircon and possibly other heavy minerals. Monazite and xenotime are regarded as prime feedstock for REE production, with few of the problems that



Images of material from Charley Creek alluvial concentrates produced by ALS Mineralogy mineral liberation analyser. Dark blue grains are monazite, bright pink xenotime.

may confront more complex mineralogy.

- There is a significant Zircon component in some alluvium that could form a significant by- product of REE heavy mineral production.

- All three valuable minerals in the heavy mineral concentrates, monazite, xenotime and zircon, are generally well liberated.

- Crossland's gravity processing of alluvium samples has demonstrated that REE concentrates can be produced with generally higher REE values (typically 10-50% TREO) than at typical hard-rock REE deposits, and at substantially lower costs.

- The proportion of the critical heavy REE in concentrates produced from Charley Creek alluvium is substantially higher than most other known advanced REE resource projects.

The REE discoveries have led to an important new direction for Crossland. If an alluvial resource can be established during 2012, it is expected that definition, feasibility and permitting for a relatively simple alluvial development that produces heavy mineral concentrates, and a small refining plant that produces upgraded products, could proceed quickly. This could lead to production of saleable commodities in time to take advantage of the present and predicted continuing shortfall in some REE. The products that Crossland aims to produce will contain good proportions of the critical and valuable Heavy REE, and are expected to have a good demand.

The main elements of the planned forward program through 2012 for the Charley Creek REE project are as follows:

- Complete initial alluvial Resource estimates for Cockroach, and Dad's Dam, Western Dam and Cattle Creek alluvial fan areas

- Develop process flowsheets for heavy mineral and REE leach products

- Establish indicated Resource estimate over sufficient volume for at least ten years of alluvial production; initial evaluation of several additional areas with indications of higher xenotime: monazite ratios

- Pre-feasibility study for an alluvial mining project

- Commence long-lead time environmental studies

- Further regional exploration of alluvials and hard-rock with specific focus on xenotime

Uranium

The potential for granite-related uranium (Rossing-type) and redox-related palaeo-drainage uranium style mineralisation has not diminished in the Charley creek tenements, however the impact of the Fukushima disaster on the uranium price and the necessity to focus all resources on REE has sidelined these targets for the time-being.

Testing of uranium drill targets identified using a geophysical and geological mapping study undertaken in late 2010 are on hold pending a recovery of the uranium market.

Chilling Project, NT *(ELs 22738, 23682,24557, 25076, 25077, 25078, 27441, 27525; ELAs 27440, 27442, 28443: Crossland 50%, Pancon 50%)*

There are five key prospect areas within the 2,900 square kilometre Chilling Project – Eccles, Marchfly, Allia Creek Window, Fletchers Gully and Buchanan.

The **Eccles** prospect is located at the northern part of the project area, within Litchfield Park. The anomaly occupies a classic setting for unconformity related uranium mineralisation, at the contact between Lower Proterozoicmetasediments of the Pine Creek Orogen, and overlying Middle Proterozoic Tolmer Group. Total/PNC drilled over 70 holes to test the anomaly and associated structures. Crossland has identified further exploration drill targets.

At **Marchfly**, Crossland believes that a modest resource could be quantified. This is likely to be too small to warrant a stand-alone processing plant on the presently indicated mineralization. The structure controlling the mineralization has been identified and this remains open to the south. There are similarities between March Fly and Thundelarra Mineral's Thunderball discovery located some 80 kilometres to the east. Crossland has identified further targets to test for extensions to the existing resource.

The **Allia Creek Window** contains the MEMA prospect, a well-defined structure that contains outcropping secondary uranium mineralisation and can be traced for some hundreds of metres. It may be part of a structure that persists for tens of kilometers through the capping Tolmer Sandstone, and is a prime target to drill for unconformity related mineralisation. Extensive ground geophysics and geochemistry was completed in the Allia Window in 2010, and essentially in 2011. Drill targets and areas for more detailed follow-up are identified.

Fletcher's Gully is an abandoned gold field wholly contained within EL25076. Crossland has reviewed past exploration data and has followed up some opportunities that remain for discovery of additional mineralisation. A field program to further investigate this gold prospect in more detail has been planned. There is potential for a low grade heap leach resource based upon existing data.

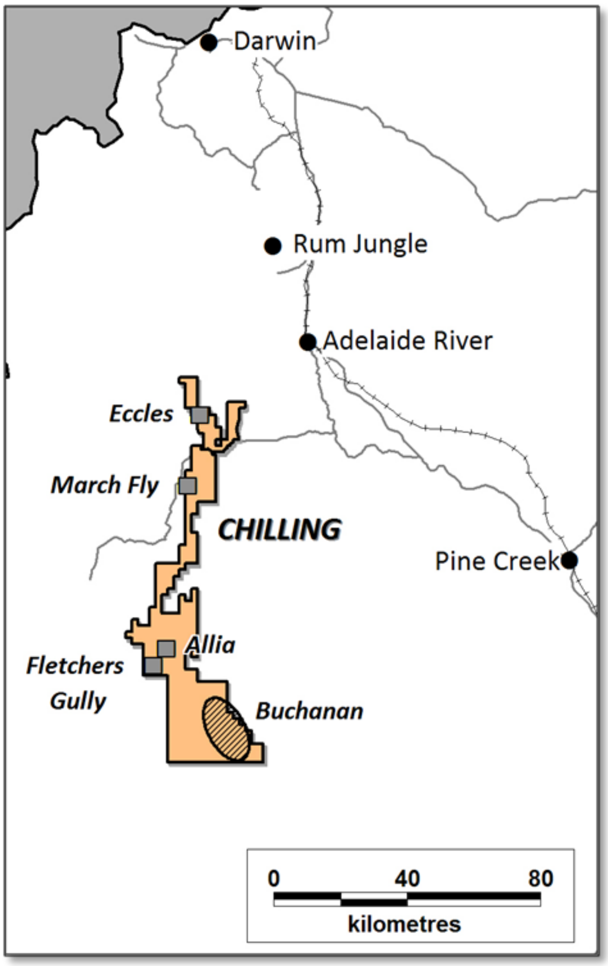
A two stage drilling program was completed at **Buchanan Prospect** during 2011. The first stage consisted of 130 shallow aircore holes, totaling 2,837 metres, to test for 'C' horizon geochemical anomalies. The results confirmed that there is a concentration of anomalous metals (uranium, copper and lead) along the southwestern and southeastern edges of the Buchanan "window". The most anomalous values obtained included, uranium (40 and 91ppm), copper (1021 and 2436ppm) and lead (1035 and 3478ppm)

…the drilling results support the potential for unconformity related uranium and base metal mineralisation at Buchanan.

The second stage consisted of ten widely spaced diamond core holes for a total of 2,291 metres. The aims of the core drilling were to test geochemical anomalies identified by the previous aircore drilling and to provide a detailed picture of the overall stratigraphy at Buchanan to enhance the geological model for the area and to provide a better understanding of its potential for uranium and/or base metal mineralisation.

The Northern Territory Government provided drilling assistance funding of $100,000 towards the cost of this drilling program through their "Bringing Forward Discovery" program.

Assay results showed widespread anomalism at significant levels in a range of metals including uranium, lead, zinc, copper and nickel. Of 148 samples submitted, eleven showed >1,000ppm for copper and/or zinc and/or lead. The highest lead value was 6.3% over one metre. One sample of oxidised breccia returned 356ppm uranium. Further assaying is being undertaken to follow up on these indications.



Plan shows location of Chilling project tenement package and key prospects

Geological interpretation of the core has led to a clearer understanding of the geology and the generation of new ideas and targets. Given the diverse geology, the favourable setting for unconformity style deposits, the widespread anomalism, and evidence of metal-bearing fluid migration encountered during this program, the drilling results support the potential for unconformity related uranium and base metal mineralisation at Buchanan. Future work will be aimed at developing further drilling targets to test these concepts. The encouraging results particularly in the wide-spaced diamond drill holes across the prospect require follow-up.

Other activities completed within the Buchanan tenement were stream sediment sampling (107 samples collected), systematic radiometric prospecting (550 line kilometers) and detailed geological mapping. Follow-up exploration activities in EL 25076 comprised 156 line kilometers of systematic in-fill radiometric prospecting and the collection of 40 stream sediment samples. A ground inspection of the Fletchers Gully gold workings was followed by a desktop study and compilation of historical exploration data. Compilation of this data is in progress.

Mount Stafford, NT *(ELa28492; Crossland 50%, Pancon 50%)*

The **Mount Stafford** tenement is located approximately 150 kilometers north of Charley Creek and embraces extensive areas of outcropping Proterozoic granite and metamorphic surrounded by alluvium. Crossland has undertaken a regional scale stream geochemical sampling program to investigate the potential for REE and other metals. 350 sites have been sampled and results are currently being compiled and studied.

Bloodwood, Highland Rocks, NT

(EL27373, ELa's27374, 27375, 27571, 27572: Crossland 50%, Pancon 50%)

The **Bloodwood** and **Highland Rocks** areas are considered to have potential for uranium and base and precious metals. Regional scale stream geochemistry has been completed and results are being compiled and studied. Grab samples at old workings in Bloodwood have shown anomalous base and precious metals up to 32.4 g/t silver and 1.64% copper.

Kalabity, SA *(EL4461: Crossland 30%, Pancon30%)*

Crossland's work has identified the Tabita Prospect, where carnotite uranium mineralisation is associated with calcrete, with grades up to 1,000ppm uranium. Metallurgical studies were carried out on samples obtained from trenching across the prospect. The testwork showed that uranium grades can be beneficiated using a simple process. Further study is required to determine whether this beneficiation, and the likely tonnage of available material, is sufficient for the prospect to be of economic interest.

Lake Woods, NT *(EL23687, EL24520, EL25631, EL23717, EL23718, SELa28198, SELa28199: Crossland 100%)*

The title position was rationalised during the year and a potential partner is being sought to further investigate the potential for diamonds or nickel/platiinoid, as the project does not fit Crossland's current project focus.

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.*

Directors Report

Your Directors present their report on the consolidated entity consisting of Crossland Uranium mines and the entities it controlled at the end of, and during the year ended 31 December 2011

Directors

The following persons were Directors of Crossland Uranium Mines Limited during the whole of the financial year and up to the date of this report:

Robert L Richardson
Patrick J D Elliott
Geoffrey S Eupene
Peter W Walker
Robert A Cleary

Directors' qualifications and experience

Bob Richardson, Non-Executive Chairman
Bob Richardson, B.Sc, B.E(Hons), MAusIMM, MASEG, has 42 years experience in mineral exploration management, geophysics and exploration technology. During 15 years with the Peko- Wallsend Group as Chief Geophysicist and later Exploration Manager, he supervised all geophysical work carried out by Peko- Wallsend in the Alligator Rivers Uranium Province during the Ranger discovery and resource development period. During this period Bob and his team developed a leading- edge understanding of the application of geophysical methods to uranium exploration. He was co- founder and Managing Director of Austirex Aerial Surveys that became an international airborne geophysical contractor. He co-founded Lachlan Resources NL in 1983, and PlatSearch NL in 1986.

Patrick J D Elliott, Non-Executive Director
Pat Elliott, MBA (Mineral Economics) (Macquarie University); B Comm (University of NSW); ASA; MAICD, is a company director specialising in the resources sector with 40 years experience in investment and corporate management. His early career was at Consolidated Gold Fields Australia Limited and covered investment analysis and management, minerals marketing (copper, tin, rutile and zircon). He went into investment banking and became Head of Corporate Finance for Morgan Grenfell Australia Limited. Pat subsequently became Managing Director of Natcorp Investments Ltd which owned a number of manufacturing businesses. After its takeover he became an active early stage venture capital investor with an emphasis on resources. Pat is Chairman of ASX-listed companies: Argonaut Resources NL, Australia Oriental Minerals NL, Platsearch NL and MIL Resources Limited, in the latter of which he is also Managing Director. He is also a director of Global Geoscience Limited and a number of privately owned companies.

Geoff Eupene, Executive Director
Geoff Eupene, B.Sc(Hons), FAusIMM, CPGeo, is a Darwin- based geologist. Geoff spent the 1969 field season, his first after graduation from the University of Queensland, looking for uranium in the East Kimberley. In 1970 he joined Geopeko as they started their field work at Ranger. As Mine Geologist, he logged every hole drilled into the Ranger No. 1 ore body, interpreted the geology, and developed a resource estimate that agreed closely with the total material mined over the following decades.
In 1976, he headed the team that discovered the Ranger 68 deposit beneath the Magela floodplains.
Geoff worked for Geopeko for over ten years before founding a consulting practice in Darwin in 1980. Eupene Exploration Enterprises Pty Ltd has provided advice and services to many uranium explorers, and assisted in the development of several other mining projects in the NT, including Mount Bonnie silver/gold deposit, Tanami gold, Goodall gold, Rustlers Roost gold, and Woodcutters base metal projects. Geoff has also acquired a depth of experience in SE Asia.

Bob Cleary, Non – Executive Director
Bob Cleary, B. Sc (tech) Chem Eng., graduated as a Chemical Engineer from the University of NSW, and soon afterwards began working in the

chemical and petrochemical manufacturing industries in Sydney, Melbourne and New Zealand. In the mid 1980's, Bob was enticed across to the mining industry, joining ERA as Operations Manager at Ranger. He was promoted to General Manager Operations several years later, trimming the Ranger operation to sustain profitable operations despite record low uranium prices. After a four year stint in Western Australia, evaluating investment opportunities for North Ltd in nickel and iron ore, Bob rejoined the ERA team as Deputy Chief Executive, and was promoted to Chief Executive in mid 1999, a position he held through the takeover of North Ltd. in 2000 until early 2004 when he decided to cease full time employment.

Bob is also a director of CleanTeQ Limited, a company commercialising resource extraction and recovery innovations, as well as a director of Stonehenge Metals Limited.

He also provides consulting services to the resources industry.

Peter Walker, Non-Executive Director

Peter Walker, B.Juris, Ll.B, FAICD, is a Darwin based lawyer who has practised in the resource industry for over 35 years. He has long experience with land access issues including the special situations that exist in the Northern Territory. Peter acted for Peko EZ (a joint venture between Peko-Wallsend Operations Limited and Electrolytic Zinc Company of Australasia Limited) on permitting matters for the Ranger project, and for Pancontinental Mining Limited, which discovered the Jabiluka deposit. He also assisted Uranerz Energy Corporation and Power Reactor and Nuclear Fuel Development Corporation (PNC), and other explorers and miners, with NT access and development matters. Peter has been a director of several companies including Australian Diamond Exploration NL, which discovered and developed the Merlin diamond mine.

Mal Smartt, Company Secretary

Mal Smartt, BA (Accounting), Grad Dip Corporate Management, FCPA, FCIS, FCIM is a Corporate Consultant to listed and unlisted public companies. He is a qualified accountant and company secretary having had considerable experience in Directorial, Financial and Company Secretarial roles with a number of listed companies in the resource sector in Australia, South East Asia and Africa.

Principal activities

The principal activities of the consolidated entity are the exploration for uranium and rare earth elements (REE) in the Northern Territory and economic hardrock gold deposits. There has been no change in the principal activities during the year.

Results

The net result of operations after applicable income tax benefit of the consolidated entity for the year ended 31 December 2011 was a loss of $2,390,334(2010 – loss of $796,806).

Dividends

No dividends were either paid or declared for the year (2010 – nil).

The Directors do not recommend the payment of a dividend in respect of the financial year ended 31 December 2011.

Review of operations

Information on the operation and financial position of the consolidated entity and its business strategies and prospects are set out in the review of operations.

Significant changes in the state of affairs

With effect 1 September, Pancontinental ceased funding and opted for dilution. As at 31 December, the position of both parties in the Joint Venture was Crossland circa 55% and Pancontinental 45%. Pancontinental have advised that subject to their own cash position they may re commence funding.

Clearly this has had a substantial effect on the exploration expenditure for Crossland and as advised to the market, Crossland will seek an investor to assist funding.

Matters subsequent to the end of the financial year

At the date of this report there were no matters or circumstances which have arisen since 31 December 2011that have significantly affected or may significantly affect:

i. the operations of the consolidated entity,
ii. the results of those operations, or
iii. the state of affairs of the consolidated entity in the financial year subsequent to 31 December 2011.

Likely developments

The Company is hoping to identify precious and rare earth metals, uranium and base metal exploration and evaluation opportunities which are perceived to offer outstanding value. At this stage, it is not possible to postulate likely developments from any of these exploration activities. As the consolidated entity's areas of interest are at an early stage of exploration, it is not possible to postulate likely developments.

Directors' benefits

During the year no Director of the Company has received or become entitled to receive a benefit (other than a benefit included in the notes to the accounts) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

Share options

Particulars of options granted over unissued shares:

	2011	2010
Total number of options granted by the Company over unissued ordinary shares	**9,250,000**	9,250,000
Options issued during the period (see note below)	**Nil**	5,750,000
Shares issued in the period as the result of the exercise of options	**Nil**	Nil
Options expired during the period	**Nil**	Nil

Full details of options on issue are shown in note 22.

Meetings of directors

Attendance at Directors' meetings during the year:

	Eligible to attend	**Attended**
Patrick J D Elliott	9	9
G S Eupene	9	9
R Richardson	9	9
P Walker	9	9
R Cleary	9	9

The Audit Committee, comprising Messrs Richardson, Walker and Smartt, which met twice during the year, was set up to review the Company's financial systems, accounting policies and annual financial statements.

Environment

Crossland Uranium Mines Limited, through its subsidiaries, holds exploration tenements in Australia and the Yukon Territory of Canada that are subject to various governmental statutes and guidelines for environmental impacts in relation to exploration activities. These provide for the satisfactory rehabilitation of the areas of exploration. There have been no known material breaches of the licence conditions.

Directors' and auditors' indemnification

The Company has not, either during or since the end of the financial period, in respect of any person who is or has been an officer or auditor of the Company or a related body corporate, indemnified or made any relevant agreement for indemnifying against a liability incurred as an officer, including costs and expenses in successfully defending legal proceedings.

During or since the financial period, the Company has not paid or agreed to pay a premium in respect of a contract insuring against a liability incurred as an officer for the costs or expenses to defend legal proceedings.

Non-audit services

The Group may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the company and/or the Group are important.

Details of the amounts paid or payable to the auditor (Barnes Dowell James) for audit and non audit services provided during the year are set out below.

The board of directors has considered the position and, in accordance with the advice received from the audit committee, is satisfied that the provision of the non audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The directors are satisfied that the provision of non audit services by the auditor, as set out below, did not compromise the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- all non audit services have been reviewed by the audit committee to ensure they do not impact the impartiality and objectivity of the auditor,
- none of the services undermine the general principles relating to auditor independence as set out in Professional Statement F1, including reviewing or auditing the auditor's own work, acting in a management or a decision making capacity for the company, acting as advocate for the company or jointly sharing economic risk and rewards.

During the year the following fees were paid or payable for services provided by the auditor of the parent entity, its related practices and non related audit firms:

	Consolidated	
	2011 **$**	2010 $
Assurance services		
Audit services		
BDJ Partners Audit Pty Ltd:		
Audit and review of financial reports and other audit work under the *Corporations Act 2001*	**27,500**	30,846
Total remuneration for assurance services	**27,500**	30,846

Auditors' independence declaration

A copy of the auditors' independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 63.

Auditor

BDJ Partners Audit Pty Ltd holds office in accordance with section 327 of the Corporations Act 2001

Remuneration Report (Audited)

The remuneration report is set out under the following main headings:

A. Principles used to determine the nature and amount of remuneration
B. Service agreements
C. Details of remuneration
D. Share based compensation
E. Additional information

The information provided under headings A- D includes remuneration disclosures that are required under Accounting Standard AASB 124 Related Party Disclosures. These disclosures have been transferred from the financial report and have been audited. The disclosures in Section E are additional disclosures required by the Corporations Act 2001 and the Corporations Regulations 2001 which have not been audited.

A. **Principles used to determine the nature and amount of remuneration**

The objective of the Group's executive reward framework is to ensure reward for performance, being the development of the Crossland Uranium Mines exploration tenements. The framework aligns executive reward with achievement of strategic objectives and the creation of value for shareholders, and conforms with market best practice for delivery of reward. The Board ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness;
- acceptability to shareholders;
- performance linkage / alignment of executive compensation;
- transparency; and
- capital management.

The Group has structured an executive remuneration framework that is market competitive and complimentary to the reward strategy of the organisation.

Alignment to shareholders' interests:

- has economic profit as a core component of plan design;
- focuses on sustained growth in shareholder wealth, consisting of dividends and growth in share price, and delivering constant return on assets as well as focusing the executive on key non financial drivers of value; and
- attracts and retains high calibre executives.

Alignment to program participants' interests:

- rewards capability and experience;
- reflects competitive reward for contribution to growth in shareholder wealth;
- provides a clear structure for earning rewards; and
- provides recognition for contribution.

The framework provides a mix of fixed and variable pay, and a blend of short and long term incentives. As executives gain seniority with the group, the balance of this mix shifts to a higher proportion of ''at risk'' rewards.

Non-executive directors

Fees and payments to non-executive directors reflect the demands, which are made on, and the responsibilities of, the directors. The Board reviews non-executive directors' fees and payments annually. The Board may from time to time seek the advice of independent remuneration consultants to ensure non-executive directors' fees and payments are appropriate and in line with the market. The Chairman's fees are determined independently to the fees of non-executive directors based on comparative roles in the external market. The Chairman is not present at any discussions relating to determination of his own remuneration.

Directors' fees
The current base remuneration was last reviewed with effect from 1 July 2007.

Non-executive directors' fees are determined within an aggregate directors' fee pool limit, which is periodically recommended for approval by shareholders. The maximum currently stands at $200,000 per year in aggregate.

Executive pay
The executive pay and reward framework has four components:

- base pay and benefits;
- short-term performance incentives;
- long-term incentives through participation in Crossland Uranium Mines Ltd incentive shares, and
- other remuneration such as superannuation.

The combination of these comprises the executive's total remuneration.

Base pay
Structured as a total employment cost package, which may be delivered as a combination of cash and prescribed non-financial benefits at the executives' discretion.

Executives are offered a competitive base pay that comprises the fixed component of pay and rewards. Base pay for senior executives is reviewed annually to ensure the executive's pay is competitive with the market. An executive's pay is also reviewed on promotion.

There are no guaranteed base pay increases included in any senior executives' contracts.

B. Service agreements

1. Mr Geoff Eupene – Executive Director

A Consultancy Agreement dated 30 October 2008 has been entered into between the company and Eupene Exploration Enterprises Pty Ltd (a company controlled by Mr Eupene) to provide exploration services to the company for a period of two years commencing 1 June 2008 and extended for a further two years to 1 June 2012 at a base rate of $10,500 per month.

2. Non-executive directors

Directors are entitled to remuneration out of the funds of the company but the remuneration of the non-executive Directors may not exceed in any year the amount fixed by the company in general meeting for that purpose. Directors are also entitled to be paid reasonable travelling, accommodation and other expenses incurred in consequence of their attendance at Board meetings and otherwise in the execution of their duties as Directors

Service agreement summary

	Start Date	**Term of Agreement**	**Fees payable 2011/2012 $**	**Notice period for termination (months)**		**Redundancy payment**
Director				**Company**	**Employee**	
G S Eupene	1 June 2008	4 years	Minimum of $10,500 per month	3	3	Nil

C. Details of remuneration

Amounts of remuneration

Details of the remuneration of the directors and the key management personnel (as defined in AASB 124 Related Party Disclosures) of Crossland Uranium Mines Ltd and the Crossland Uranium Mines Ltd Group are set out in the following tables.

The key management personnel of Crossland Uranium Mines Limited and the Group includes the directors

Remuneration paid to key management personnel of Crossland Uranium Mines and of the Group

2011	Short-term employee benefits			Post-employment benefits	Share-based payment	
Name	Salary $	Directors' Fees $	Consulting Fees $	Superannuation $	Options $	Total $
Non-executive directors						
P J D Elliott	-	36,000	-	-	-	36,000
R Cleary	-	50,000	-	-	-	50,000
R Richardson	-	35,000	76,228	5,788	-	117,016
P Walker	-	35,000	-	3,150	-	38,150
Sub-total non-executive directors	**-**	**156,000**	**76,228**	**8,938**	**-**	**241,166**
Executive directors						
G S Eupene	-	-	284,250	-	-	284,250
Totals	-	**156,000**	**360,478**	**8,938**	**-**	**525,416**
2010						
Non-executive directors						
P J D Elliott	-	36,000	-	-	-	36,000
R Cleary	-	50,000	-	-	-	50,000
R Richardson	-	35,000	4,200	-	-	39,200
P Walker	-	35,000	-	3,150	-	38,150
Sub-total non-executive directors	**-**	**156,000**	**4,200**	**3,150**	**-**	**163,350**
Executive directors						
G S Eupene	-	-	251,000	-	-	251,000
Totals	-	**156,000**	**255,200**	**3,150**	**-**	**414,350**

D. Share-based compensation

Options

Options are granted on the recommendation of the directors.

Options are granted for no consideration. Options are granted for a five year period, and are exercisable immediately after the vesting date.

Options granted carry no dividend or voting rights.

When exercisable, each option is convertible into one ordinary share.

The exercise price of options is based on the weighted average price at which the company's shares are traded on the Australian Stock Exchange during the five trading days immediately before the options are granted.

No options over ordinary shares in the company were provided as remuneration to each director of Crossland Uranium Mines Ltd and each of the key management personnel of the Group during the financial year.

Shares provided on exercise of remuneration options.

No ordinary shares in the company were provided as a result of the exercise of remuneration options to each director of Crossland Uranium Mines Ltd and other key management personnel of the Group.

Shares under option

Unissued ordinary shares of Crossland Uranium Mines Ltd under option at the date of this report are shown in Note 22.

Shares issued on the exercise of options

No ordinary shares of Crossland Uranium Mines Ltd were issued during the year ended 31 December 2011 on the exercise of options granted. No further shares have been issued since that date. No amounts are unpaid on any of the shares

Directors' interests in shares and options

The relevant interest of each Director in the share capital of the Company as at the date of this report is as follows:

2011		**G S Eupene**	**P J D Elliott**	**R A Cleary**	**P W Walker**	**R L Richardson**
Ordinary shares		9,258,492	4,416,207	5,892,326	2,874,219	795,327
Options		-	-	-	-	-
Unissued incentive shares		3,000,000	333,334	2,000,000	333,334	333,334
2010						
Ordinary shares		9,201,350	4,359,065	5,892,326	2,846,148	766,666
Options		-	-	-	-	-
Unissued incentive shares		3,000,000	333,334	2,000,000	333,334	333,334

This report is made in accordance with a resolution of the Directors.

Geoff Eupene
Director
Darwin, 28 March 2012

Statement of Comprehensive Income

for the year ended 31 December 2011

	Note	Consolidated 2011 $	2010 $
Revenue	5	**169,428**	139,282
Expenses			
Administration costs		**(303,518)**	(268,161)
Borrowing Costs	6	**(615)**	(1,644)
Consultants' fees		**(109,798)**	(76,700)
Depreciation	6	**(119,525)**	(124,755)
Employment costs		**(461,722)**	(93,852)
Exploration expenditure written off	6	**(1,650,096)**	(103,101)
Goodwill on consolidation written off		**-**	(1,058)
Office rent	6	**(108,366)**	(86,304)
Share of associates losses	17	**236,345**	(203,747)
Other expenses from ordinary activities		**(107,540)**	(64,284)
Loss from ordinary activities before income tax expense		**(2,455,407)**	(884,324)
Income tax (expense) benefit	11	**65,073**	87,518
Net loss from ordinary activities after income tax expense	25	**(2,390,334)**	(796,806)
Other comprehensive income after income tax:			
Exchange differences on translating foreign controlled entities	23	**(353)**	(1,220)
Other comprehensive income for the year, before tax		**(353)**	(1,220)
Income tax (expense) benefit		**-**	-
Other comprehensive income for the year, net of tax		**(353)**	(1,220)
Total comprehensive income for the year attributable to members of the parent entity		**(2,390,687)**	(798,026)
Basic and diluted loss per share (cents)	10	**(1.84)**	(0.69)

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

Statement of Financial Position

at 31 December 2011

	Note	*Consolidated* 2011 $	2010 $
CURRENT ASSETS			
Cash and cash equivalents	12	**1,665,894**	2,003,608
Trade and other receivables	13	**229,956**	883,137
Other current assets	14	**16,685**	18,165
TOTAL CURRENT ASSETS		**1,912,535**	2,904,910
NON-CURRENT ASSETS			
Receivables	15	**123,175**	74,747
Deferred exploration and evaluation expenditure	16	**5,156,777**	2,992,096
Investments in associates accounted for using the equity method	17	**-**	-
Plant and equipment	18	**226,985**	273,151
TOTAL NON-CURRENT ASSETS		**5,506,937**	3,339,994
TOTAL ASSETS		**7,419,472**	6,244,904
CURRENT LIABILITIES			
Trade and other payables	19	**398,240**	186,543
Provisions	20	**23,750**	254,527
TOTAL CURRENT LIABILITIES		**421,990**	441,070
TOTAL NON-CURRENT LIABILITIES		**-**	-
TOTAL LIABILITIES		**421,990**	441,070
NET ASSETS		**6,997,482**	5,803,834
SHAREHOLDERS' EQUITY			
Issued capital	21	**15,698,286**	12,113,951
Foreign currency translation reserve	23	**(61,006)**	(60,653)
Share based payments reserve	24	**337,136**	337,136
Accumulated losses	25	**(8,976,934)**	(6,586,600)
TOTAL EQUITY		**6,997,482**	5,803,834

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

Statement of Changes in Equity

for the year ended 31 December 2011

Consolidated	Issued Capital $	Accumulated Losses $	Foreign Currency Reserve $	Share Based Payments Reserve $	Total Equity $
At 1 January 2010	12,113,951	(5,789,794)	(59,433)	227,472	6,492,196
Loss for the period	-	(796,806)	-	-	(796,806)
Share based payments	-	-	-	109,664	109,664
Other comprehensive income	-	-	(1,220)	-	(1,220)
At 31 December 2010	**12,113,951**	**(6,586,600)**	**(60,653)**	**337,136**	**5,803,834**
Loss for the period	**-**	**(2,390,334)**	**-**	**-**	**(2,390,334)**
Shares issued (net of costs)	**3,584,335**	**-**	**-**	**-**	**3,584,335**
Other comprehensive income	**-**	**-**	**(353)**	**-**	**(353)**
At 31 December 2011	**15,698,286**	**(8,976,934)**	**(61,006)**	**337,136**	**6,997,482**

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

Statement of Cash Flows

for the year ended 31 December 2011

	Note	Consolidated 2011 $	2010 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Payment to suppliers (inclusive of GST)		**(219,371)**	**(671,308)**
Interest received		**136,434**	**137,342**
Interest paid		**(615)**	**(1,644)**
Other income		**32,994**	**1,940**
R & D Tax Offset Rebate received		**65.073**	**87,518**
NET CASH INFLOWS (OUTFLOWS) FROM OPERATING ACTIVITIES	34(b)	**14,515**	**(446,152)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Expenditure on plant and equipment		**(73,359)**	**(142,110)**
Expenditure on mining interests (exploration)		**(4,918,982)**	**(4,027,656)**
Cash calls received from exploration JV parties		**1,104,205**	**2,936,063**
Payments for investments in other companies		**-**	**(30,000)**
Payments for security deposits		**(48,428)**	**(20,132)**
NET CASH (OUTFLOWS) FROM INVESTING ACTIVITIES		**(3,936,564)**	**(1,283,835)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		**3,782,440**	**-**
Share issue costs		**(198,105)**	**-**
Cash received on acquisition of controlled entity		**-**	**2**
NET CASH INFLOWS FROM FINANCING ACTIVITIES		**3,584,335**	**2**
NET (DECREASE) IN CASH HELD		**(337,714)**	**(1,729,985)**
Cash and cash equivalents at the beginning of the financial year		**2,003,608**	**3,733,593**
Cash and cash equivalents at the end of the financial year	34(a)	**1,665,894**	**2,003,608**

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

Notes to the Financial Statements

for the year ended 31 December 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial report are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial report includes the consolidated entity consisting of Crossland Uranium Mines Ltd and its subsidiaries.

Basis of preparation

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Critical accounting estimates

The preparation of financial statements in conformity with AIFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Significant accounting policies

Accounting policies are selected and applied in a manner which ensures that the resultant financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions and other events is reported.

The Company has adopted relevant new and revised accounting standards and pronouncements with no material impact.

The following significant accounting policies have been adopted in the preparation and presentation of the financial report:

a) Borrowings

Loans are recorded at an amount equal to the net proceeds received. Interest expense is recognised on an accruals basis.

b) Borrowing costs

Borrowing costs are expensed as incurred.

c) Cash and cash equivalents

Cash and cash equivalents comprises cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the consolidated entity's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

d) Contributed equity

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

e) Exploration and evaluation expenditure

Exploration and evaluation expenditure incurred by or on behalf of the Company is accumulated separately for each area of interest. Such expenditure comprises net direct costs and an appropriate portion of related overhead expenditure, but does not include general overheads or administrative expenditure not having a specific nexus with a particular area of interest.

Each area of interest is limited to a size related to known or probable mineral resource capable of supporting a mining operation.

Exploration expenditure for each area of interest, other than that acquired from the purchase of another mining company, is written off as incurred, except that it is carried forward provided that one of the following conditions is met:

- such costs are expected to be recouped through successful development and exploitation of the area of interest or, alternatively, by its sale; or
- exploration activities in the area of interest have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in relation to the area are continuing.

Exploration expenditure which no longer satisfies the above policy is written off. When an area of interest is abandoned, any expenditure carried forward in respect of that area is written off firstly against any existing provision for that expenditure, with any remaining balance being charged to earnings. The provision against exploration expenditure is reversed when recoupment out of revenue to be derived from the relevant area of interest/mineral resource or from the sale of that area of interest, is assured and the asset is transferred to another class or sold.

Expenditure is not carried forward in respect of any area of interest/mineral resource unless the Company's rights of tenure to that area of interest are current.

f) Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

g) Foreign currency translation

i. Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Australian dollars, which is Crossland Uranium Mines Ltd's functional and presentation currency.

ii. (ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

h) Goods and services tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

where the amount of GST incurred is not recoverable from the taxation authority it is recognised as part of the cost of an asset or as part of an item of expense; or
for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authorities is included as part of other receivables or other payables.

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authorities is classified as operating cash flows.

i) Impairment of assets

The carrying amounts of the consolidated entity's assets, other than deferred tax assets, are reviewed at each balance date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the income statement, unless an asset has previously been revalued, in which case the impairment loss is recognised as a reversal to the extent of that previous revaluation with any excess recognised through profit or loss.

Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to cash-generating units (group of units) and then, to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

i. *Calculation of recoverable amount*

The recoverable amount of assets is the greater of their net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

(ii) Reversals of impairment

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

j) Income tax

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the end of the financial year, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the end of the financial year.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Tax consolidation

The company and all its wholly-owned Australian resident entities have not entered into a tax consolidated group under Australian taxation law.

k) Joint ventures

i. *Joint ventures*

A joint venture is either an entity or operation that is jointly controlled by the Consolidated Entity.

ii. *Joint venture operation*

The Consolidated Entity's interest in unincorporated joint ventures is brought to account by including its proportionate share of the joint venture's assets, liabilities and expenses and the

Consolidated Entity's revenue from the sale of its share of output on a line-by-line basis, from the date joint control commences to the date joint control ceases.

iii. *Joint venture entity*

The Consolidated Entity's interest in incorporated joint ventures entities is brought to account using the equity method of accounting where the consolidated entity has significant influence over the operations of that entity from the date joint control commences to the date joint control ceases.

l) Leases

Operating lease payments, where the lessor effectively retains substantially all of the risks and benefits of ownership of the leased items, are included in the determination of the operating profit in equal instalments over the lease term.

m) Loss per share

(i) Basic loss per share

Basic earnings (loss) per share is calculated by dividing the loss attributable to equity holders of the company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

(ii) Diluted loss per share

Diluted earnings (loss) per share adjusts the figures used in the determination of basic loss per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

n) Plant and equipment

All assets acquired including plant and equipment and intangibles other than goodwill are initially recorded at their cost of acquisition at the date of acquisition, being the fair value of the consideration provided plus incidental costs directly attributable to the acquisition. When equity instruments are issued as consideration, their market price at the date of acquisition is used as fair value. Transaction costs arising on the issue of equity instruments are recognised directly in equity subject to the extent of proceeds received, otherwise expensed.

Where settlement of any part of cash consideration is deferred, the amounts payable are recorded at their present value, discounted at the rate applicable to the Company if a similar borrowing were obtained from an independent financier under comparable terms and conditions.

Expenditure, including that on internally generated assets other than research and development costs, is only recognised as an asset when the entity controls future economic benefits as a result of the costs incurred, it is probable that those future economic benefits will eventuate, and the costs can be measured reliably. Costs attributable to feasibility and alternative approach assessments are expensed as incurred.

Depreciation is provided on a straight line basis on all plant and equipment at rates calculated to write off the cost, less estimated residual value at the end of the useful lives of the assets, over those estimated useful lives.

The following estimated useful lives are used in the calculation of depreciation.

Plant and equipment 5 – 8 years
Motor Vehicles 5 years

o) Principles of consolidation

(i) Controlled entities

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Crossland Uranium Mines Ltd (''company'' or ''parent entity'') as at 31 December 2011 and the results of all subsidiaries for the year then ended. Crossland Uranium Mines Ltd and its subsidiaries together are referred to in this financial report as the Group or the consolidated entity.

Subsidiaries are all those entities over which the Group has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one-half of the voting rights.

The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.
The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group.
Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated.

Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Investments in subsidiaries are accounted for at cost in the individual financial statements of Crossland Uranium Mines Ltd.

(ii) Transactions eliminated on consolidation

Unrealised gains and losses and inter-entity balances resulting from transactions with or between Controlled Entities are eliminated in full on consolidation.

Unrealised gains resulting from transactions with joint ventures are eliminated to the extent of the Consolidated Entity's interest.

Unrealised gains relating to joint venture entities are eliminated against the carrying amount of the investment.

Unrealised losses are eliminated in the same way as unrealised gains, unless they evidence a recoverable amount impairment.

p) Provisions

A provision is recognised in the statement of financial position when the consolidated entity has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

q) Revenue recognition

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets. All revenue is stated net of GST.

r) Segment reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different to those of other business segments. A geographical segment is engaged in providing products or services within a particular economic environment and is subject to risks and returns that are different from those of segments operating in other economic environments.

s) Site restoration

In accordance with the consolidated entity's published environmental policy and applicable legal requirements, a provision for site restoration in respect of contaminated land is recognised when the land is contaminated.

t) Trade and other receivables

Trade and other receivables are recorded at amounts due less any allowance for doubtful debts.

u) Trade and other creditors

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

v) Change in accounting policy

The group changed its accounting policy relating to the measurement of the provision for associates losses for the financial year ended 31 December 2011. The group's share of the associate's losses was previously recorded as a provision. The Group has now elected under the equity method to cease recording a provision on the basis that the group has not incurred and does not expect to incur legal or constructive obligations in relation to these losses. The aggregate effect of the change in accounting policy on the annual financial statements for the year ended 31 December 2011 is as follows:

		2011	
	Previous Policy	**Adjustment**	**Revised Policy**
Consolidated Group			
Statement of comprehensive income			
Share of associates losses ($)	(17,694)	254,039	236,345
Loss before income tax ($)	(2,709,446)	254,039	(2,455,407)
Income tax ($)	65,073	-	65,073
Basic earnings per share (cents)	(2.08)	0.00	(1.84)
Diluted earnings per share (cents)	(2.08)	0.00	(1.84)
Statement of financial position			
Provisions ($)	(277,789)	254,039	(23,750)
Accumulated losses ($)	(9,230,973)	254,039	(8,976,934)

There has been no material impact on the 2010 figures.

For the parent entity, there has been no material impact.

New accounting standards for application in future periods

The AASB has issued new and amended accounting standards and interpretations that have mandatory application dates for future reporting periods.

The Group has decided against early adoption of these standards.
A discussion of those future requirements and their impact on the Group follows

Operative date 1 July 2011 with an application date for the group of 1 January 2012.

AASB	Summary	Impact on group
AASB 2010–6: Amendments to Australian Accounting Standards – Disclosures on Transfers of Financial Assets [AASB 1 & AASB 7]	This Standard adds and amends disclosure requirements about transfers of financial assets, especially those in respect of the nature of the financial assets involved and the risks associated with them. Accordingly, this Standard makes amendments to AASB 1: First-time Adoption of Australian Accounting Standards, and AASB 7: Financial Instruments: Disclosures, establishing additional disclosure requirements in relation to transfers of financial assets.	This Standard will only affect certain disclosures relating to financial instruments and is not expected to significantly impact the Group.
AASB 1054: Australian Additional Disclosures and AASB 2011–1: Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project [AASB 1, AASB 5, AASB 101, AASB 107, AASB 108, AASB 121, AASB 128, AASB 132 & AASB 134 and Interpretations 2, 112 & 113]	AASB 1054 sets out the Australian-specific disclosures that are additional to IFRS disclosure requirements. The disclosure requirements in AASB 1054 were previously located in other Australian Accounting Standards.	These Standards are not expected to significantly impact the Group.

Operative date 1 January 2012 with an application date for the group of 1 January 2012.

AASB	Summary	Impact on group
AASB 2010–8: Amendments to Australian Accounting Standards – Deferred Tax: Recovery of Underlying Assets [AASB 112]	This Standard makes amendments to AASB 112: Income Taxes and incorporates Interpretation 121 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.

Operative date 1 July 2012 with an application date for the group of 1 January 2013.

AASB	Summary	Impact on 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]	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 not expected to significantly impact the Group.

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

AASB	Summary	Impact on group
AASB 10: Consolidated Financial Statements,	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: Joint Arrangements,	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" (whereby 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).	The amendments are not expected to significantly impact the Group.
AASB 12: Disclosure of Interests in Other Entities,	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 only affect disclosures and is not expected to significantly impact the Group.

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

AASB	Summary	Impact on group
AASB 127: Separate Financial Statements (August 2011),	To facilitate the application of AASBs 10, 11 and 12, revised versions of AASB 127 and AASB 128 have also been issued.	The amendments are not expected to significantly impact the Group.
AASB 128: Investments in Associates and Joint Ventures (August 2011)	To facilitate the application of AASBs 10, 11 and 12, revised versions of AASB 127 and AASB 128 have also been issued.	The amendments are not expected to significantly impact the Group.
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]	To facilitate the application of AASBs 10, 11 and 12, revised versions of AASB 127 and AASB 128 have also been issued.	The amendments are not expected to significantly impact the Group.
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, 117, 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]	AASB 13 defines fair value, sets out in a single Standard a framework for measuring fair value, and requires disclosures about fair value measurements. 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) measured at fair value.	These Standards are not expected to significantly impact the Group.

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

AASB	Summary	Impact on group
AASB 119: Employee Benefits (September 2011) and AASB 2011–10: Amendments to Australian Accounting Standards arising from AASB 119 [AASB 1, AASB 8, AASB 101, AASB 124, AASB 134, AASB 1049 & AASB 2011–8 and Interpretation 14]	These Standards introduce a number of changes to the presentation and disclosure of defined benefit plans, including: - removal of the "corridor" approach from AASB 119, thereby requiring entities to recognise all changes in a net defined benefit liability (asset) when they occur; - disaggregation of changes in a net defined benefit liability (asset) into service cost (including past service cost and gains and losses on non-routine settlements and curtailments), net interest expense (interest based on the net defined benefit liability (asset) using the discount rate applicable to post-employment benefits) and remeasurements (comprising actuarial gains and losses, return on plan assets less the "revenue" component of the net interest expense, and any change in the limit on a defined benefit asset). In addition, AASB 119 (September 2011) requires recognition of: - service cost and net interest expense in profit or loss; and - re-measurements in OCI; and - introduction of enhanced disclosure requirements to facilitate the provision of more useful information in relation to an entity's defined benefit plans. 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 on its financial statements.

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

AASB	Summary	Impact on group
AASB 9: Financial Instruments and AASB 2009–11: Amendments to Australian Accounting Standards arising from AASB 9	The 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 the objective of the entity's business model for managing the financial assets and the characteristics of the contractual cash flows.	These Standards are applicable retrospectively and amend the classification and measurement of financial assets. The Group has not yet determined potential impact on the financial statements.
AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 2010–2: 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.

The Group does not anticipate the early adoption of any of the above reporting requirements.

2. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks; market risk (including currency risk, fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

(i) Foreign exchange risk

Foreign exchange risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the consolidated entity's functional currency.

(ii) Credit risk

There is negligible credit risk on financial assets of the consolidated entity since there is no exposure to individual customers or countries and the economic entity's exposure is limited to the amount of cash, short term deposits and receivables which have been recognised in the statement of financial position and is minimised by using recognised financial intermediaries as counterparties.

(iii) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed finance facilities.

(iv) Cash flow and fair value interest rate risk

The Group has interest-bearing assets, however the Group's income and operating cash flows are not materially exposed to changes in market interest rates.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Income taxes

The Group is subject to income taxes in Australia and Canada. Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred tax provisions in the period in which such determination is made

Exploration and evaluation expenditure

The Group capitalises expenditure relating to exploration and evaluation where it is considered likely to be recoverable or where the activities have not reached a stage which permits a reasonable assessment of the existence of reserves. While there are certain areas of interest from which no reserves have been extracted, the directors are of the continued belief that such expenditure should not be written off since feasibility studies in such areas have not yet concluded. Such capitalised expenditure is carried at the end of the reporting period at $5,156,777.

4. PARENT COMPANY FINANCIAL INFORMATION

The following information has been extracted from the books and records of the parent and has been prepared in accordance with Accounting Standards.	2011 $	2010 $
STATEMENT OF FINANCIAL POSITION		
ASSETS		
Current assets	**1,909,409**	2,905,214
Non-current assets	**5,486,317**	3,336,513
TOTAL ASSETS	**7,395,726**	6,241,727
LIABILITIES		
Current liabilities	**398,240**	201,544
TOTAL LIABILITIES	**398,240**	201,544
EQUITY		
Issued capital	**15,698,286**	12,113,951
Accumulated losses	**(9,127,936)**	(6,410,904)
Share based payments reserve	**337,136**	337,136
TOTAL EQUITY	**6,907,486**	6,040,183
STATEMENT OF COMPREHENSIVE INCOME		
Total loss	**(2,516,085)**	(594,277)
TOTAL COMPREHENSIVE INCOME (LOSS)	**(2,516,085)**	(594,277)

Guarantees

Crossland Uranium Mines Ltd has not entered into any guarantees, in the current financial period, in relation to the debts of any of its subsidiaries.

Contingent liabilities

At 31 December 2011, Crossland Uranium Mines Ltd had the following contingent liabilities.

Director's Service Contract

Mr G Eupene has a contract which expires on 1 June 2012 under which he is paid a minimum of $10,500 per month for 12 days work. The contingent liability represents amounts payable during the remainder of the contract.	**63,000**	178,500

Contractual commitments

At 31 December 2011, Crossland Uranium Mines Ltd had not entered into any contractual commitments for the acquisition of property, plant and equipment.

5. REVENUE

	Consolidated	
	2011	2010
	$	$
Interest received	**136,434**	137,142
Past period recoveries	**32,746**	-
Other income	**248**	1,940
Total revenue from continuing operations	**169,428**	139,282

6. OPERATING LOSS FROM ORDINARY ACTIVITIES BEFORE INCOME TAX EXPENSE

	Consolidated	
	2011	2010
	$	$
The operating loss from ordinary activities before income tax expense has been determined after charging the following expenses:		
Depreciation	**119,525**	124,755
Employee entitlements	**9,885**	17,165
Exploration expenditure written off	**1,650,096**	103,101
Goodwill on consolidation written off	**-**	1,058
Interest paid	**615**	1,644
Office rent	**108,366**	86,304
Superannuation	**31,414**	21,181

7. KEY MANAGEMENT PERSONNEL DISCLOSURES

a) Directors

The following persons were Directors of Crossland Uranium Mines Limited during the whole of the financial year and up to the date of this report:

Patrick J D Elliott
Geoffrey S Eupene
Robert A Cleary
Peter W Walker
Robert L Richardson

b) Other key management personnel

All directors are identified as key management personnel under AASB 124 “Related Party Disclosures”.

There are no other staff that meet the definition of key management personnel.

c) Key management personnel compensation

	Consolidated	
	2011	2010
	$	$
Short-term employee benefits	**516,478**	232,700
Post-employment benefits	**8,938**	3,150
Share-based payments	**-**	-
	525,416	235,850

The Company has taken advantage of the relief provided by the Corporations Regulations and has transferred the detailed remuneration disclosures to the Directors’ report. The relevant information can be found in sections A-D of the remuneration report included in the Directors report.

d) Equity instrument disclosures relating to key management personnel

(i) Options provided as remuneration and shares issued on exercise of such options

No options were provided as remuneration and no shares were issued on the exercise of such options.

(ii) Option holdings

There were no options held by any Director at 31 December 2011.

The relevant interest of each Director in options of the Company as at the date of this report is as follows:

2011 **Name**	**Balance at the start of the year**	**Granted during the year**	**Exercised during the year**	**Other changes during the year**	**Balance at the end of the year**	**Vested and exercisable at the end of the year**
Options						
Directors of Crossland Uranium Mines Ltd						
Geoffrey S Eupene	-	-	-	-	-	-
Patrick J D Elliott	-	-	-	-	-	-
Robert A Cleary	-	-	-	-	-	-
Peter W Walker	-	-	-	-	-	-
Robert L Richardson	-	-	-	-	-	-

2010 **Name**	**Balance at the start of the year**	**Granted during the year**	**Exercised during the year**	**Lapsed during the year**	**Balance at the end of the year**	**Vested and exercisable at the end of the year**
Directors of Crossland Uranium Mines Ltd						
Geoffrey S Eupene	-	-	-	-	-	-
Patrick J D Elliott	-	-	-	-	-	-
Robert A Cleary	-	-	-	-	-	-
Peter W Walker	-	-	-	-	-	-
Robert L Richardson	-	-	-	-	-	-

(iii) Share holdings

The numbers of shares in the company held at the end of the financial year by each Director of the Company and other key management personnel of the Group, including their personally related parties, are set out below. There were no shares granted during the reporting period as compensation.

Ordinary shares				
Directors of Crossland Uranium Mines Ltd				
2011 Name	**Balance at the start of the year**	**Received during the year as incentive shares**	**Other changes during the year**	**Balance at the end of the year**
Geoffrey S Eupene	9,201,350	-	57,142	9,258,492
Patrick J D Elliott	4,359,065	-	57,142	4,416,207
Robert A Cleary	5,892,326	-	-	5,892,326
Peter W Walker	2,846,148	-	28,571	2,874,719
Robert L Richardson	766,666	-	28,571	795,327
2010				
Geoffrey S Eupene	9,201,350	-	-	9,201,350
Patrick J D Elliott	4,359,065	-	-	4,359,065
Robert A Cleary	5,892,326	-	-	5,892,326
Peter W Walker	2,846,148	-	-	2,846,148
Robert L Richardson	766,666	-	-	766,666

(iv) Incentive Share holdings

The numbers of incentive shares in the company unallotted but able to be issued on satisfaction of certain criteria at the end of the financial year by each Director of the Company and other key management personnel of the Group, including their personally related parties, are set out below. There were no incentive shares allotted during the reporting period as compensation.

Incentive shares				
Directors of Crossland Uranium Mines Ltd				
2011 Name	**Balance at the start of the year**	**Received during the year**	**Allotted during the year**	**Balance at the end of the year**
Geoffrey S Eupene	3,000,000	-	-	3,000,000
Patrick J D Elliott	333,334	-	-	333,334
Robert A Cleary	2,000,000	-	-	2,000,000
Peter W Walker	333,334	-	-	333,334
Robert L Richardson	333,334	-	-	333,334
2010				
Geoffrey S Eupene	3,000,000	-	-	3,000,000
Patrick J D Elliott	333,334	-	-	333,334
Robert A Cleary	2,000,000	-	-	2,000,000
Peter W Walker	333,334	-	-	333,334
Robert L Richardson	333,334	-	-	333,334

8. REMUNERATION OF AUDITORS

	Consolidated	
	2011	2010
	$	$
Audit of the Company's accounts	**27,500**	30,846
Other services		
	27,500	30,846

9. FINANCIAL REPORTING BY SEGMENTS

Identification of reportable segments

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 determining the allocation of resources.

The group is managed primarily on the basis of exploration in Australia. Operating segments are therefore determined on the same basis.

Basis of accounting for purposes of reporting by operating segments

Accounting ***policies adopted***

Unless stated otherwise, all amounts reported to the Board of Directors, being the chief decision makers with respect to operating segments, are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Group.

Inter-**segment** ***transactions***

An internally determined transfer price is set for all inter-segment sales. This price is reset quarterly and is based on what would be realised in the event the sale was made to an external party at arm's length. All such transactions are eliminated on consolidation of the Group's financial statements.

Corporate charges are allocated to reporting segments based on the segments overall proportion of revenue generation within the Group. The Board of Directors believes this is representative of likely consumption of head office expenditure that should be used in assessing segment performance and cost recoveries.

Inter-segment loans payable and receivable are initially recognised at the consideration received/to be received net of transaction costs. If inter-segment loans receivable and payable are not on commercial terms, these are not adjusted to fair value based on market interest rates. This policy represents a departure from that applied to the statutory financial statements

Segment assets

Where an asset is used across multiple segments, the asset is allocated to the segment that receives majority economic value from the asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and physical location.

Segment liabilities

Liabilities are allocated to segments where there is a direct nexus between the incurrence of the liability and the operations of the segment. Borrowings and tax liabilities are generally considered to relate to the Group as a whole and are not allocated. Segment liabilities include trade and other payables and certain direct borrowings.

Unallocated items

The following items of revenue, expenses, assets and liabilities are not allocated to operating segments as they are not considered part of the core operations of any segment:

- impairment of assets and other non-recurring items of revenue or expense;
- income tax expense;
- deferred tax assets and liabilities;
- current tax liabilities;
- other financial liabilities;
- intangible assets

Segment performance	***Exploration Australia*** **2011** **$**	***Total*** **2011** **$**	***Exploration Australia*** **2010** **$**	***Total*** **2010** **$**
Interest received	**136,434**	**136,434**	137,342	137,342
Past period recoveries	**32,746**	**32,746**	-	-
Other income	**248**	**248**	1,940	1,940
Total revenue from continuing operations	**169,428**	**169,428**	139,282	139,282
Segment net loss from continuing operations before tax	**(1,967,291)**	**(1,967,291)**	(403,890)	(403,890)
Reconciliation of segment result to group net profit/loss before tax:				
Amounts not included in segment result but reviewed by the Board:				
— administration charges		**(303,518)**		(268,161)
— depreciation and amortisation		**(119,525)**		(124,755)
Net profit before tax from continuing operations		**(2,390,334)**		(796,806)

	Exploration Australia 2011 **$**	***Total 2011*** **$**	***Exploration Australia 2010*** **$**	***Total 2010*** **$**
Segment Assets				
Reconciliation of segment assets to group assets:	**7,419,472**	**7,419,472**	6,244,904	6,244,904
Unallocated assets		**-**		-
Group assets		**7,419,472**		6,244,904
Segment Liabilities	**421,990**	**421,990**	441,070	441,070
Reconciliation of segment liabilities to group liabilities:				
Unallocated liabilities		**-**		-
Group liabilities		**421,990**		441,070

10. LOSS PER SHARE

	2011 Cents	2010 Cents
(a) Basic and diluted loss per share		
Loss attributable to the ordinary equity holders of the Company	**(1.84)**	(0.69)

	2011 $	2010 $
(b) Reconciliation of loss used in calculating loss per share		
Basic and diluted loss per share		
Loss attributable to the ordinary equity holders of the Company used in calculating basic and diluted loss per share	**(2,390,687)**	(796,806)

	2011 Number	2010 Number
(c) Weighted average number of shares used as the denominator		
Weighted average number of ordinary shares used as the denominator in calculating basic and diluted loss per share.	**130,294,567**	**115,480,270**

The options on issue as stated in note 22 have not been taken into account for dilution purposes as they are not considered to be dilutive due to the exercise prices being in excess of the current share price.

11. TAXATION

	Consolidated	
The prima facie income tax expense on pre-tax accounting profit reconciles to the income tax expense in the financial statements as follows:	**2011 $**	2010 $
Loss from ordinary activities	**(2,390,334)**	(884,324)
Income tax expense calculated at 30% of operating loss	**717,100**	265,297
Deferred tax amounts not recognised	**(717,100)**	(265,297)
R & D Tax Offset Rebate received	**65,073**	87,518
Income tax expense (benefit)	**65,073**	87,518

Other comprehensive income	**(353)**	(1,220)
Income tax expense calculated at 30% of other comprehensive income	**106**	366
Deferred tax amounts not recognised	**(106)**	(366)
Income tax expense (benefit)	**-**	-

Deferred tax assets		
Not brought to account calculated at 30%		
Revenue tax losses	**3,629,912**	2,231,891
Capital tax losses	**27,000**	27,000
Temporary differences	**360,414**	98,954
Total	**4,017,326**	2,357,845

The taxation benefits of revenue tax losses and temporary differences not brought to account will only be obtained if:

(i) the company and the consolidated entity derive further assessable income of a nature and of an amount sufficient to enable the benefit from the deductions to be realised;

(ii) the company and the consolidated entity continue to comply with the conditions for deductibility imposed by the law; and

(iii) no changes in tax legislation adversely affect the company's and the consolidated entity's ability in realising the benefit from the deductions.

12. CASH AND CASH EQUIVALENTS

	Consolidated	
	2011	2010
	$	$
Cash at bank and on hand	**104,182**	478,730
Deposits at call	**561,712**	516,592
Bank bills	**1,000,000**	1,008,286
	1,665,894	2,003,608

13. TRADE AND OTHER RECEIVABLES

Other receivables	**69,418**	31,932
GST debtor	**160,538**	18,037
Joint venture cash calls receivable	**-**	833,168
	229,956	883,137

14. OTHER CURRENT ASSETS

Prepayments	**16,685**	18,165
	16,685	18,165

15. RECEIVABLES – NON-CURRENT

Security deposit	**123,175**	74,747
	123,175	74,747

16. DEFERRED EXPLORATION AND EVALUATION EXPENDITURE

Deferred exploration costs	**6,460,179**	**2,992,096**
Deferred exploration costs brought forward	**2,992,096**	1,974,639
Expenditure incurred during the year	**4,918,982**	4,027,656
Acquisition of controlled entity	**-**	28,965
Amounts received from Joint venture participants	**(1,104,205)**	(2,936,063)
Exploration expenditure written off	**(1,650,096)**	(103,101)
Deferred exploration costs carried forward	**5,156,777**	2,992,096

The above amounts represent costs incurred on exploration areas of interest which have been carried forward as an asset in accordance with the accounting policy set out in note 1.

The ultimate recoupment of deferred exploration and evaluation expenditure carried forward in respect of an area of interest is dependent upon the discovery of commercially viable reserves and the successful development and exploitation of the respective areas or alternatively sale of the underlying areas of interest for at least their carrying value.

Amortisation, in respect of the relevant area of interest, is not charged until a mining operation has commenced.

17. INVESTMENT IN ASSOCIATES ACCOUNTED FOR USING THE EQUITY METHOD

(a) Details of associate:

		Ownership interest		Carrying amount	
Name of Associate	**Principal Activities**	**2011**	2010	**2011**	2010
		%	%	**$**	$
Crosscontinental Limited	General Exploration and evaluation	**50**	**50**	**-**	-

(b) Share of reserves attributable to associates:

Share of associates' profits taken up in the consolidated financial statements		
Operating profit (loss) before tax	**(17,694)**	**(203,747)**
Income tax expense	**-**	**-**
Net operating profit after income tax as shown in the Statement of Comprehensive Income	**(17,694)**	**(203,747)**
Retained earnings at beginning of period	**(236,345)**	**(32,598)**
Share of associates losses no longer recognised	**254,039**	**-**
Retained earnings at end of period	**-**	**(236,345)**

(c) Movement in equity accounted investment

Carrying amount of investment at beginning of financial year	**(230,777)**	(24,189
Share of associates' current year losses after tax (refer (b))	**(17,694)**	**(203,747)**
Share of associates losses no longer recognised	**254,039**	**-**
Share of associates' prior year losses after tax not previously recognised	**(5,568)**	**-**
Amounts due from joint venture	**-**	(2,841)
Carrying amount of investment (provision for associates losses) at end of financial year	**-**	(230,777)
Summary of financial position of associated entity:		
Current assets	**131,274**	172,235
Current liabilities	**(614,640)**	(649,563)
Non-current assets	**4,396**	4,737
Net liabilities	**(478,970)**	(472,591)

	Consolidated	
	2011	2010
	$	$

18. PLANT & EQUIPMENT

Plant and equipment		
Cost	**394,671**	330,212
Accumulated depreciation	**(268,208)**	(202,388)
	126,463	127,824
Motor vehicles		
Cost	**280,691**	271,791
Accumulated depreciation	**(180,168)**	(126,464)
	100,522	145,327
Total Plant and equipment	**226,985**	273,151

Reconciliations of the carrying amount of each class of plant and equipment at the beginning and end of the current financial year are set out below.

Consolidated 2011

	Plant & equipment	**Motor Vehicles**	**Total**
Carrying amount at 1 January 2011	**127,824**	**145,327**	**273,151**
Additions	**64,459**	**8,900**	**73,359**
Depreciation	**(65,820)**	**(53,705)**	**(119,525)**
Disposals	**-**	**-**	
Carrying amount at 31 December 2011	**126,463**	**100,522**	**226,985**

Consolidated 2010

Carrying amount at 1 January 2010	157,938	98,313	256,251
Additions	45,752	95,904	141,656
Depreciation	(75,866)	(48,890)	(124,756)
Disposals	-	-	
Carrying amount at 31 December 2010	127,824	145,327	273,151

	Consolidated	
	2011	2010
	$	$

19. TRADE AND OTHER PAYABLES

Trade creditors and accruals	**350,516**	148,704
Annual leave entitlements	**47,724**	37,839
	398,240	186,543

20. CURRENT PROVISION	Consolidated 2011 $	2010 $
Site rehabilitation	**23,750**	23,750
Provision for associates losses	**-**	230,777
	23,750	254,527

21. CONTRIBUTED EQUITY

Issued Capital		
137,094,155 fully paid ordinary shares (2010 –115,480,270)	**16,514,057**	**12,731,627**
Less share issue costs	**(815,781)**	**(617,676)**
	15,698,276	**12,113,951**

Movements in Issued Capital		
Balance as at 1 January 2011	**12,113,951**	12,113,951
Issues during period:		
Securities Purchase Plan	**882,490**	**-**
Placement	**2,899,940**	**-**
Less share issue costs	**-**	**-**
Balance as at 31 December 2011	**15,698,276**	**12,113,951**

22. OPTIONS

Expiry Date	Exercise Price	Issued 1 Jan 11	Granted	Exercised	Lapsed	Issued 31 Dec 11
31 Mar 12	0.50	1,200,000	-	-	-	1,200,000
31 Dec 12	0.20	2,300,000	-	-	-	2,300,000
30 Jun 13	0.15	5,750,000	-	-	-	5,750,000
		9,250,000	-	-	-	9,250,000

23. FOREIGN CURRENCY TRANSLATION RESERVE

	Consolidated 2011 $	2010 $
Balance at the beginning of the financial year	**(60,653)**	**(59,433)**
Exchange gains transferred to reserve	**(353)**	**(1,220)**
Balance at the end of the financial year	**(61,006)**	**(60,653)**

Nature and purpose of reserve

The Foreign Currency Translation Reserve records unrealised exchange gains and losses during the year.

24. SHARE BASED PAYMENTS RESERVE

	Consolidated	
	2011	2010
	$	**$**
Balance at the beginning of the financial year	**337,136**	227,472
Share based payments transferred to reserve	**-**	109,664
Balance at the end of the financial year	**337,136**	337,136

Nature and purpose of reserve

The share based payments reserve records the value of options issued to employees and Directors which have been taken to expenses.

25. ACCUMULATED LOSSES

Accumulated losses at the beginning of the financial year	**(6,586,600)**	**(5,789,794)**
Net loss for the year	**(2,390,334)**	**(796,806)**
Accumulated losses at the end of the financial year	**(8,976,934)**	**(6,586,600)**)

26. CONTINGENT LIABILITIES

Director's Service Contract

Mr G Eupene has a contract which expires on 1 June 2012 under which he is paid a minimum of $10,500 per month for 12 days work. The contingent liability represents amounts payable during the remainder of the contract.	**63,000**	178,500

There are no other contingent liabilities.

27. COMMITMENTS

Exploration Tenement Expenditure Requirements

In order to maintain the consolidated entity's tenements in good standing with Australian mining authorities, the Company will be required to incur exploration expenditure under the terms of each claim.

	Consolidated	
	2011	2010
	$	$
Payable not later than one year	**811,000**	811,000
Payable later than one year, but not later than two years	**-**	-
	811,000	811,000

It is likely that variations to the terms of the current and future tenement holdings, the granting of new tenements and changes in tenement areas at renewal or expiry, will change the expenditure commitment to the consolidated entity from time to time.

Operating lease commitments

Operating leases relate to storage facilities. The consolidated entity does not have an option to purchase the leased asset at the expiry of the lease period.

	Consolidated	
	2011	2010
	$	**$**
Payable not later than one year	**-**	**24,750**
Payable later than one year, but not later than two years	**-**	**-**
	-	**24,750**

28. JOINT VENTURES

The Group is engaged in the following exploration joint ventures, whose principal activities are exploration for uranium and rare earth elements.

	2011	**2010**
	%	**%**
Pancontinental Joint Venture	**55%**	50%
	2011	**2010**
Interests were shown in the statement of financial position as	**$**	**$**
Exploration and evaluation expenditure	**2,216,014**	**662,856**
Total non-current assets	**2,216,014**	**662,856**

29. PARTICULARS RELATING TO CONTROLLED ENTITIES

Company	**Country of Incorporation and Operation**	**Percentage of Equity Held**	
		2011	2010
Crossland Diamonds Pty Ltd	Australia	**100%**	100%
Crossland Mines Pty Ltd	Australia	**100%**	100%
Crossland Nickel Pty Ltd	Australia	**100%**	100%
Paradigm Mexico Pty Ltd	Australia	**100%**	100%
KSL Exploration (Yukon) Ltd	Canada	**100%**	100%

30. RELATED PARTY DISCLOSURES

(a) Directors

The names of each person holding the position of director of Crossland Uranium Mines Ltd during the financial year were:

Patrick J D Elliott
Geoffrey S Eupene
Robert A Cleary
Robert L Richardson
Peter W Walker

(b) Directors interests

Interests in the shares and options of the Company held by current directors and their director-related entities are shown in note 7.

(c) Associates of directors

Directors fees were paid to the following associates of directors:

Director	**Associated company**
RA Cleary	Accomplishments Pty Ltd
PJD Elliott	Panstyn Investments Pty Ltd
RL Richardson	GeoTangent Pty Ltd

(d) Transactions with associates of directors

	2011	**2010**
	$	**$**
Legal fees paid to Peter Walker Project Lawyer a business that Mr Walker is the principal. These fees were paid on normal commercial terms.	**-**	2,590
Eupene Exploration Enterprises (EEE), a Company in which Mr Eupene is a Director and shareholder, is utilised to provide geophysical and geological services in relation to Crossland Tenements. Fees paid are on normal commercial terms.		
Consulting geologists	**284,250**	187,453
Equipment hire	**10,800**	-
Vehicle hire	**34,165**	-
GeoTangent Pty Ltd, a Company in which Mr Richardson is a Director and shareholder, is utilised to conduct geophysical and exploration on Crossland Tenements. Fees paid are on normal commercial terms.	**76,228**	-

(e) Joint Ventures

	Consolidated	
	2011	2010
	$	$
Amounts receivable from joint venture parties at balance date	**-**	833,168

31. EVENTS OCCURRING AFTER THE END OF THE FINANCIAL YEAR

There were at the date of this report no matters or circumstances which have arisen since 31 December 2011 that have significantly affected or may significantly affect:

(i) the operations of the consolidated entity,
(ii) the results of those operations, or
(iii) the state of affairs of the consolidated entity in the financial year subsequent to 31 December 2011.

32. FINANCIAL INSTRUMENTS DISCLOSURES

(a) *Capital*

The Group considers its capital to comprise its ordinary share capital and accumulated retained earnings.

In managing its capital, the Group's primary objective is to ensure its continued ability to provide a consistent return for its equity shareholders through a combination of capital growth and distributions. In order to achieve this objective, the Group seeks to maintain a gearing ratio that balances risks and returns at an acceptable level and also to maintain a sufficient funding base to enable the Group to meet its working capital and strategic investment needs. In making decisions to adjust its capital structure to achieve these aims, either through altering its dividend policy, new share issues, or reduction of debt, the Group considers not only its short-term position but also its long-term operational and strategic objectives.

It is the Group's policy to maintain its gearing ratio within the range of 0-25% (2010: 0-25%). The Group's gearing ratio at the end of the financial year is shown below:

	Consolidated	
	2011	**2010**
	$	$
Cash and cash equivalents	**1,665,894**	2,003,608
Net debt	**1,665,894**	2,003,608
Share capital	**15,698,286**	12,113,951
Reserves	**276,130**	276,483
Accumulated losses	**(8,976,934)**	(6,586,600)
Total capital	**6,997,482**	5,803,834
Gearing ratio	**-**	-

(b) ***Financial instrument risk exposure and management***

In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them.

Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

(c) ***Principal financial instruments***

The principal financial instruments used by the Group, from which financial instrument risk arises, are as follows:

other receivables;
cash at bank;
trade and other payables.

(d) ***General objectives, policies and processes***

The Board has overall responsibility for the determination of the Group's risk management objectives and policies and has the responsibility for designing and operating processes that ensure the effective implementation of the objectives and policies to the Group's finance function. The Board receives monthly reports through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets.

The overall objective of the board is to set policies that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility. Further details regarding these policies are set out below:

(i) ***Credit risk***

Credit risk arises principally from the Group's trade receivables and investments in corporate bonds. It is the risk that the counterparty fails to discharge its obligation in respect of the instrument.

Other receivables

Other receivables comprise GST receivable.

The maximum exposure to credit risk at balance date is as follows

	Consolidated	
	2011	2010
	$	$
Security Deposits	**123,175**	74,747
Other receivables	**69,418**	31,932
GST receivables	**160,538**	18,037
Joint venture cash calls receivable	**-**	833,168
	353,131	957,884

(ii) Liquidity risk

Liquidity risk arises from the Group's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due.

The Group's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. To achieve this aim, it seeks to maintain cash balances (or agreed facilities) to meet expected requirements for a period of at least 45 days.

The Board receives cash flow projections on a quarterly basis as well as information regarding cash balances. At the end of the financial year, these projections indicated that the Group expected to have sufficient liquid resources to meet its obligations under all reasonably expected circumstances.

The risk implied from the values shown in the table below, reflects a balanced view of cash inflows and outflows. Trade payables and other financial liabilities mainly originate from the financing of assets used in our ongoing operations such as property, plant, equipment and investments in working capital (e.g., trade receivables). These assets are considered in the Group's overall liquidity risk.

	Carrying Amount $	Contractual Cash flows $	< 6 mths $	6- 12 mths $	1-3 years $	> 3 years $
Maturity Analysis - Consolidated – 2011						
Financial Liabilities						
Trade Creditors	240,228	240,228	240,228	-	-	-
TOTAL	240,228	240,228	240,228	-	-	-
Maturity Analysis - Consolidated – 2010						
Financial Liabilities						
Trade Creditors	73,337	73,337	73,337	-	-	-
TOTAL	73,337	73,337	73,337	-	-	-

Market risk

Market risk does not arise as the Group does not use interest bearing, tradable and foreign currency financial instruments.

(iv) Interest rate risk

(a) The Company receives interest on its cash balance and at balance date was exposed to a floating weighted average interest rate on cash balances of 3.05% (2009 – 3.05%). As surplus funds become available, they are deposited in its cash management account and are exposed to receiving a floating rate, which varies according to the amount of funds deposited. All other financial assets are non-interest bearing.

(b) Net fair value of financial assets and liabilities: the net fair value of cash and cash equivalents and non-interest bearing financial assets and financial liabilities approximates their carrying value.

(c) The consolidated entity's exposure to interest rate risk and the effective weighted average interest rate for each class of financial assets and financial liabilities is set out in the following table:

	Notes	Floating interest rate	Fixed interest maturing in: 1 year or less	over 1 to 5 years	more than 5 years	Non-interest bearing	Total
2011		$	$	$	$	$	$
Financial assets							
Cash	12	**1,665,894**	**-**	**-**	**-**	**-**	**1,665,894**
Receivables - Current	13	**-**	**-**	**-**	**-**	**229,956**	**229,956**
Receivables – Non Current	15	**-**	**-**	**-**	**-**	**123,175**	**123,175**
		1,665,894	**-**	**-**	**-**	**353,131**	**2,019,025**
Weighted average interest rate		**3.68%**					
Financial liabilities							
Payables	19	**-**	**-**	**-**	**-**	**398,240**	**398,240**
		-	**-**	**-**	**-**	**398,240**	**398,240**
Weighted average interest rate							
Net financial assets (liabilities)		**1,665,894**	**-**	**-**	**-**	**(45,109)**	**1,620,785**

	Notes	Floating interest rate	Fixed interest maturing in: 1 year or less	over 1 to 5 years	more than 5 years	Non-interest bearing	Total
2010		$	$	$	$	$	$
Financial assets							
Cash	12	2,003,608	-	-	-	-	2,003,608
Receivables - Current	13	-	-	-	-	883,137	883,137
Receivables – Non Current	15	-	-	-	-	74,747	74,747
		2,003,608	-	-	-	957,884	2,961,492
Weighted average interest rate		1.72%					
Financial liabilities							
Payables	19	-	-	-	-	186,543	186,543
		-	-	-	-	186,543	186,543
Weighted average interest rate		-					
Net financial assets (liabilities)		2,003,608	-	-	-	771,341	2,774,949

Sensitivity Analysis

2011	Carrying amount	Consolidated +1% interest rate Profit & Loss	-1% interest rate Profit & Loss
Cash assets	**1,665,894**	**16,659**	**(16,659)**
	1,665,894	**16,659**	**(16,659)**
Tax charge of 30%		**(4,998)**	**4,998**
Post tax profit increase / (decrease)		**11,661**	**(11,661)**
2010			
Cash assets	2,003,608	20,036	(20,036)
	2,003,608	20,036	(20,036)
Tax charge of 30%		(6,011)	6,011
Post tax profit increase / (decrease)		14,025	(14,025)

(v) Currency risk

The Group's policy is, where possible, to allow group entities to settle liabilities denominated in their functional currency (AUD) with the cash generated from their own operations in that currency. Where group entities have liabilities denominated in a currency other than their functional currency (and have insufficient reserves of that currency to settle them) cash already denominated in that currency will, where possible, be transferred from elsewhere in the Group

The Group's exposure to foreign currency risk is as follows:

	Consolidated 2011 $CAD	 2010 $CAD
Cash at bank	**11,247**	**11,247**
Intercompany loans	**-**	**-**
Net Exposure	**11,247**	**11,247**

The following sensitivity analysis is based on the foreign currency risk exposures in existence at the year end. The below analysis assumes all other variables remain constant.

Sensitivity Analysis **Consolidated**

2011	Carrying amount $CAD	+10% CAD /AUD Profit & Loss AUD$	-10% CAD/AUD Profit & Loss AUD$
Cash at bank	**11,247**	**1,077**	**(1,077)**
	11,247	**1,077**	**(1,077)**
Tax charge of 30%		**(323)**	**323**
Post tax profit increase / (decrease)		**754**	**(754)**
2010			
Cash at bank	11,247	1,106	(1,106)
	11,247	1,106	(1,106)
Tax charge of 30%		(332)	332
Post tax profit increase / (decrease)		774	774

(vi) Sovereign risk

Country or sovereign risk relates to the likelihood that changes in the business environment will occur that reduce the profitability of doing business in a country. These changes can adversely affect operating profits as well as the value of assets. Types of country risk include;

Political changes. Governments may change economic policies. Changes in the ruling party in Australia or Canada (brought about by elections, coups or wars) may results in major policy changes. This could result in expropriation of the Group's exploration leases, inability to repatriate future profits, higher taxes, higher tariffs and import costs, elimination of FDI incentives, domestic ownership requirements and local content requirements.

Macroeconomic mismanagement. The Australian and Canadian governments may pursue unsound monetary and fiscal policies which may lead to inflation, higher interest rates, recession and hard currency shortage.

Other types of country risk include war and labour unrest which could result in higher costs and work stoppages.

The Group has maintained a working policy of keeping all relevant Government offices informed and updated on activities to allow clear avenues of communication with Government authorities and an understanding of any policy changes and any affects that they may have on the Group's work.

(e) Accounting policies

(i) Financial assets

The Group's financial assets fall into the categories discussed below, with the allocation depending to an extent on the purpose for which the asset was acquired. The Group does not use derivative financial instruments in economic hedges of currency or interest rate risk. The Group has not classified any of its financial assets as held to maturity.

Unless otherwise indicated, the carrying amounts of the Group's financial assets are a reasonable approximation of their fair values.

Other receivables

These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally though the sale of assets and GST receivable. They are initially recognised at fair value plus transaction costs that are directly attributable to the acquisition or issue and subsequently carried at amortised cost using the effective interest rate method, less provision for impairment. The effect of discounting on these financial instruments is not considered to be material.

Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the Group will be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future such provisions are recorded in a separate allowance account with the loss being recognised within administrative expenses in the income statement. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

Available for sale

Non-derivative financial assets not included in the above categories are classified as available for sale. They are carried at fair value with changes in fair value recognised directly in the available for sale reserve. Where there is a significant or prolonged decline in the fair value of an available for sale financial asset (which constitutes objective evidence of impairment), the full amount of the impairment, including any amount previously charged to equity, is recognised in the income statement. Purchases and sales of available for sale financial assets are recognised on settlement date with any change in fair value between trade date and settlement date being recognised in the available for sale reserve. On sale, the amount held in the available for sale reserve associated with that asset is removed from equity and recognised in the income statement. Interest on corporate bonds classified as available for sale is calculated using the effective interest method and is recognised in finance income in the income statement.

(ii) Financial liabilities

The Group classifies its financial liabilities as measured at amortised cost. The Group does not use derivative financial instruments in economic hedges of currency or interest rate risk.

Unless otherwise indicated, the carrying amounts of the Groups financial liabilities are a reasonable approximation of their fair values.

These financial liabilities include trade payables and other short-term monetary liabilities, which are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method

(iii) Share capital

Financial instruments issued by the Group are treated as equity only to the extent that they do not meet the definition of a financial liability. The Groups ordinary shares are classified as equity instruments.

For the purposes of these disclosures, the Group considers its capital to comprise its ordinary share capital, and accumulated retained earnings. Neither the available for sale reserve nor the translation reserve is considered as capital. There have been no changes in what the Group considers to be capital since the previous period.

The Group is not subject to any externally imposed capital requirements

33. ACQUISITION OF CONTROLLED ENTITY

	Acquiree's carrying amount $	*Fair Value* $
In the previous financial year, on 1 July 2010, the parent entity acquired 100% of the issued capital of Paradigm Mexico Pty Ltd from Global Geoscience Ltd.		
The consideration was $2 representing $2 issued capital.		
Purchase Consideration:		
Cash	2	2
Less:		
Cash	2	2
Exploration expenditure	28,966	28,966
Current liabilities	(30,028)	(30,028)
	(1,060)	**(1,060)**
Goodwill	**-**	**1,058**

The goodwill has been written off in the consolidated statements.

The purchase consideration was allocated as follows in the parent company:

Cash	2
	2

In addition an amount of $29,998 was advanced to Paradigm Mexico Pty Ltd to facilitate repayment of advances from Global Geoscience Ltd.

34. NOTES TO THE STATEMENTS OF CASH FLOWS

(a) Cash on hand comprises:

	Consolidated **2011** **$**	2010 $
Cash at bank and on hand	**104,182**	478,730
Deposits at call	**561,712**	516,592
Bank bills	**1,000,000**	1,008,286
	1,665,894	2,003,608

(b) Reconciliation of loss from ordinary activities after income tax to net cash outflows from operating activities as follows:

	2011 $	2010 $
Operating (loss) after income tax	**(2,390,334)**	(796,806)
Depreciation	**119,525**	124,755
Exploration expenditure written off	**1,650,096**	103,101
Provision for annual leave entitlements	**9,885**	17,165
Share of associates loss	**(236,345)**	203,747
Share based payments expense	**-**	109,664
Change in operating assets and liabilities:		
- Decrease / (Increase) in receivables	**653,181**	(298,376)
- Decrease / (Increase) in other assets	**1,480**	(3,731)
- Increase / (Decrease) in accounts payable	**207,027**	94,329
Net cash inflow (outflow) from operating activities	**14,515**	(446,152)

Directors' Declaration

The Directors of the Company declare that:

1. the financial statements and notes, as set out on pages 20 to 59, are in accordance with the Corporations Act 2001 and:
   (a) comply with Accounting Standards, which, as stated in accounting policy note 1 to the financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS); and
   (b) give a true and fair view of the financial position as at 31 December 2011 and of the financial performance for the year ended on that date of the company and consolidated group; and

2. the Chief Executive Officer and Chief Finance Officer have each declared that:

   (c) the financial records of the Company for the financial year have been properly maintained in accordance with section 286 of the Corporation Act 2001;
   (d) the financial statements and notes for the financial year comply with the Accounting Standards; and
   (e) the financial statements and notes for the financial year give a true and fair view.

3. in the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

Dated at Darwin this 28th day of March 2012
On behalf of the Board

Geoff Eupene
Director

bdjpartners audit pty limited
ACN:154 694 925
CHARTERED ACCOUNTANTS

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CROSSLAND URANIUM MINES LIMITED ABN 64 087 595 980 AND CONTROLLED ENTITIES
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CROSSLAND URANIUM MINES LIMITED

Report on the Financial Report

We have audited the accompanying financial report of Crossland Uranium Mines Limited (the company) and Crossland Uranium Mines Limited and Controlled Entities (the consolidated entity), which comprises the statement of financial position as at 31 December 2011, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the 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 financial report that is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101: Presentation of Financial Statements, that the financial statements comply with International Financial Reporting Standards (IFRS).

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, 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 the company, would be in the same terms if provided to the directors as at the date of this auditor's report.

Auditor's Opinion

In our opinion:

a. the financial report of the consolidated entity is in accordance with the Corporations Act 2001, including:

   i. giving a true and fair view of the company and consolidated entity's financial position as at 31 December 2011 and of their performance for the year ended on that date; and

   ii. complying with Australian Accounting Standards and the Corporations Regulations 2001; and

b. the financial report also complies with International Financial Reporting Standards as disclosed in Note 1.

Report on the Remuneration Report

We have audited the remuneration report included in the directors' report for the year ended 31 December 2011. The directors of the company are responsible for the preparation and presentation of the remuneration report in accordance with s 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards as described above.

Auditor's Opinion

In our opinion the remuneration report of Crossland Uranium Mines Limited for the year ended 31 December 2011 complies with s 300A of the Corporations Act 2001.

BDJ Partners Audit Pty Limited
Chartered Accountants

Steven Dadich
Director

Dated this 29th day of March, 2012

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 URANIUM MINES LIMITED

We declare that, to the best of our knowledge and beliefs, during the year ended 31 December 2011 there have been:

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

ii. no contraventions of any applicable code of professional conduct in relation to the audit.

Yours Faithfully
BDJ Partners Audit Pty Limited

Steven Dadich
Director

Dated this 28th day of March, 2012

Shareholder Information

Information relating to shareholders at 22 March 2012

Substantial Shareholders

	Number of Shares	%
Eupene Nominees Pty Limited	9,258,492	6.753
Gaden Nominees Pty Ltd	7,124,795	5.197

Distribution of Shareholders -Analysis of Holdings as at 16 March 2011

Security Classes	Holdings Ranges			Holders	Total Units	%
Fully Paid Ordinary	1	-	1,000	58	31,942	0.023
	1,001	-	5,000	217	728,502	0.531
	5,001	-	10,000	243	2,083,502	1.520
	10,001	-	100,000	691	27,739,147	20.234
	100,001>			204	106,511,512	77.692
	Totals			**1,413**	**137,094,155**	**100.00**

Top 20 Holdings as at 16 March 2011

Holder Name	Balance at	%
National Nominees Limited	8,497,962	6.199
Gaden Nominees Pty Ltd (Gaden Family A/C)	7,124,795	5.197
Eupene Nominees Pty Ltd (Eupene Family Super A/C)	6,028,571	4.397
Excess Pty Limited (N J Walker A/C)	5,458,447	3.982
ACN 108 884 779 Pty Ltd (Cleary Family Super Fund A/C)	3,892,326	2.839
Panstyn Investments Pty Ltd	3,720,970	2.714
Eupene Nominees Pty Limited	3,229,921	2.356
Miss Dimitra Georgousi	3,020,000	2.203
Kale Capital Corporation Ltd	2,915,541	2.127
Mr Peter William Walker	2,179,482	1.590
Mr Robert A Cleary	2,000,000	1.459
Phillian Pty Limited (Austen Family Trust No 1)	1,609,433	1.174
Mr Peter Michael Nicholson	1,340,161	0.978
Mr Arvid John Buskas	1,328,571	0.969
Mr Brian Maxwell Cann&Mrs Gayle Cann<BM&G Cann SM S/Fund 888 A/C>	1,300,000	0.948
Budberth Pty Ltd <Ipseity S/F A/C>	1,200,000	0.875
Citicorp Nominees Australia Limited	1,070,713	0.781
Ganra Pty Ltd (The Flannery Family A/C)	1,002,431	0.731
JP Morgan Nominees Australia Limited <Cash Income A/C	990,103	0.722
Mr Andrew Hewitt	975,000	0.711
Total of top 20 holders	**58,884,427**	**42.952**
Total Issued Capital	**137,094,055**	

Unmarketable Parcels

As at 26 March 2012 there were 326 shareholders with an unmarketable share parcel of less than 6,757 shares at the prevailing share price of 7.4 cents.

Restricted Securities

There are no restricted securities.

Options on issue including holders of more than 20%

There are no individual holders of any class of options with 20% or more.

Voting Rights

There are no restrictions on voting rights. On a show of hands every member present in person or by proxy shall have one vote and upon a poll each share shall have one vote. Where a member holds shares which are not fully paid, the number of votes to which that member is entitled on a poll in respect of those part paid shares shall be that fraction of one vote which the amount paid up bears to the total issued price thereof. Option holders have no voting rights until the options are exercised.

The Company has not paid any dividends in the period

Corporate Governance

Statement of Corporate Governance

Unless disclosed below, all the best practice recommendations of the ASX Corporate Governance Council have been applied for the entire financial year ended 31 December 2010.

Board Composition

The skills, experience and expertise relevant to the position of each director who is in office at the date of the annual report and their term of office are detailed in the directors' report.

The names of independent directors of the company are:

Patrick JD Elliott
Robert L Richardson
Peter Walker

When determining whether a non-executive director is independent the director must not fail any of the following materiality thresholds:

— less than 10% of company shares are held by the director and any entity or individual directly or indirectly associated with the director;
— no sales are made to or purchases made from any entity or individual directly or indirectly associated with the director; and
— none of the directors' income or the income of an individual or entity directly or indirectly associated with the director is derived from a contract with any member of the economic entity other than income derived as a director of the entity.

Independent directors have the right to seek independent professional advice in the furtherance of their duties as directors at the company's expense. Written approval must be obtained from the chair prior to incurring any expense on behalf of the company.

The company does not have a formally constituted nomination committee.

Ethical Standards

The Board acknowledges and emphasises the importance of all directors and employees maintaining the highest standards of corporate governance practice and ethical conduct.

Directors and employees are required to:

- act honestly and in good faith;
- exercise due care and diligence in fulfilling the functions of office;
- avoid conflicts and make full disclosure of any possible conflict of interest;
- comply with the law;
- encourage the reporting and investigating of unlawful and unethical behaviour; and
- comply with the share trading policy outlined in the Code of Conduct.

Directors are obliged to be independent in judgment and ensure all reasonable steps are taken to ensure due care is taken by the Board in making sound decisions.

Trading Policy

Directors, employees and associates must not engage in short term trading of Company Shares and should not enter into any form of trading or dealing, or procure others to do so, under the following circumstances:

1) if they are in possession of information which is not generally available (inside information) being information which, if it were known and available might cause a reasonable person to expect that the value of the Company and /or its shares to be affected;
2) during periods other than the nominated Trading Windows defined below
3) at all other times their intention to trade has been notified to, and approved by, the responsible person in accordance with this Policy.

In the course of carrying out their duties, directors and employees often possess information which may be regarded as inside information either specifically under terms of the Corporations Code, or more generally by informed and ethical persons. By way of guidance such information could include, but would not be limited to:

- financial information of any type such as changes in operating forecasts, adjustments in capital or capital structure, borrowings, liquidity or cash flow circumstances
- information about material acquisitions or divestments by the Company
- changes to the Board, Management or Auditors
- regulatory decisions or significant litigation likely to affect the Company

Directors, employees and their associates may not trade or deal in Company Shares except in accordance with the preceding paragraphs and only during **Trading Window periods** being those periods beginning 24 hours after lodgement of the Company's half year and annual profit announcements, and concluding on the date for closing of books for the next reporting period.

Except for the Trading Window periods described in the preceding paragraph, all other times are considered to be "Closed Periods" in terms of Australian Stock Exchange Listing Rule 12.12.1 being those periods when Directors, employees and their associates are generally prohibited from trading in the Company's securities.

Before dealing in Company Shares, an intention to trade must be discussed with and approved

in the case of Directors, by the Chairman

in the case of the Chairman by an independent director

in the case of all other employees by a Director

In addition, Directors are obliged to inform the Company Secretary of any dealing in Company Shares in the form required by the Corporations Act.

Employees who wish to trade outside the Trading Windows must obtain prior approval of the Board which may, under exceptional circumstances, consider applications for exemption from compliance with this Policy. The Board will exercise its unfettered discretion in deliberating the merits of each case and consent will generally be provided only in cases of clear financial hardship.

In the context of this Policy, associates of employees include the spouse, partner, members of employee's, spouse's or partner's immediate families together with any third parties or entities controlled by the employee or such associates including family trusts and personal superannuation schemes

Audit Committee

The Directors have established an Audit Committee, which is comprised of Messrs RL Richardson, RA Cleary and PW Walker, all of whom are Non-Executive Directors and Mr MK Smartt, the company secretary. The Audit Committee will have direct access to management and will meet periodically with the external auditors to assess and review internal controls and the Company's statutory reporting. Its activities will assist in ensuring the independence of the external Auditors and provide ready access to the full Board.

Performance Evaluation

There has been no formal performance evaluation of the Board during the past financial year, although its composition is reviewed at a Board meeting at least annually.

Board Roles and Responsibilities

The Board is first and foremost accountable to provide value to its shareholders through delivery of timely and balanced disclosures.

The Board is ultimately responsible for ensuring its actions are in accordance with key corporate governance principles.

The functions of the Board include:

- review and approval of corporate strategies, the annual budget and financial and business plans;
- overseeing and monitoring organisational performance and the achievement of the Company's strategic goals and objectives thereby advancing the interests of the Shareholders and stakeholders;
- monitoring financial performance including approval of the annual and half-year financial reports and liaison with the Company's auditor;
- appointment of and assessment of, the Chief Executive Officer and the members of the senior management and technical teams;
- ensuring that there are effective management processes in place and approving major corporate initiatives;
- enhancing and protecting the reputation of the Company;
- ensuring the significant risks facing the Company and its controlled entity have been identified;
- appropriate and adequate control, monitoring and reporting mechanisms are in place;
- otherwise monitoring and reviewing the Company's controls and systems including those concerned with occupational health and safety and environment and human resource matters, so as to ensure compliance with laws and the highest ethical standards; and
- ensuring that the Shareholders are appropriately informed of the progress of the Company.

Community relations in the Yukon

The Company will respect the legitimate rights and titles of the native people and the concerns of the local communities who are likely to be interested in or affected by the Crossland Uranium Mines Project. The Canadian Government and the indigenous people of the region have formally agreed as to which area are native lands (Settlement Lands) and which are not. All of the tenements in which CUX has an interest fall outside any Settlement Lands and consequently the Directors do not anticipate any native title concerns. The Company seeks to work constructively and in consultation with interested groups in accordance with Yukon and Canadian law.

Shareholder Rights

Shareholders are entitled to vote on significant matters impacting on the business, which include the election and remuneration of directors, changes to the constitution and receipt of annual and interim financial statements. Shareholders are strongly encouraged to attend and participate in the Annual General Meetings of Crossland Uranium Mines Ltd, to lodge questions to be responded by the Board and/or the CEO, and are able to appoint proxies.

The Directors are keen to ensure that all Shareholders are kept fully informed. All announcements will be available on the Company's web site http://www.crosslanduranium.com.au after release to ASX.

Risk Management

The Board considers identification and management of key risks associated with the business as vital to maximise shareholder wealth. An assessment of the business's risk profile is undertaken on a regular basis and is reviewed by the Board, covering all aspects of the business from the operational level through to strategic level risks. The CEO has been delegated the task of implementing internal controls to identify and manage risks for which the Board provides oversight. The effectiveness of these controls is monitored and reviewed regularly.

Remuneration Policies

The remuneration policy sets the terms and conditions for the key management personnel All executives receive a base salary, superannuation and retirement benefits. The Board reviews executive packages annually by reference to company performance and executive performance. The policy is designed to attract the highest calibre executives and reward them for performance which results in long-term growth in shareholder value.

Executives are also entitled to participate in the employee share and option arrangements.

The amount of remuneration for all key management personnel for the company are detailed in the directors report under the heading Key Management Personnel Compensation. All remuneration paid to executives is valued at the cost to the company and expensed. Shares given to executives are valued as the difference between the market price of those shares and the amount paid by the executive. Options are valued using the Black-Scholes methodology.

The Board expects that the remuneration structure implemented will result in the company being able to attract and retain the best executives to run the consolidated group. It will also provide executives with the necessary incentives to work to grow long-term shareholder value.

The payment of bonuses, options and other incentive payments are reviewed by the Board as part of the review of executive remuneration and a recommendation is put to the Board for approval.

Remuneration Committee

The company does not have a formally constituted remuneration committee

SCHEDULE 1 – TENEMENTS CURRENT

Project Area	Tenement	Name / Location	Status	Date Granted	Renewal Date	Area (sq km) (unless otherwise specified)	Registered Holder / Applicant
Chilling Project	EL 23682	Chilling (NT)	Granted/ Current	18/9/03	17/09/11	79.9 (24 sub-blocks)	Crossland Mines Pty Ltd
Chilling Project	EL 25076	Allia (NT)	Granted/ Current	18/09/06	17/09/12	627.55 (189 sub-blocks)	Crossland Mines Pty Ltd
Chilling Project	EL 25078	Tipperary (NT)	Granted/ Current	18/09/06	17/09/12	145.1 (49 sub-blocks)	Crossland Mines Pty Ltd
Chilling Project	EL 25077	Litchfield (NT)	Granted/ Current	09/11/06	08/11/12	155.4km^2 (49 sub-blocks)	Crossland Mines Pty Ltd
Chilling Project	EL 24557	Mt Thomas (NT)	Granted/ Current	07/12/05	06/12/11	66.76 (20 sub-blocks)	Crossland Mines Pty Ltd
Chilling Project	EL 22738	Buchanan (NT)	Granted Current	15/01/09	14/01/15	539.3 (162 sub-blocks)	Crossland Mines Pty Ltd
Charley Creek Project	EL 24281	Charley Creek (NT)	Granted/ Current	07/02/05	06/02/13	129.2 (41 sub-blocks)	Crossland Nickel Pty Ltd
Charley Creek Project	EL 25230	Cockroach Dam (NT)	Granted/ Current	09/11/06	08/11/12	504.3 (178 sub-blocks)	Crossland Nickel Pty Ltd
Charley Creek Project	EL27283	Mt Chapple (NT)	Granted/ Current	17/11/09	16/11/15	1,561 (500 sub-blocks)	Crossland Nickel Pty Ltd
Charley Creek Project	EL27284	Mt Chapple North (NT)	Granted/ Current	17/11/09	16/11/15	983.7 (313 sub-blocks)	Crossland Nickel Pty Ltd
Charley Creek Project	EL27338	Aileron (NT)	Granted/ Current	24/12/09	23/12/15	256.3 (81sub-blocks)	Crossland Nickel Pty Ltd
Charley Creek Project	EL27358	Hamilton Downs (NT)	Granted/ Current	17/11/09	16/11/15	412.7 (131 sub-blocks)	Crossland Nickel Pty Ltd
Charley Creek Project	EL27359	Hamilton Downs North (NT)	Granted/ Current	17/11/09	16/11/15	123 (39 sub-blocks)	Crossland Nickel Pty Ltd
Chilling Project	EL27440A	Collai East (NT)	Application	App Date 10/07/09	NA	793.1 (240sub-blocks)	Crossland Mines Pty Ltd
Chilling Project	EL27441	Collai (NT)	Granted/ Current	24/12/09	23/12/15	169.7 (54sub-blocks)	Crossland Mines Pty Ltd

SCHEDULE 1 – TENEMENTS CURRENT

Project Area	Tenement	Name / Location	Status	Date Granted	Renewal Date	Area (sq km) (unless otherwise specified)	Registered Holder / Applicant
Chilling Project	EL27442A	Collai West (NT)	Application	App Date 10/07/09	NA	514.6 (158 sub-blocks)	Crossland Mines Pty Ltd
Chilling Project	EL27525	Flora (NT)	Granted/ Current	05/03/10	04/03/16	1,046 (319 sub-blocks)	Crossland Mines Pty Ltd
Kalabity Project	EL 4461	Kalabity (SA)	Renewal /Granted	29/3/10	28/3/12	125 km^2	Platsearch NL
Charley Creek	EL28154A	Hamilton South1	Application	App Date 8/06/10	NA	193 (76 sub-blocks)	Crossland Nickel Pty Ltd
Charley Creek	EL28155	Hamilton South2	Granted / Current	02/02/11	01/02/17	32.7 (14 sub-blocks)	Crossland Nickel Pty Ltd
Charley Creek	EL28224	Hamilton North2	Granted / Current	08/03/11	07/03/17	50.3 (16 sub-blocks)	Crossland Nickel Pty Ltd
Charley Creek	EL28225A	Glen Helen1	Application	16/08/10	NA	163.7 (52 sub-blocks)	Crossland Nickel Pty Ltd
Charley Creek	EL28226	Hamilton North3	Granted / Current	08/03/11	07/03/17	123 (39 sub-blocks)	Crossland Nickel Pty Ltd
Charley Creek	EL25657	Gould's Dam	Granted/ Current	30/08/07	29/08/13	397.8 (130 sub-blocks)	WDR Base Metals Pty Ltd
Bloodwood	EL27373	Bloodwood	Granted/ Current	21/12/09	20/12/15	171.9 (54 sub-blocks)	Paradigm Mexico Pty Ltd
Highland Rocks	EL27374A	Highland Rocks1	Application	29/05/09	NA	188.4 (59 sub-blocks)	Paradigm Mexico Pty Ltd
Highland Rocks	EL27375A	Highland Rocks2	Application	29/05/09	NA	377.3 (118 sub-blocks)	Paradigm Mexico Pty Ltd
Highland Rocks	EL27571A	Highland Rocks3	Application	25/08/09	NA	1087 (340 sub-blocks)	Paradigm Mexico Pty Ltd
Highland Rocks	EL27572A	Highland Rocks4	Application	25/08/09	NA	1052 (330 sub-blocks)	Paradigm Mexico Pty Ltd
Charley Creek	EL28434A	Hamilton Homestead	Application	15/11/10	NA	381.1 (125 sub-blocks)	Crossland Nickel Pty Ltd 50%/ Panconoz Pty Ltd 50%
Chilling	EL28433A	Nancar	Application	15/11/10	NA	106.8 (32 sub-blocks)	Crossland Mines Pty Ltd 50 %/ Panconoz Pty Ltd50%
Mt Stafford	EL28492A	Mt Stafford (NT)	Application	App Date 29/11/10	NA	862 (271 sub-blocks)	Crossland Nickel Pty Ltd 50%/ Panconoz Pty Ltd 50%

SCHEDULE 1 – TENEMENTS CURRENT

Project Area	Tenement	Name / Location	Status	Date Granted	Renewal Date	Area (sq km) (unless otherwise specified)	Registered Holder / Applicant
Charley Creek	EL28500A	Tjungkuba Hills (NT)	Application	App Date 06/12/10	NA	217.9 69 sub-blocks)	Crossland Nickel Pty Ltd 50%/ Panconoz Pty Ltd 50%
Lake Woods Project	EL23687	Lake Woods (NT)	Granted/ Current	11/06/03	10/06/11	52.27 (16 sub-blocks)	Crossland Diamonds Pty Ltd
Lake Woods Project	EL27317	Lake Woods (NT)	Granted/ Current	09/11/09	08/11/15	26.13 (8 sub-blocks)	Crossland Diamonds Pty Ltd
Lake Woods Project	EL27318	Lake Woods (NT)	Granted/ Current	09/11/09	08/11/15	3.27 (1 sub-block)	Crossland Diamonds Pty Ltd
Lake Woods Project	SEL28198A	Lake Woods (NT)	Application	App Date 27/07/10	NA	1031.4 (317 sub-blocks)	Crossland Diamonds Pty Ltd
Lake Woods Project	SEL28199A	Lake Woods (NT)	Application	App Date 27/07/10	NA	1032.7 (317 sub-blocks)	Crossland Diamonds Pty Ltd
Geothermal Project	GEP27831	(NT)	Granted/ Current	23/02/11	22/02/16	6111.9 (1983 sub-blocks)	Crossland Diamonds Pty Ltd

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