

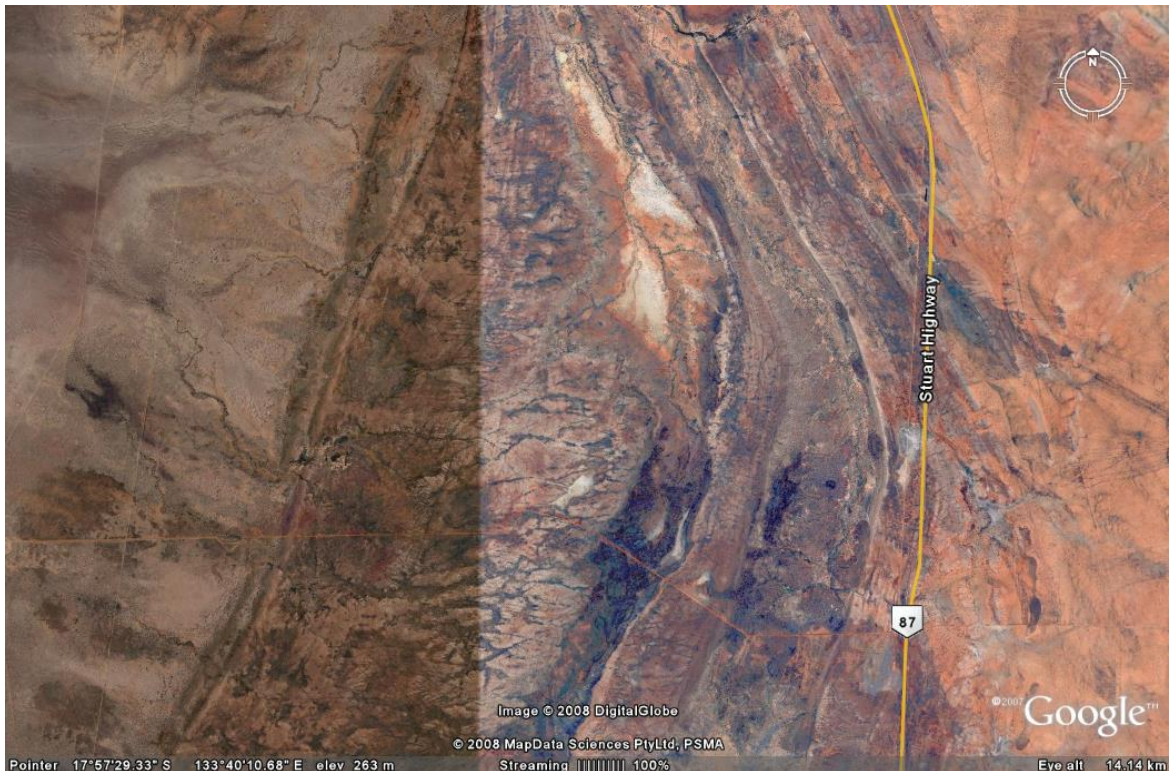


EL23687, EL 27317, and EL 27318

Lake Woods

Annual Report

3 October 2010 to 29 April 2011



Cover Photo: Google image of a portion of the project area showing the arenaceous sandstone ridges, brown colluvium derived from dolerite (centre) and the extensive black soil plains (left) which surround Lake Woods

Authors: compiled by M.M.Buskas

Tenure Holders: Crossland Diamonds Pty Ltd

Submitter of Report: Crossland Uranium Mines Ltd

Date of Report: 14 June 2011

Summary

The Lake Woods project is located 700 km south of Darwin and 200 km north of Tennant Creek. The project area is centred on the Ashburton Range which runs north-south along the eastern margin of Lake Woods, a large seasonal lake. The Stuart Highway passes through the centre of the area. The Geology of the region is represented by the Middle Proterozoic Renner Group sediments, which have been intruded by pre-Cambrian dolerite. Previous exploration within the district has focused on the potential for diamonds and base metals but has been limited due to poorly developed drainage and widespread alluvial and aeolian cover.

The area was originally identified as conceptual target area based on proprietary methods and modelling conducted by Paradigm Geoscience Pty Ltd. The aim of the technology is to identify targets for mineral exploration with the same signatures as major mineral deposits. The method offers a means to identify important mineral resources without the need to acquire title to broad areas, with the resultant demanding access and land use challenges.

The expiration of the tenements has come prematurely pending rationalization of SEL 28198 and SEL 28199. The two SEL's will encompass all the area covered by the tenements. No work was completed within the tenements during the period as Crossland and their joint venture partners, Pancontinental Uranium Corp. have undergone a revision of the companies investment strategy for this project.

Exploration and associated activities conducted within the tenements have included to date:

- literature studies and compilation of historical exploration data
- project planning utilising the historical data
- Field geological reconnaissance and collection of alluvial stream sediment and rock samples.
- Preparation and mineralogical examination of diamond samples.
- reinterpretation of government magnetics-radiometrics data
- airborne EM (TEMPEST) survey and subsequent geophysical modelling
- reconnaissance geological mapping and follow up ground truthing of geophysical anomalies
- Aircore and diamond drilling

Total expenditure to date has been \$253529.30 on EL23687, \$42700.29 on EL 27317, and \$12427.72 on EL 27318. See Appendix 1 for 2011 expenditure.