



ABN 64 087 595 980

Half Yearly Report

30 June 2015

DIRECTORS

Bob Richardson (Chairman)
Sia Hok Kiang
Geoffrey S Eupene
Peter W Walker
Malcolm K Smartt

SECRETARY

Malcolm K Smartt

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AUDITORS

BDJ Partners Audit Pty Ltd

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SHARE REGISTRY

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This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 31 December 2013 and any public announcement made by Crossland Uranium Mines and Crossland Strategic Metals Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

Director's Report

Your Directors present their report on the consolidated entity consisting of Crossland Strategic Metals Limited (formerly Crossland Uranium Mines Ltd) and the entities it controlled at the end of, or during the six months ended 30 June 2015.

Directors

The following persons were directors of Crossland Strategic Metals Limited (formerly Crossland Uranium Mines Ltd) during the whole of the financial period and up to the date of this report unless otherwise stated:

Bob Richardson (Chairman)
Geoffrey Eupene
Peter Walker
Malcolm Smartt
Sia Hok Kiang

Review of operations

CHARLEY CREEK

At the Charley Creek Project, Crossland is targeting alluvial rare earth deposits; with bedrock REE deposits, granite-related uranium; calcrete and redox- related palaeodrainage uranium targets; and layered mafic intrusive- related copper, nickel and platinum as other targets.

Charley Creek – Rare Earths

The Charley Creek project is on care and maintenance awaiting additional funds to move the project forward. All costs have been trimmed and currently there are no full time technical staff. The company's assets at Charley Creek remain secure with a full time maintenance crew on site.

Charley Creek – Uranium

No uranium- related exploration work was undertaken at Charley Creek.

CHILLING PROJECT

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 such as base metals and gold exist, and other uranium deposit styles are also possible.

As advised, all work The Joint Venture has decided to focus on the Charley Creek REO Project and is seeking other investors to pursue the drill targets that Crossland has developed at Chilling.

Director's Report

LAKE WOODS, NT

At Lake Woods, NT, previous exploration, as well as that by Crossland, has identified a cluster of rare micro- diamonds that are considered to indicate a local source. The area has potential for other commodities. This area is not included in the Joint Venture with Panconoz Pty Ltd ("Pancon").

A joint venture for this project was executed on 1 November 2013 and an airborne survey was completed in July and the data is still being assessed.



Geoffrey Eupene

CEO/ Exploration Director

25 August 2015

Statement of Comprehensive Income

For the six months ended 30 June 2015

		Consolidated	
	Note	2015 \$	2014 \$
Revenue from ordinary activities	2	17,590	9,749
Administration costs		(30,166)	(91,515)
Borrowing costs		-	(33)
Consultants fees		(12,250)	(49,563)
Depreciation		(9,442)	(28,746)
Employment Costs		(185,958)	(168,862)
Exploration Costs Written off		(14,200)	(200,400)
Office rent		(27,701)	(39,270)
Other expenses from ordinary activities		(12,386)	(19,865)
Loss from ordinary activities before income tax expense		(274,513)	(588,505)
Income tax benefit (expense)	3	-	164,038
Net loss from ordinary activities after income tax expense	5	(274,513)	(424,467)
Other comprehensive income			
Other comprehensive income before income tax expense		-	-
Foreign exchange gain on translation of overseas subsidiary		-	-
Income tax expense		-	-
Other comprehensive income for the period		-	-
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD		(274,513)	(424,467)
Total comprehensive income attributable to members of Crossland Uranium Mines Limited		(274,513)	(424,467)
Basic and diluted loss per share (cents)	7	(0.09)	(0.19)

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

Statement of Financial Position

As at 30 June 2015

		Consolidated	
	Note	30.6.2015 \$	31.12.2014 \$
CURRENT ASSETS			
Cash		58,970	266,865
Receivables		19,290	182,362
Other Current Assets		1,527	5,508
TOTAL CURRENT ASSETS		79,787	454,735
NON-CURRENT ASSETS			
Receivables		48,167	87,892
Exploration properties		5,574,370	5,394,852
Plant and equipment		10,294	19,736
TOTAL NON-CURRENT ASSETS		5,632,871	5,502,480
TOTAL ASSETS		5,712,618	5,957,215
CURRENT LIABILITIES			
Payables		571,111	814,757
Provisions		28,803	29,219
TOTAL CURRENT LIABILITIES		599,914	843,976
NON-CURRENT LIABILITIES			
Provisions		23,750	28,772
TOTAL NON-CURRENT LIABILITIES		23,750	28,772
TOTAL LIABILITIES		623,664	872,748
NET ASSETS		5,088,954	5,084,467
SHAREHOLDERS' EQUITY			
Contributed equity	4	19,341,386	19,062,386
Share Based Payments Expense Reserve		343,790	343,790
Accumulated losses	5	(14,596,222)	(14,321,709)
TOTAL EQUITY		5,088,954	5,084,467

The above statement of financial position should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

For the six months ended 30 June 2015

Consolidated Group	Note	Ordinary Share Capital \$	Accumulated Losses \$	Share Based Payments Reserve \$	Total \$
Balance at 1 January 2014		18,362,386	(12,748,750)	343,790	5,957,426
Comprehensive income					
Loss for the period		-	(424,467)	-	(424,467)
Other comprehensive income for the period		-	-	-	-
Total comprehensive income for the half year		-	(424,467)	-	(424,467)
Transactions with owners, in their capacity as owners, and other transfers					
Shares issued during the period		200,000	-	-	200,000
Share issue costs		-	-	-	-
Total transactions with owners and other transfers		200,000	-	-	200,000
Balance at 30 June 2014		18,562,386	(13,173,217)	343,790	5,732,959
Balance at 1 January 2015		19,062,386	(14,321,709)	343,790	5,084,467
Loss for the period		-	(274,513)	-	(274,513)
Other comprehensive income for the period		-	-	-	-
Total comprehensive income for the half year		-	-	-	-
Transactions with owners, in their capacity as owners, and other transfers					
Shares issued during the period		279,000	-	-	279,000
Share issue costs		-	-	-	-
Total transactions with owners and other transfers			-	-	
Balance at 30 June 2015		19,341,386	(14,596,222)	343,790	5,088,954

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Statement of Cash Flows

For the six months ended 30 June 2015

	Consolidated	
	2015	2014
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Payment to suppliers (inclusive of GST)	(332,932)	(290,430)
Interest received	28	3,901
Other income	-	5,848
Interest paid	-	(33)
R&D Tax offset rebate received	-	164,038
NET CASH (OUTFLOWS) FROM OPERATING ACTIVITIES	(332,904)	(116,676)
CASH FLOWS FROM INVESTING ACTIVITIES		
Expenditure on mining interests (exploration)	(193,716)	(387,547)
Reimbursement of exploration expenditures	-	50,000
Refunds of security deposits	39,725	9,223
NET CASH INFLOWS / (OUTFLOWS) FROM INVESTING ACTIVITIES	(153,991)	(328,324)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	279,000	200,000
Share Issue Costs	-	-
NET CASH INFLOWS FROM FINANCING ACTIVITIES	279,000	200,000
NET (DECREASE) / INCREASE IN CASH HELD	(207,895)	(245,000)
Cash at the beginning of the financial half year	266,865	378,795
CASH AT THE END OF THE FINANCIAL HALF YEAR	58,970	133,795

The above statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the Financial Statements

30 June 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

These general purpose financial statements for the interim half-year reporting period ended 30 June 2015 have been prepared in accordance with requirements of the Corporations Act 2001 and Australian Accounting Standard *AASB 134: Interim Financial Reporting*. The Group is a for-profit entity for financial reporting under Australian Accounting Standards.

This interim financial report is intended to provide users with an update on the on the latest annual financial statements of Crossland Strategic Metals Limited and its controlled entities (the Group). As such it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 31 December 2014 together with any public announcement made during the following half-year.

Accounting policies

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

The Group has considered the implications of new or amended Accounting Standards, but determined that their application to the financial statements is either not relevant or not material.

Going concern basis

The financial report has been prepared on the going concern basis, which assumes continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

	2015	2014
	\$	\$
Net loss for half-year	(274,513)	(424,467)
Negative cash flows from operations for the half-year	(332,904)	(116,676)
Net assets as at 30 June	5,088,594	5,732,959
Cash balances as at 30 June	58,970	133,795

The directors believe that the company will have sufficient working capital to meet its minimum project development and administrative expenses in the twelve months following the date of signing of the financial report.

The directors are investigating options to raise additional funds to allow the company to pursue its project opportunities and reduce its working capital requirements with the intent that the consolidated group continues as a going concern.

If all of these options are unsuccessful, this may indicate that there is a material uncertainty that may cast significant doubt about the consolidated entity's ability to continue as a going concern.

Notes to the Financial Statements

30 June 2015

Fair value Measurement

The carrying amounts of the Group's assets and liabilities are a reasonable approximation of their fair values.

2. REVENUE

	Consolidated	
	2015	2014
	\$	\$
Revenue from outside operating activities		
Interest received	28	3,901
Other income	17,562	5,848
Total revenue	17,590	9,749

3. INCOME TAX

Loss from ordinary activities before income tax expense	(274,513)	(588,505)
Income tax expense calculated @ 30% (2013 – 30%)	(82,654)	(176,552)
Future income tax benefits not brought to account in respect of current year	82,354	176,552
R&D Tax Offset Rebate received or receivable	-	164,038
Income tax benefit attributable to operating loss	-	164,038

4. SHARE CAPITAL

Issued Capital

321,771,900 fully paid ordinary shares (2014 – 227,629,043)	20,210,434	19,431,434
Less share issue costs	(869,048)	(869,048)
	19,341,386	18,562,386

Movement in issued capital

	\$	
Shares on issue 1 January 2015	19,062,386	18,362,386
Placement	125,000	200,000
Share issue to directors	154,000	-
Less share issue costs	-	-
Shares on issue 30 June 2015	19,341,386	18,562,386

Notes to the Financial Statements

30 June 2015

	Consolidated	
5. ACCUMULATED LOSSES	2015	2014
	\$	\$
Accumulated losses at the beginning of the half year	14,321,709	12,748,750
Net loss for the six months	274,513	424,467
Retained losses at the end of the half year	14,596,222	13,173,217

6. FINANCIAL REPORTING BY SEGMENT

The group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and allocating resources. The group is managed primarily on the basis of exploration for rare earths, uranium and base metals in Australia. Operating segments are therefore determined on the same basis

Six months ended 30.06.2015

Revenue	Exploration	Total
	\$	\$
Interest revenue	28	28
Other revenue	17,562	17,562
Total segment revenue	17,590	17,590
Segment net profit before tax	(234,905)	(234,905)

Reconciliation of segment result to group net profit/(loss) before tax

Amounts not included in segment result but reviewed by the Board:

— depreciation and amortisation (9,442)

Unallocated items:

— administration charges (30,166)

Net profit before tax from continuing operations (274,513)

Six months ended 30.06.2014

Revenue		
Interest revenue	3,901	3,901
Other revenue	5,848	5,848
Total segment revenue	9,749	9,749
Segment net profit before tax	(449,282)	(449,282)

Reconciliation of segment result to group net profit/(loss) before tax

Amounts not included in segment result but reviewed by the Board:

— depreciation and amortisation (28,746)

Unallocated items:

— administration charges (110,477)

Net profit (loss) before tax from continuing operations (588,505)

Notes to the Financial Statements

30 June 2015

6. FINANCIAL REPORTING BY SEGMENT (continued)

	2015	2014
	\$	\$
Segment Assets	5,712,618	6,114,298
Unallocated assets	-	-
Group assets	5,712,618	6,114,298
Segment Liabilities	623,664	381,339
Unallocated liabilities	-	-
Group liabilities	623,664	381,339

7. EARNINGS PER SHARE

	2015	2014
Basic and diluted		
Weighted average number of shares used in basic and diluted earnings per share	311,033,348	218,347,275
Basic and diluted earnings per share (cents per share)	(0.09)	(0.19)

8. CONTINGENT LIABILITIES

There are no contingent liabilities which have arisen since the end of the previous financial year

9. SUBSEQUENT EVENTS

The Market was advised on 22 July that sophisticated investors had taken a placement of 57,214,642 shares at .7 of 1 cent raising \$400,502. Some 12 million of these shares retired some debt.

All ASX releases can be viewed at www.crosslandstrategic.com

There were no other matters or circumstances which have arisen since 30 June 2015 that have significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in the financial years subsequent to 30 June 2015.

DIRECTOR'S DECLARATION

The directors declare that the financial statements and notes set out on pages 5 to 12

- (a) comply with Accounting standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
- (b) give a true and fair view of the company's and consolidated entity's financial position as at 30 June 2015 and of their performance, as represented by the results of their operations and their cash flows, for the six months ended on that date.

In the directors' opinion:

- (a) the financial statements and notes are in accordance with the Corporations Act 2001; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

The directors have been given the declarations by the chief executive officer and chief financial officer required by section 295A.

This declaration is made in accordance with a resolution of the directors.

Dated at Sydney this 25th day of August 2015

On behalf of the Board



R L Richardson
Chairman

directors

G W Cliffe CA
A J Dowell CA
S Dadich CA

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Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of Crossland Strategic Metals Limited and Controlled Entities

I declare that, to the best of my knowledge and belief during the half-year ended 30 June 2015 there have been:

- a. no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
- b. no contraventions of any applicable code of professional conduct in relation to the review.

BDJ Partners Audit Pty Limited



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Gregory W Cliffe
Director

18 August 2015

directors

G W Cliffe CA
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Independent Auditor's Review Report

To the members of Crossland Strategic Metals Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Crossland Strategic Metals Limited and controlled entities ("the consolidated entity"), which comprises the condensed consolidated statement of financial position as at 30 June 2015, the condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

The directors of the Crossland Uranium Mines Limited ("the company") are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 30 June 2015 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting and the Corporations Regulations 2001*. As the auditor of the consolidated entity, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the company, would be in the same terms if given to the directors as at the time of this auditor's report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the consolidated entity is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 30 June 2015 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting and Corporations Regulations 2001*.

Going Concern

Without modifying our conclusion, we draw attention to Note 1 "Going concern basis" which states that the directors are investigating options to raise additional funds and reduce the working capital requirements of the business. Should these measures be unsuccessful, it would indicate a material uncertainty which may cast doubt about the consolidated entity's ability to continue as a going concern and the consolidated entity's ability to pay its debts as and when they fall due.

BDJ Partners Audit Pty Limited



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Gregory W Cliffe
Director

25 August 2015