

Appendix 5B

Mining exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10

Name of entity

Crossland Strategic Metals Limited

ABN

64 087 595 980

Quarter ended ("current quarter")

31 December 2014

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (12 months) A'000
1.1	Receipts from product sales and related debtors		
1.2	Payments for (a) exploration & evaluation (b) development (c) production (d) administration	(81) (107)	(698) (472)
1.3	Dividends received		
1.4	Interest and other items of a similar nature received		
1.5	Interest and other costs of finance paid	-	4
1.6	Income taxes paid	-	-
1.7	Other (Past cost recovery, R & D rebate)	-	164
	Net Operating Cash Flows	(188)	(1,002)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a) prospects (b) equity investments (c) other fixed assets	-	(1)
1.9	Proceeds from sale of: (a) prospects (b) equity investments (c) other fixed assets		
1.10	Loans to other entities		
1.11	Loans repaid by other entities	-	50
1.12	Other (Security Bonds)	14	31
	Net investing cash flows	14	80
1.13	Total operating and investing cash flows (carried forward)	(174)	(922)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(174)	(922)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	100	700
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings		
1.17	Repayment of borrowings		
1.18	Dividends paid		
1.19	Other (Funds held in trust)	125	125
	Net financing cash flows	225	825
	Net increase (decrease) in cash held	51	(97)
1.20	Cash at beginning of quarter/year to date	215	363
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	266	266

Note – Included in the above cash was \$125k held in trust. At a GM on 19 January approval was given for a placement and shares were issued for these funds. As per a release on 9 January, our JV partners have agreed to pay its debt of \$164,000 by the end of February.

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	29
1.24	Aggregate amount of loans to the parties included in item 1.10	Nil

1.25 Explanation necessary for an understanding of the transactions

N/a

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/a

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/a

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities		
3.2 Credit standby arrangements		

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation (Essential costs only)	129
4.2 Development	
4.3 Production	
4.4 Administration (Only essential costs)	104
Total (Current cash \$266k + Pancon Debt \$164k meets requirements)	233

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	100	100
5.2 Deposits at call	166	115
5.3 Bank overdraft		
5.4 Other (provide details)		
Total: cash at end of quarter (item 1.22)	266	215

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed		See Appendix A		
6.2 Interests in mining tenements acquired or increased		See Appendix A		

+ See chapter 19 for defined terms.

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

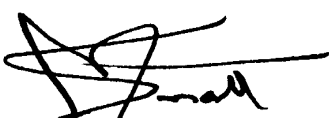
	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference securities (description)				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 *Ordinary securities	281,914,757	281,914,757	Various	Fully Paid
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	14,285,714	14,285,714	.07 cent	Fully Paid
7.5 *Convertible debt securities (description)				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options (description and conversion factor)	Options 15,000,000 5,000,000	Nil Nil	Exercise price 10 cents 5 cents	Expiry date 30 Jun 15 30 Jun 15
7.8 Issued during quarter				
7.9 Exercised during quarter	Nil			
7.10 Expired during quarter	35,574,652	35,574,652	15 cents	30 Nov 14
7.11 Debentures (totals only)				
7.12 Unsecured notes (totals only)				

+ See chapter 19 for defined terms.

Note – A further 17,857,143 shares were issued 21 Jan 15 – total issued 299,771,900

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:  Date: 28 January 2015

(Company Secretary)

Print name: Malcolm Smartt

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

+ See chapter 19 for defined terms.

Annexure A

Tenure Changes 1 October 2014 – 31 December 2014

1. Applications Made

Nil

2. Applications Withdrawn

Nil

3. Applications Granted

EL	Blocks	Area (km ²)	Date
Nil			

4. Tenures Acquired

Nil

5. Tenures Reduced

EL	Blocks	Area (km ²)	Date
Nil			

6. Tenures Surrendered

EL	Blocks	Area (km ²)	Date
Nil			

7. Tenures Cancelled

Nil

8. Other

N/A

Expired

EL	Blocks	Area (km ²)	Date
Nil			

+ See chapter 19 for defined terms.