



Operator: Crossland Strategic Metals Ltd

Charley Creek

Arunta Region

Partial Cancellation Report for EL 29789 for the period 25 July 2013 to 27 April 2018

Tenement Holders: Crossland Nickel Pty Ltd and
Essential Mining Resources Pty Ltd

Paul Melville
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Summary

The subject tenement originally consisted of 14 sub-blocks when granted on 25 July 2013 to Crossland Nickel Pty Ltd (Crossland) and Panconoz Pty Ltd. The latter entity was purchased by the current JV partner, Essential Mining Resources Pty Ltd. (EMR) in 2016. Crossland holds a 56.28% and EMR 43.72% ownership of the licence. Both companies are wholly owned by Crossland Strategic Metals Limited (Crossland), the Operator of the Charley Creek Project.

Crossland / EMR was issued with a Partial Cancellation Notice (Loss of Block Penalty) from the Department of Primary Industry and Resources Mines and Energy (DPIR) on the 27th March 2018. The penalty relates to two consecutive years of underspend on the licence. The number of sub-blocks subject to the cancellation was six (6), from the current total area of fourteen (14).

No exploration activities have been carried out within the relinquished area.

Bibliographic Data

Report Title	Partial Cancellation Report for EL 29789 for the period 25 July 2013 to 27 April 2018
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Project Name	Charley Creek
Tenement Number	EL 29789
Tenement Holders	Crossland Nickel Pty Ltd and Essential Mining Resources Pty Ltd
Operator	Crossland Strategic Metals
Limited Commodities	Rare Earth Elements
Tectonic Unit	Arunta Region
1:250 000 MapSheet	Hermannsburg (SF53-13)
1:100 000 MapSheet	Anburla 5551
Keywords	Arunta Region, Charley Creek, REE

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1 Introduction

Exploration Licence (EL) 29789 is centred approximately 100 kilometres northwest of Alice Springs. The location is illustrated in Figure 1. Access is via the sealed Tanami Highway, then by station roads and tracks via Milton Park Homestead.

The tenement is one of fourteen licences that comprise Crossland’s Charley Creek Rare Earth project. The project is a Joint Venture between Crossland Nickel Pty Ltd and EMR. The primary target is Rare Earth Elements (REE).

This report deals with 6 sub-blocks that were relinquished by Crossland following receipt of a Partial Cancellation Notice from DPIR on 27 March 2018. The cancellation was necessitated due to two consecutive years of underspend on the subject tenement.

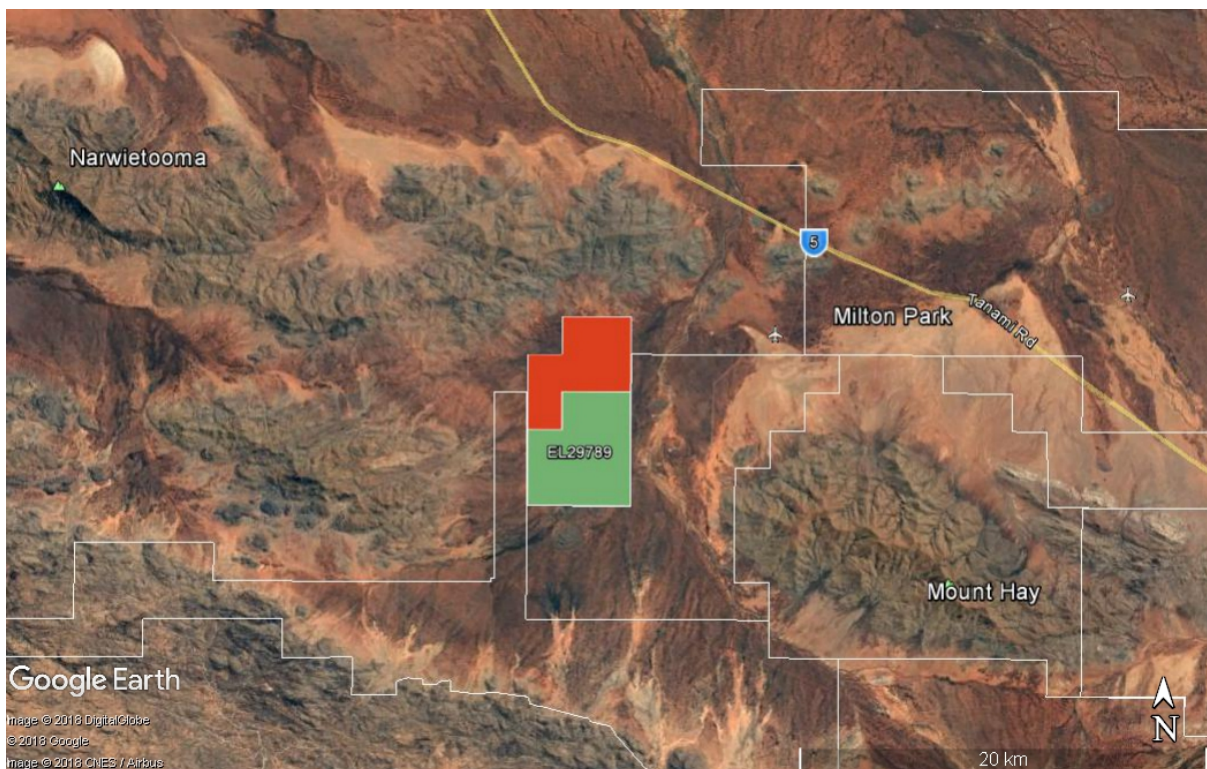


Figure 1 Google Earth Image showing regional location of EL 29789 and Relinquished / Retained area

2 Tenure Details

EL 29789 was granted to Crossland Nickel Pty Ltd and Panconoz Pty Ltd. (Panconoz) on 25 July 2013 for a period of six years. On grant, the licence comprised 14 sub-blocks, an area of approximately 44.13 km². In early 2016, EMR became the new JV partner, acquiring the share of Panconoz, a wholly owned subsidiary of Pancontinental Uranium Corporation of Canada.

Following the penalty cancellation the licence now consists of 8 sub-blocks, an area of approximately 25.22 km² (see Figure 2)

Details of the blocks / sub-blocks that Crossland nominated for cancellation are as follows :

Map Sheets : Map Sheets : 1:250,000 – SF53-13 Hermannsburg

1:100,000 – 5551 Anburla

Blocks : part 2891 and part 2892

Tabulation of Blocks with Sub-Blocks relinquished

Block	Sub-Block
2891	k, o, p, t
2892	f, l

3 Geology

The project area lies within the Central Province of the Arunta Block on the southern margin of the North Australian Craton. The southern margin of this block is marked by a high strain zone, the Redbank Thrust Zone (RTZ), which contains several mapped units. Most of the Central Province is granulite facies metamorphic grade with some retrograde zones of amphibolite facies. The oldest rocks are dated as Lower Proterozoic.

EL 29789 lies on the extensive alluvial outwash of Charley Creek, between Mount Hay and Mount Chapple. Surficially, the country covered by the licence consists of recent soils, clay and sand overlying coarse gravels, sand and clay. There is no outcrop on the relinquished parts of the tenement.

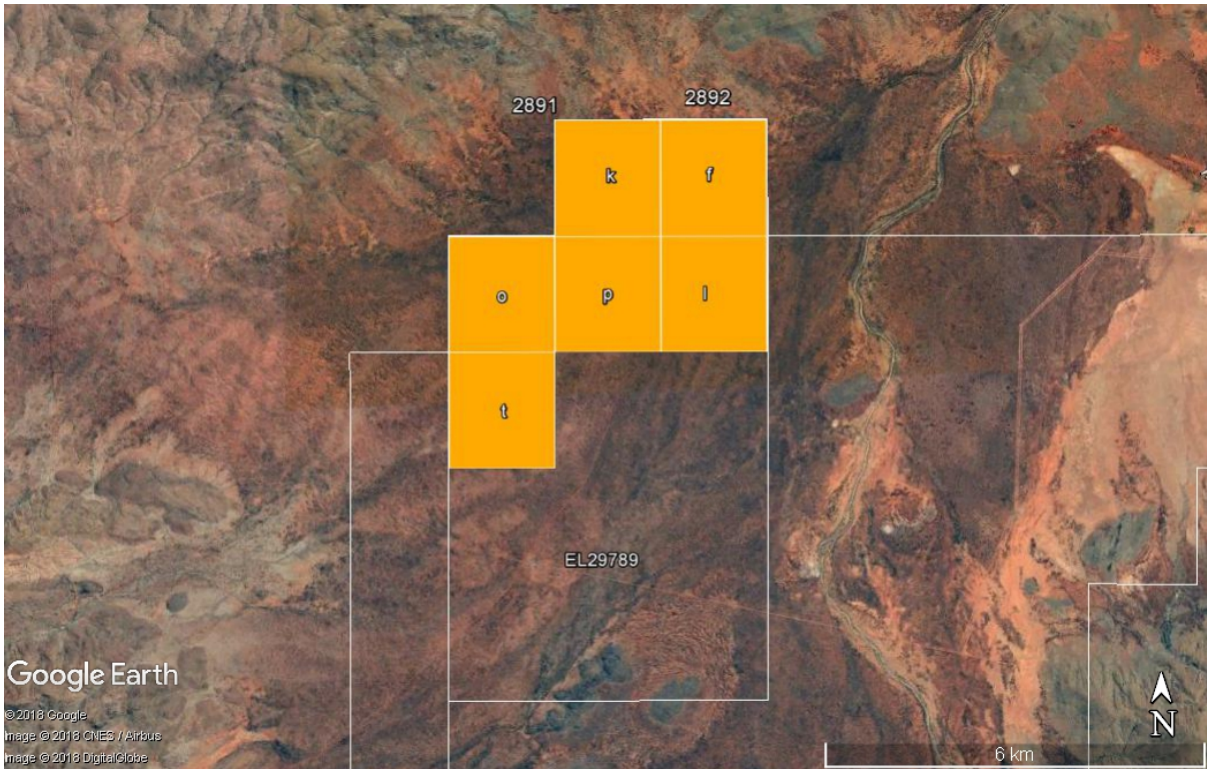


Figure 2 Google Earth Image of EL 29789 illustrating sub-blocks relinquished and area retained

4 Previous Exploration

There is no record of any historical exploration activities on or in the immediate vicinity of the relinquished area.

5 Work Completed by Crossland

No on-ground work was carried out by the company in the area relinquished.

6 Conclusions

The surrendered ground has some potential for the occurrence of alluvial REE concentrations.

7 References

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Warren R G and Shaw, R.D. 1995, Hermannsburg NT – 1:250,000 Scale Map Geological Series. SF53-13. Australian Geological Survey Organisation, Canberra.