

Operator: Crossland Uranium Mines Ltd

Buchanan

PARTIAL RELINQUISHMENT REPORT

for the period
15 January 2009 to 14 January 2013

Chilling Project EL 22738

Tenement Holders: Crossland Mines Pty Ltd

Summary

This report covers exploration activities carried out on the relinquished blocks of the subject licence. The licence was granted to Crossland Mines Pty Ltd in January 2009 and operated by Crossland Uranium Mines Limited (Crossland). The tenement is located in the southern Daly River region, centered approximately 205 km south of Darwin and 150 km west northwest of Katherine.

The licence was purchased by Crossland Mines Pty Ltd from Buchanan Exploration Pty Ltd in 2006 and granted to Crossland by NTDMR in January 2009. On December 12 2012, Crossland applied for a Partial Waiver of Reduction, which has subsequently been granted.

Bibliographic Data

Report Title	BUCHANAN PARTIAL RELINQUISHMENT REPORT
Author	Melville P
Project Name	Chilling
Tenement Number	EL 22738
Tenement Holder	Crossland Mines Pty Ltd.
Operator	Crossland Uranium Mines Ltd
Commodities	Base Metals and Uranium
1:250 000 Map Sheets	Fergusson River (SD 52-12)
1:100 000 Map Sheets	Wingate Mountains (5069)

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1 Introduction

1.1 Background

This report covers exploration activities carried out on the recently relinquished blocks of EL 22738 for the period 15 January 2009 to 14 January 2013. EL 22738 (Buchanan) is one of four remaining exploration licences that comprise Crossland's Chilling Project, located in the Daly River region south of Darwin.

Crossland has been exploring the region for uranium and other commodities since 2004 utilising the concepts of target identification based on the proprietary methods of Paradigm Geoscience Pty Ltd (now Global Geoscience Pty Ltd).

The initial target commodity on the licence was uranium. The geological setting consisting of hydrothermally altered granite intruding the lower proterozoic, and the presence of the mid-proterozoic unconformity combined to form a highly prospective setting. The first year of exploration was aimed at assessing the uranium potential, however following a regional mapping and sampling programme it became apparent that a favourable setting for base metals also existed. Base metal anomalies related to carbonate derived breccias occur along the margin of a fault-bounded basin, termed the Buchanan sub-basin. This feature became the focus of Crossland's exploration efforts.

1.2 The Target Area

The Chilling Target Area as identified by Paradigm Geoscience was centered on the now surrendered EL 23682. The region is situated at or close to a locus of important geological features including the Litchfield Province, the Fitzmaurice Mobile Zone, the Pine Creek Geosyncline and the Daly Basin. Some important intersecting bounding structural features are also present as are an unusual diversity of intrusive rocks, as demonstrated by the airborne radiometrics and magnetics.

The principal focus has been on the paleoproterozoic basement and the unconformably overlying Mesoproterozoic platform cover, a combination which extends throughout much of the project and covers a considerable strike length. The entire area is considered highly prospective for the classic basement-hosted, unconformity-related uranium deposits and also structurally controlled deposits within or adjacent to granites.

The multi metal-anomalous sedimentary succession located within EL 22738 was a recent discovery made by Crossland. The proximity of the hydrothermally affected Soldiers Creek (and Allia Creek) granites to this succession is considered significant as are other nearby mineralised occurrences

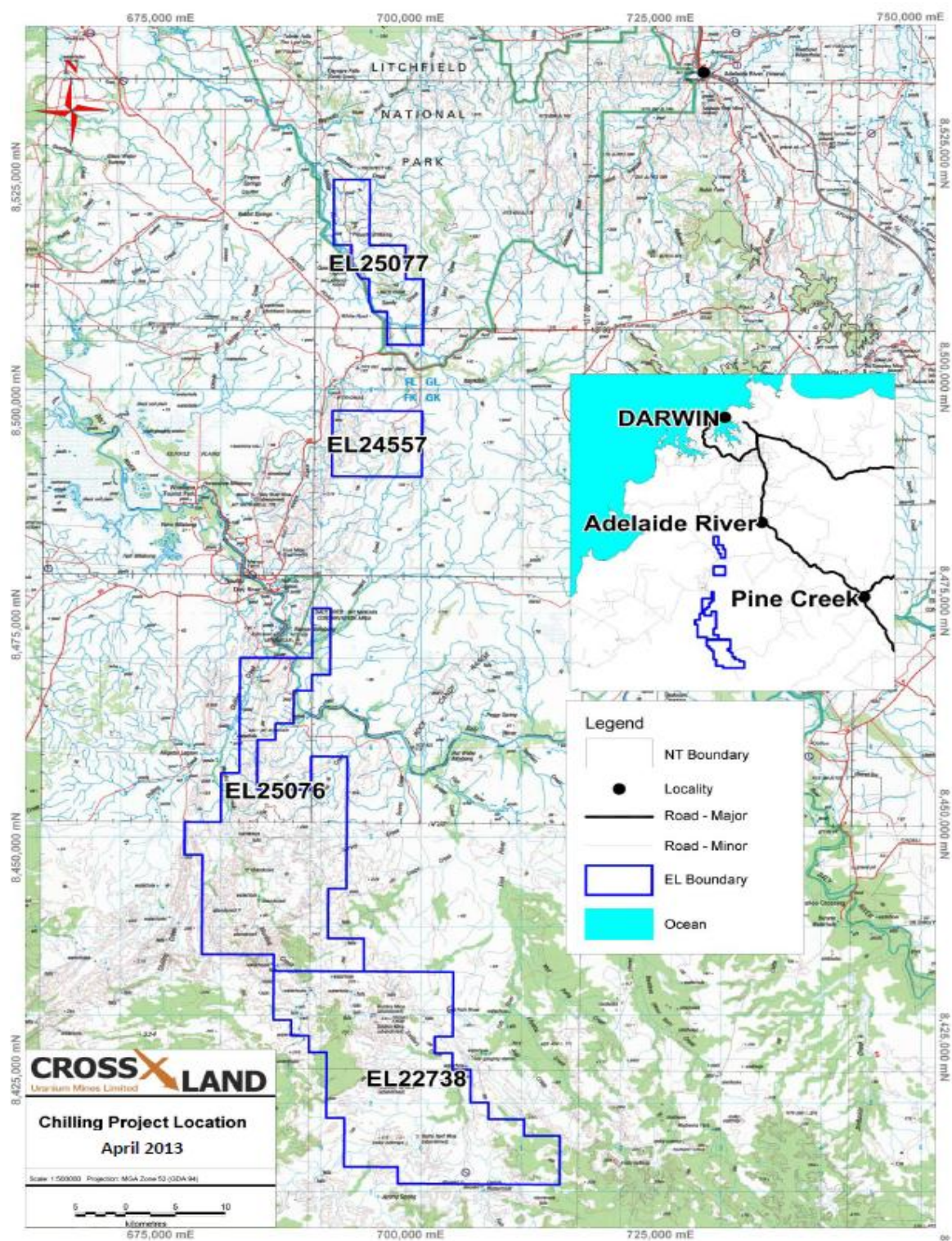


Figure 1 Chilling Project Location Map illustrating the reduced EL 22738.

2 Location and General Description

EL 22738 is located in the Daly River region and is centered approximately 200 km south of Darwin. The licence is the most southerly of the four remaining tenements of Crossland's Chilling Project. (see Figure 1 on page 7) Geographically it straddles the northeastern corner of the Wingate Mountains, an extensive peneplained surface. The tenement has several landform types based on the varied geological framework.

The nearest settlement is Daly River, which comprises an aboriginal community (Nauiyu), police station and hotel. The region has several tourist facilities. The licence is situated predominantly within the NT Parks and Wildlife administered Fish River Gorge Block. The northeastern corner of the tenement is in the the Fish River pastoral lease, now owned by the Indigenous Land Corporation.

3 Tenure Details

EL22738 (Buchanan) was granted on 15 January 2009 and will expire on 14 January 2015. The licence was purchased by Crossland from Buchanan Exploration in 2006. The tenement originally consisted of 162 blocks, an area of 537.2 km². An application for a Partial Waiver of Reduction from 162 to 121 blocks was submitted on 12 December 2012. NTDMG granted the partial waiver on the 25th March 2013. Figure 2 on page 9 illustrates the reduced area

4 Geology of EL 22738

Previous government mapping includes the BMR 1:250,000 scale Fergusson River sheet, (1969) and the more recent NTGS compiled Wingate Mountains 1:100,000 sheet (Edgoose *et al* 1989). Figure 3 on page 10 illustrates the regional geology in the vicinity of the licence.

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The oldest rocks within the tenement are the Early Proterozoic Burrell Creek formation, which discontinuously crop out in both the eastern and western parts of the licence. Contact relationships with the various rock types in the tenement are mapped as faulted, intrusive and unconformable. The Muldiva and Buldiva tin deposits occur within pegmatites intruded into the Burrell Creek and are related to the Soldiers Creek granite.

The Soldiers Creek granite takes up most of the western half of the tenement and extends eastwards under the sub-basin. Outcrops also occur on the eastern side and to the south. The granite is highly altered throughout and characterised by swarms of greisen/pegmatite/quartz veining, which form numerous linear ridges. Some of these veins are radioactive. These vein complexes were the target of uranium exploration by PNC and others. The Collah tinfield is located adjacent to the southern boundary of the licence.

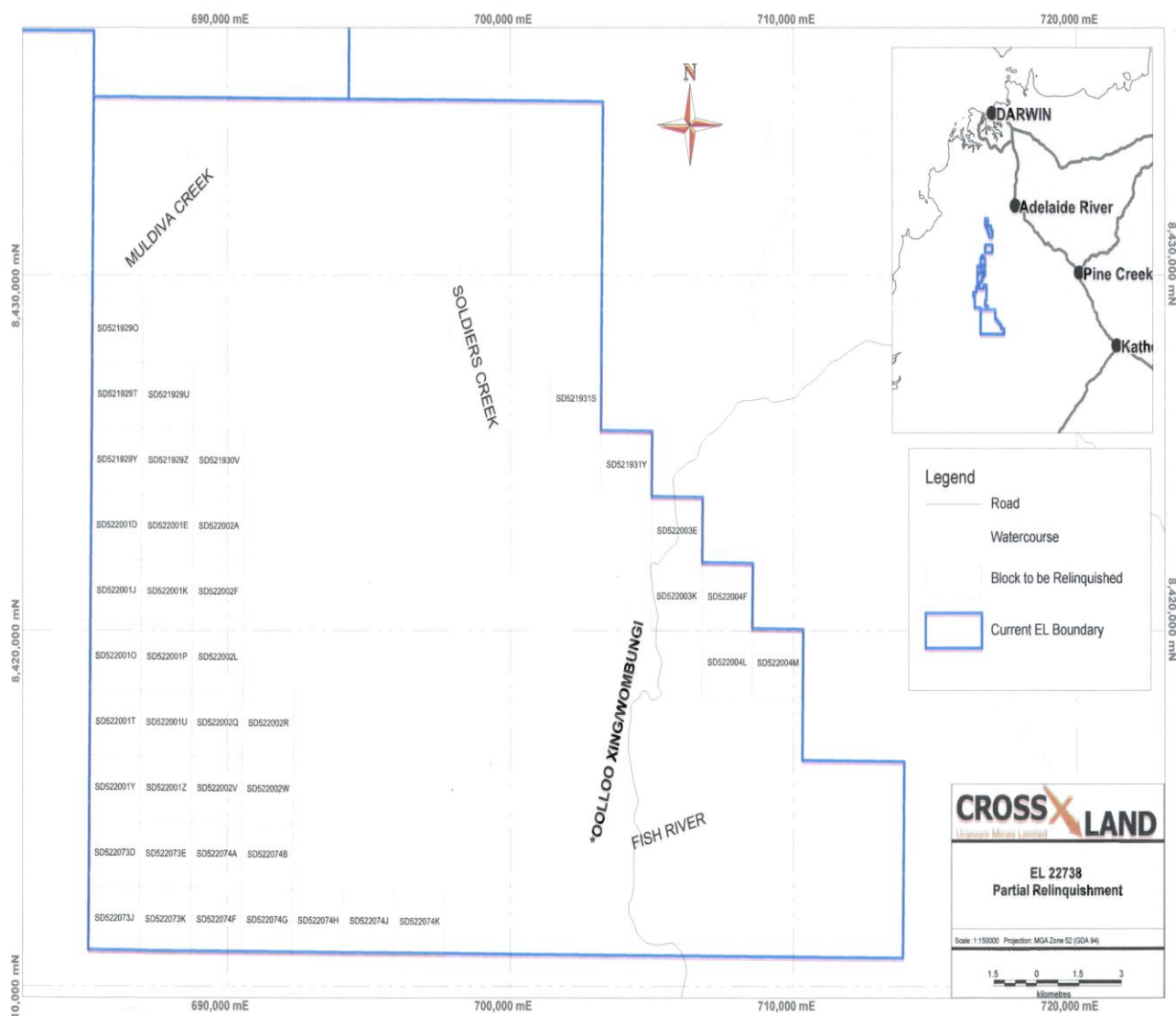


Figure 2 EL 22738 Blocks chosen for reduction

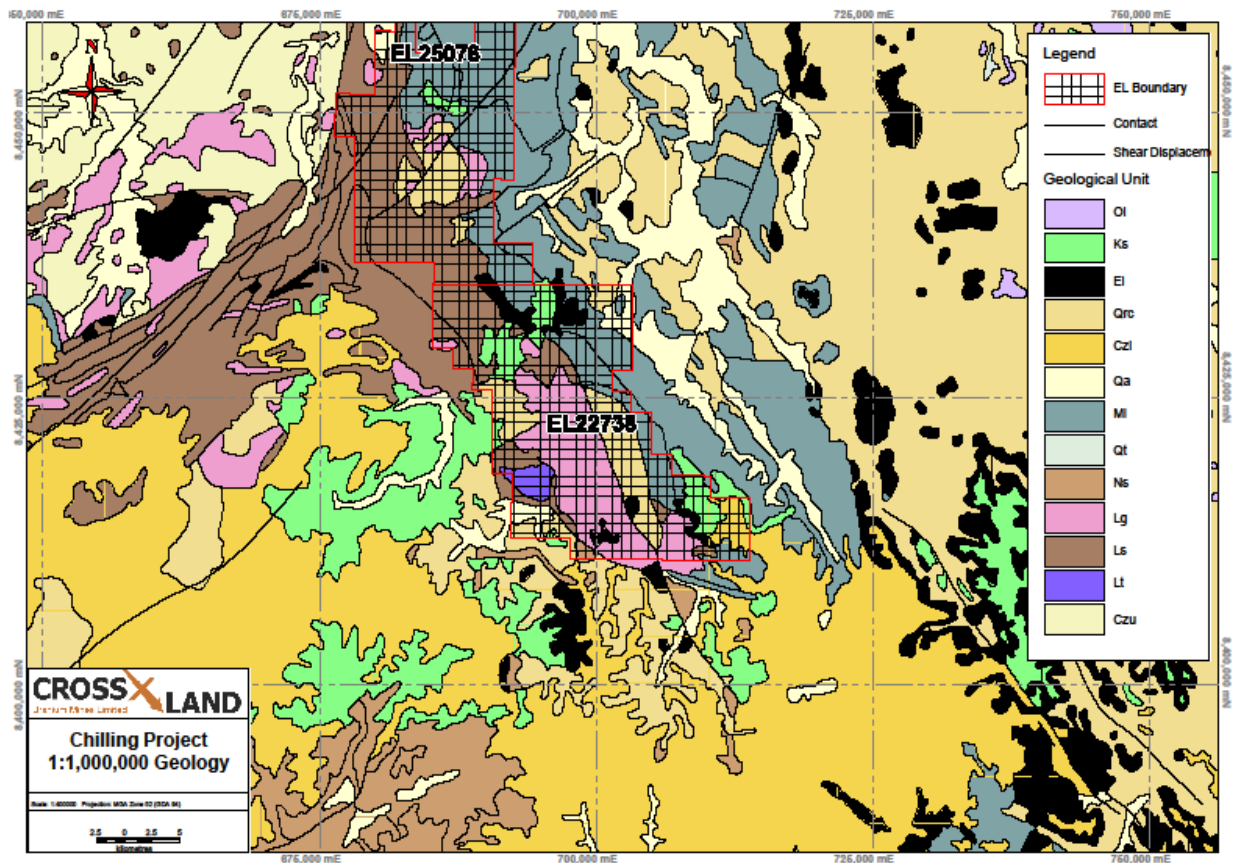


Figure 3 Regional Geological Setting EL 22738

Much of the eastern third of the licence is covered by middle proterozoic Tolmer Group sandstone – the Depot Creek and Stray Creek units. Minor outcrops of the Tolmer-equivalent Auvergne Group were mapped at the base of the escarpment in the western part of the licence.

Younger rocks include:

- isolated outliers of the glacial-derived Uniya Formation
- remnants of early Cambrian Antrim Plateau Volcanics (basalt and minor mudstone)
- a suite of Cambrian, mainly carbonate sediments that infill the sub-basin and overlie the volcanics
- flat lying Cretaceous rocks with a thick soil cover capping the higher country to the southwest.

5 Previous Exploration

Several companies carried out exploration work for a variety of commodities adjacent to the current licence. These companies, including the Sutton's Motors / Mobile Energy Minerals Australia joint venture, explored for gold, tin and uranium. This work identified the presence of alluvial gold, tin and minor uranium just north of the present licence boundary. Ashton Mining Ltd and Stockdale Prospecting Ltd. sampled the area for diamonds.

Within the current tenement area, Total Mining Australia Pty Ltd in joint venture with PNC Exploration (Australia) Ltd conducted a program of uranium exploration. In the mid 1990s PNC Exploration undertook an extensive examination on and around an earlier discovery of minor secondary uranium mineralisation made by Planet Management and Research Pty Ltd in the late 1960s. This is associated with alteration zones in the Soldier's Creek Granite. PNC also completed a 200 metre spaced airborne magnetic and radiometric survey which covers part of the the licence area.

6 Crossland Exploration Activities

In relation to on-ground exploration and related activities, Crossland completed the following work on the relinquished blocks:

- Initial desktop studies and compilation of historical data
- Airborne magnetics and radiometrics
- Ground reconnaissance in the southwestern and eastern blocks.
- Collection of two stream sediment samples.

Data pertaining to both the airborne geophysics and stream sediment sampling is contained in Appendix 1. Area covered by the airborne survey is shown in Figure 4.

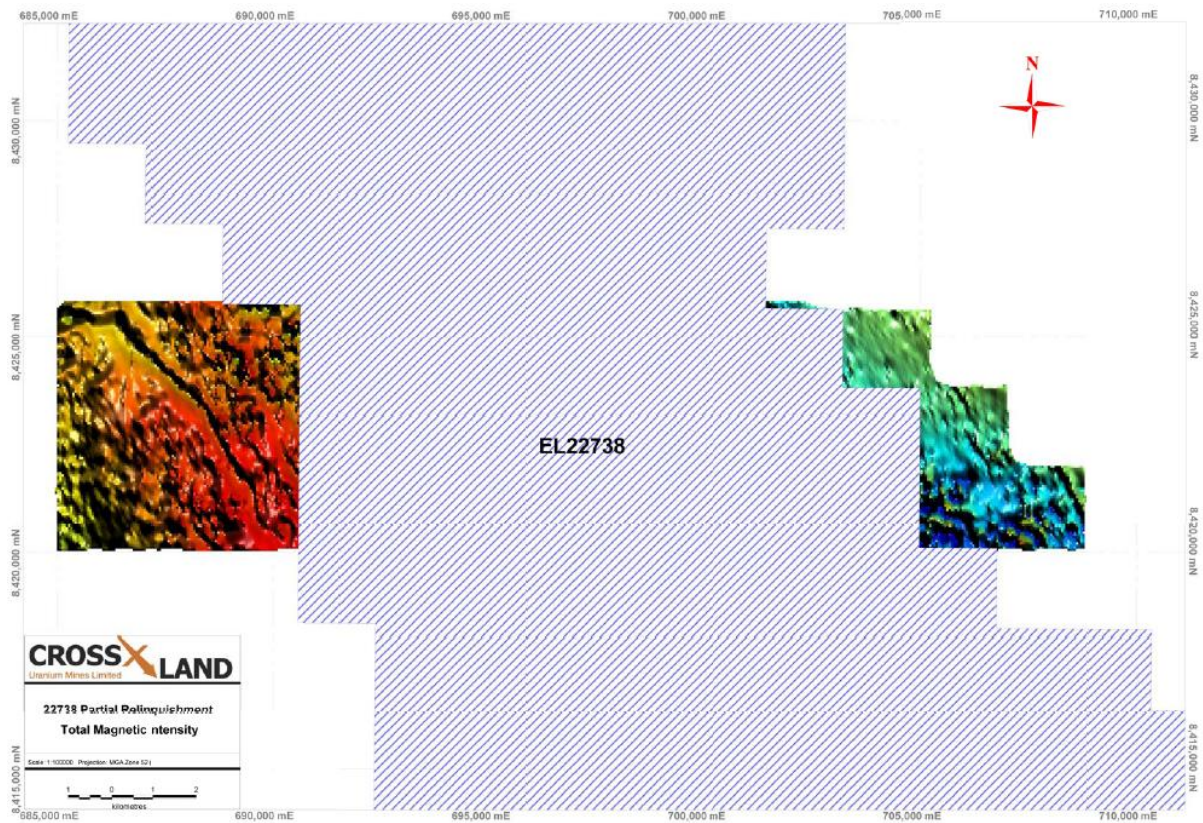


Figure 4 EL 22738 TMI

7 Conclusions

There were no results of interest derived from the activities carried out in the relinquished areas.

Thick mid-proterozoic sandstone obscures basement rocks along the eastern boundary of the licence. Diamond drilling in 2011 showed the sandstone sequence to be at least 200 metres thick. To the west, a greater variety of rock types exist, including basement lithologies, however these proved to be entirely unprospective. A combination of rugged escarpment country and flat topped plateau made this country difficult to access.

8 Bibliography

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