



30 July 2013

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

Dear Sir/Madam

## QUARTERLY REPORT FOR PERIOD ENDED 30 JUNE 2013

### HIGHLIGHTS

#### *Name Change*

- At the Annual General Meeting of the Company on 16<sup>th</sup> May, shareholders approved the change of the company's name to **Crossland Strategic Metals Ltd (ASX: CUX)**. This reflects the importance of the Charley Creek Alluvial REE project to the company's future, as well as the company's intended directions.

#### *Charley Creek REE Project.*

- Critical field work associated with the Environmental Impact Study continued, along with a resumption of low- key prospecting of potential start-up sites for mining, and clearance of potential Dry Plant complex sites. This work has minimal additional cost to the present holding costs.
- Other expenditure on technical work has been reduced to conserve funds and the focus is on promotion to the investment community and potential offtakers of the advantages of this low cost, long term source of the broad spectrum of REE.

#### *Financial*

- The Company has adequate funds for the next quarter, and is in negotiations to secure additional funding and expects to make an announcement before 16 August 2013 being expiry of the AGM shareholder approval granted on 16 May 2013.

**CROSSLAND STRATEGIC METALS LIMITED**

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## EXPLORATION DETAIL

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

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

Following release of the Charley Creek Alluvial Rare Earth Project Scoping Study on 15<sup>th</sup> April, Crossland's efforts have been focused on promotion of the advantages of this low cost, long term source of the broad spectrum of REE to the investment community and potential offtakers of product. Crossland requires additional funding to complete a full scale Feasibility Study, and market conditions for traditional investments of this type are poor. However, Crossland has received a much more promising response from potential sources of private equity and from potential offtake partners, who are able to appreciate the powerful strategic advantages of the Charley Creek project over most other potential sources of the Critical Rare Earths.

Crossland is also heartened to observe that prices for the Critical Rare Earths have shown strong rebounds in the last few weeks, and Crossland's basket price now exceeds that assumed for the Scoping Study, and appears on the way to stabilizing at levels that make the Charley Creek project financially very attractive. Nonetheless, Crossland continues to explore technologies for reducing estimated capital costs, already the lowest amongst the present generation of potential REE producers, even further, as well as reducing estimated operating costs.

While field operations are essentially on hold pending additional substantial funding of the Feasibility Study to permit Resource block- outs and detailed engineering and production studies, the Charley Creek Base at Milton Park homestead was maintained in operational condition. This supported field inspections by potential financiers, as well as essential field work from GHD associated with the EIS, and a resumption of low- key prospecting of potential start up sites for mining, and clearance of potential Dry Plant complex sites. This work has minimal additional cost to the present holding costs.

Numerous discussions with potential offtake partners have been held and this is an ongoing process, involving overseas visits by the COO and Crossland's advisers, often accompanied by representatives of our joint venture partner, Pancontinental. Crossland is encouraged by the excellent reception our teams have been receiving from potential offtake partners in these early stages of our program to form relationships with partners, and the willingness of these to discuss means of assisting the project despite difficult times.

These efforts will continue into the current quarter, accompanied by specific low- budget studies of vital significance to the route of project development. These will be adjusted in line with funding availability.

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

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

Crossland continues to search for a JV partner or purchaser for this intriguing project with several drill-ready targets. The title package has potential for Unconformity style uranium deposits, base metals, gold, and tin mineralization.

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

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

No field work was undertaken during the quarter.

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

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

No field work was undertaken during the quarter.

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

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

The Exploration Licence package was offered by the SA government. Crossland has paid the rental on these and awaits delivery of finalised documentation.



**Geoff Eupene FAusIMM CP,**  
Exploration Director

*The information in this report that relates to Exploration Targets, Exploration Results, or Mineral Resources is based on information compiled by **Geoffrey S Eupene FAusIMM CP**, a Competent Person who is 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, which is engaged by the Company. He has sufficient experience which is relevant to the styles of mineralisation and types of deposits under consideration, and to the activity which is being undertaken to qualify as a Competent Person as defined in the 2012 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 the report of the matters based on his information in the form and context in which it appears.*