

9 March 2011

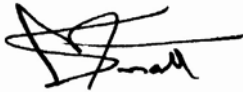
Company Announcements Office
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Dear Sir/Madam

RARE EARTH PROJECT UPDATE

Please find attached an update on recent work and results on this project.

Yours sincerely,



Malcolm Smartt
Company Secretary

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**High value REE stream sediment results at Charley Creek project, NT,
New REE hard rock drill intersection**

Crossland Uranium Mines Limited (ASX: "CUX") provides the following update on latest results from its expanding Rare Earth Elements (REE) prospects at the Charley Creek project in the Northern Territory.

As well as continuing high value returns from stream sediment sampling at the project, 100 kilometres North West of Alice Springs, Crossland has discovered a new promising REE drill intersection in unweathered bedrock.

The hard rock drill intersection now points to a total area of over 40 square kilometres prospective for REE deposits.

The outstanding assay results to date from the stream sediment sampling, along with awaited auger drill results, have the Company on track to complete a resource evaluation later this year on an initial alluvial volume.

Highlights:

New hard rock REE target identified

- A new air core drilling program will commence next week on a hard rock REE target identified at Cattle Creek, within the Charley Creek project.
- The re-assay of a 2008 air core hole CCA121 has returned a **5 metre interval averaging 1.03% Total Rare Earth Oxides¹ (TREO)**, from values in excess of 0.5% TREO, commencing at 37m down hole, with Heavy REO representing 8.3% of TREO.
- Also near Cattle Creek, four heavy mineral stream sediment samples have returned values of 6.3%, 2.6%, 6.8%, and 8.0% TREO, reflecting a consistent anomalous drainage source which may be related to the bedrock intersection. This indicates an area of over 40 square kilometres which Crossland now believes is prospective for REE deposits.

REE Stream Sediment Sample Results

- Of 195 stream sediment sample concentrates so far assayed, three returned over 32% TREO, with a peak value of 38.4% TREO; 12 returned over 16% TREO; 25 returned over 8% TREO, 45 returned over 4% TREO and 74 returned over 2% TREO. Only four samples had insufficient non-magnetic heavy mineral content to produce an assay

¹ Crossland will adopt a convention, from this release, of separating Yttrium from the Lanthanide Rare Earth Elements (REE). Therefore, TREO represents the sum of oxides of La,Ce,Pr,Nd,Sm,Eu,Gd,Tb,Dy,Ho,Er,Tm,Yb and Lu, while Heavy REE (HREE) are Eu,Gd,Tb,Dy,Ho,Er,Tm,Yb and Lu. (TRE+Y)O is occasionally used in our statements, and represents Total oxides of REE as defined here plus Y₂O₃.

result. Each of the sample sites reported represents between 2 and 4 square kilometres of drainage basin.

- A further approximately 200 stream sediment samples are currently being processed and assayed.

Auger Drilling Progress

- Crossland has also conducted auger drilling of alluvium proximal to some of the known REO source areas in the Cockroach Dam prospect area of the Charley Creek project. Over 700 samples have been taken and are at various stages in the preparation process.
- This first- pass auger drilling program is sampling a total area of around 42 square kilometres on a 400m X 100m grid in two drainages.

Both the stream sediment sample concentrates and the drill pulps have REE distributions with relatively high proportions of those REE above europium on the Periodic Table (Heavy REE, or HREE).

Immediate Program

- Further assays are awaited from the stream sediment sampling and auger drilling programs.
- A new air core drilling campaign at the Cattle Creek hard rock REE discovery will commence on March 17, and auger drilling and stream sediment sampling are continuing.



Fig 1: Crossland is exploring portions of these extensive flats around Mount Chapple for alluvial deposits of Heavy Minerals containing REE

Background – Crossland’s NT REE discovery

On 1 November 2010, Crossland Uranium Mines Ltd (“Crossland”; ASX:“CUX”) and its joint venture partner, Pancontinental Uranium Corporation (“Pancon”; TSXV:“PUC”), announced that a sample of alluvial heavy minerals from their Charley Creek Project in the NT, contained rare earth elements (REE) with a total REO (TREO) content of over 39%.

These REE are present in phosphate minerals that should be readily processed using available REE extraction technology.

This value from the Company’s REE sample compares favourably with the average grades of other rare earth developments currently being contemplated, including the concentrate grades predicted from these proposed developments. The Crossland concentrate contains relatively high concentrations of all of all the heavy REE, those REE above europium on the Periodic Table (Heavy REE, or HREE).

This result has been followed up since December 2010 with:

- A program of stream sediment sampling to characterise the nature and variability of alluvial heavy minerals throughout the more than 4,000 square kilometres of tenements held by the Joint Venture at Charley Creek
- Auger drilling of alluvium proximal to some of the known source areas in the Cockroach Dam prospect area on a 400m by 100m grid to establish resource potential.
- Re- analysis of drill pulps from the 2008 uranium drilling program that had shown elevated response to some REE in the original assays

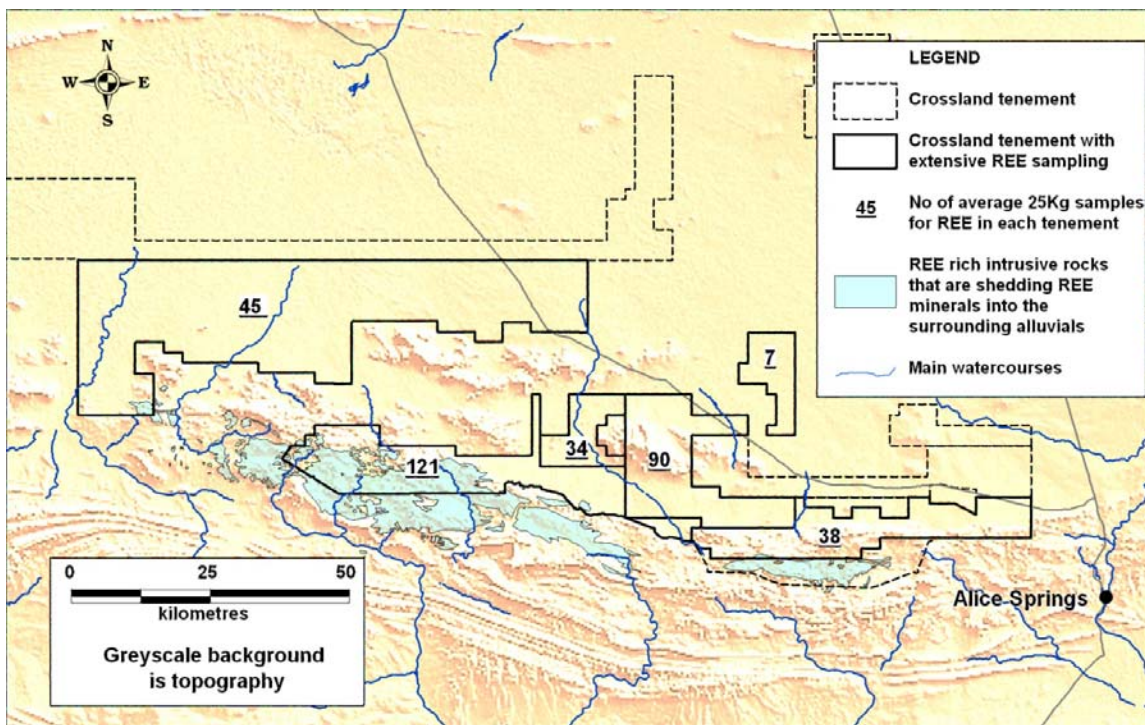


Fig 1.Charley Creek Project Tenements showing REE bearing rocks, topography, and number of stream sediment samples collected from each title as at Feb 28, 2011. Each sample is from 2 to 4 square kilometres of drainage basin. Total number collected: 335.

Results

Stream Sediment Sampling Concentrates

The results of the initial round of 194 (195 with the original sample) stream sediment concentrate samples collected prior to the Christmas break have been processed according to the method outlined in the Company's release to ASX of 21 December 2010. These have now been analysed in the laboratory of ALS Global in Vancouver, Canada by ALS method ME-MS81h, with over limits (over 5% for the more common REE (Ce,La,Nd,Y), and over 0.5% for the other REE) by method ME-OGREE. Both of these methods involve lithium metaborate fusion, followed by nitric acid digestion. These are followed by inductively coupled plasma mass spectroscopy, or ICP-AES (ME-OGREE).

Crossland's strategy with the stream sediment program is to cover drainages from the entire 4,000-plus square kilometres of the Joint Venture's holdings. The average sample size is 25kg, all of which is dried, weighed, and processed to produce a concentrate of heavy minerals. Both a magnetic and non-magnetic fraction is produced and the fractions weighed to enable calculation of a head grade. Most valuable REE- bearing heavy minerals reports to the non- magnetic fraction.

This fraction is sent to Vancouver for assay, while the magnetic fraction is analysed in Perth. Of 195 heavy mineral samples so far processed and assayed from Charley Creek, all but four had sufficient non- magnetic heavy mineral content to produce an assay result. **Of these 195 samples, 74, or 38%, returned over 2%TREO, 45 samples returned over 4% TREO, 25 over 8%, 12 over 16%, and three returned over 32%TREO, with a maximum of 38.4%. Each of these samples represents between two and four square kilometres of drainage basin.**

Zirconium was above the upper detection limit of 5% in 84% of samples. This is mostly present in the mineral zircon, which can be physically separated from monazite using electrostatic equipment. If the zircon is removed from the samples, it is expected that many more samples will return higher values. A zircon product may also be marketable. The magnetic fraction is dominated by iron and titanium but these values have not yet been interpreted. The quantity of magnetic minerals exceeds that of non- magnetic in all cases.

Crossland makes no claim that these samples are representative of the alluvial grades in the sampled drainage basins. They show the nature of heavy mineral species present in the drainage basin, as intended by the study. For reference purposes, calculated head grades of non-magnetic heavy minerals (dominantly monazite and zircon) range from negligible to 5.6 kg/T, with 9 values in excess of 1kg/T, 20 in excess of 0.5kg/T, and 71 in excess of 0.2kg/T

Another aim of the stream sediment sampling has been to identify areas beyond the Cockroach Dam Prospect that are prospective for alluvial accumulations. In particular, it was hoped that there were areas of the extensive flats (illustrated in Figures 1 and 2 above) that might show prospective results. Several areas have emerged with promise for large alluvial deposits containing valuable REE- bearing heavy minerals draining from the mountains into large alluvial fans. It is these areas that hold the prospect of large tonnages and production capacity, and several areas, particularly those close to the sources of heavy minerals where higher grades have either been encountered, or are expected, will be evaluated by aircore drilling that will commence in coming weeks.

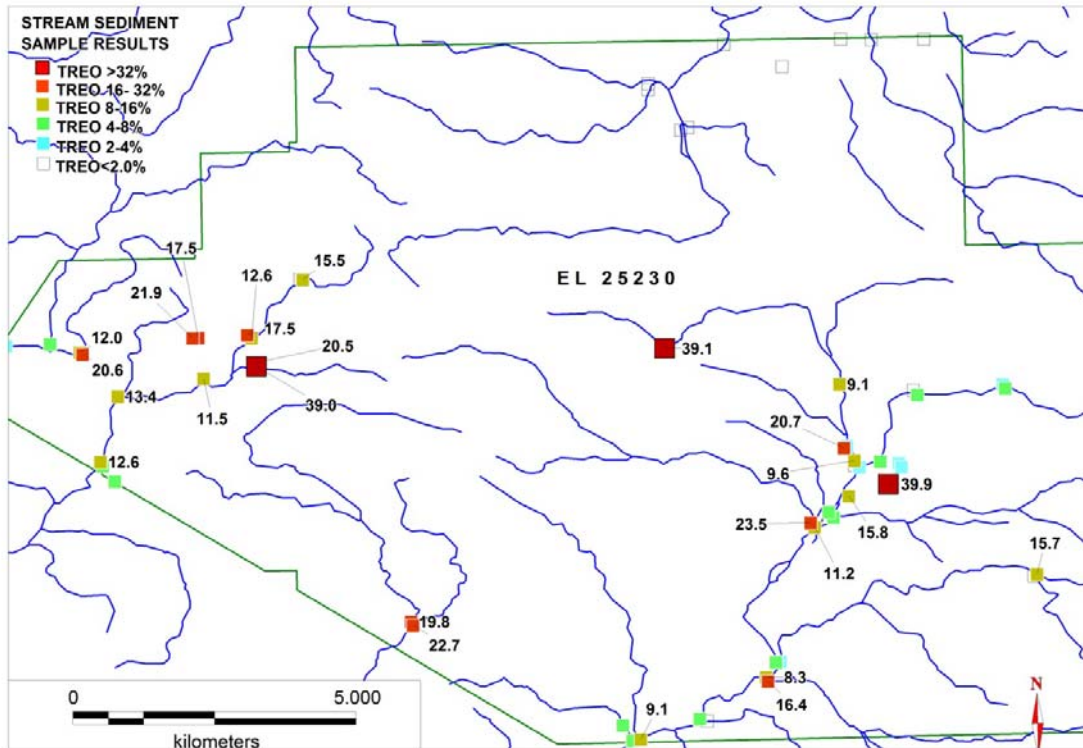


Fig 2. Total Rare Earth (TRE+Y)O Oxide Stream Sediment Sampling Results from Cockroach Dam Prospect, Charley Creek Project

Auger Drill Program

The highest grades from the stream sediment sampling cluster on drainages from certain phases of the Teapot Granite in the Cockroach Dam Prospect. The immediate alluvial deposits from weathering of these have been chosen as a target to see if sufficient resource exists for a commercial alluvial heavy mineral operation that would be of higher grade than that likely in the large alluvial fans on the plains. Two drainage areas are being tested, with sampling points on a 400m by 100m grid. In aggregate, the two areas that are being sampled total around 42 square kilometres. To date, over 700 samples have been collected from the auger program, and these are at various stages in the preparation process, as priority has been given to the stream sediment samples. A total of 337 auger samples have been processed on site and despatched to the preparation laboratory for further treatment prior to analysis. Results are awaited from the first batch of these which are now with the assay lab.

Hard Rock REE Discovery

Crossland believes that it has identified a hard rock source of REE at the Cattle Creek area, which straddles the boundary of EL24281 and EL25230. Cattle Creek lies to the south of the main Charley Creek drainage, between Charley Creek and the foothills of the MacDonnell Ranges to the south. As illustrated in Figure 4 below, a cluster of four heavy mineral samples has returned values of 6.28%, 2.55%, 6.84%, and 7.97% TREO, suggesting a consistent drainage source.

These samples lie adjacent to a 2008 Crossland aircore drill line drilled to explore for uranium. Re-assay of 104 drill pulps from this program that originally had elevated values of some REE, by the more appropriate method, ME-MS81h, has demonstrated local bedrock REE sources beneath the plains of the Charley Creek basin. Hole CCA121 returned a 5m interval of values in excess of 0.5% TREO, averaging 1.03% TREO, commencing at 37m down hole. **The average heavy rare earth oxide (HREO) content of the 5m interval is 8.33% of the TREO. The average Y_2O_3 content of the interval is 0.103%.**

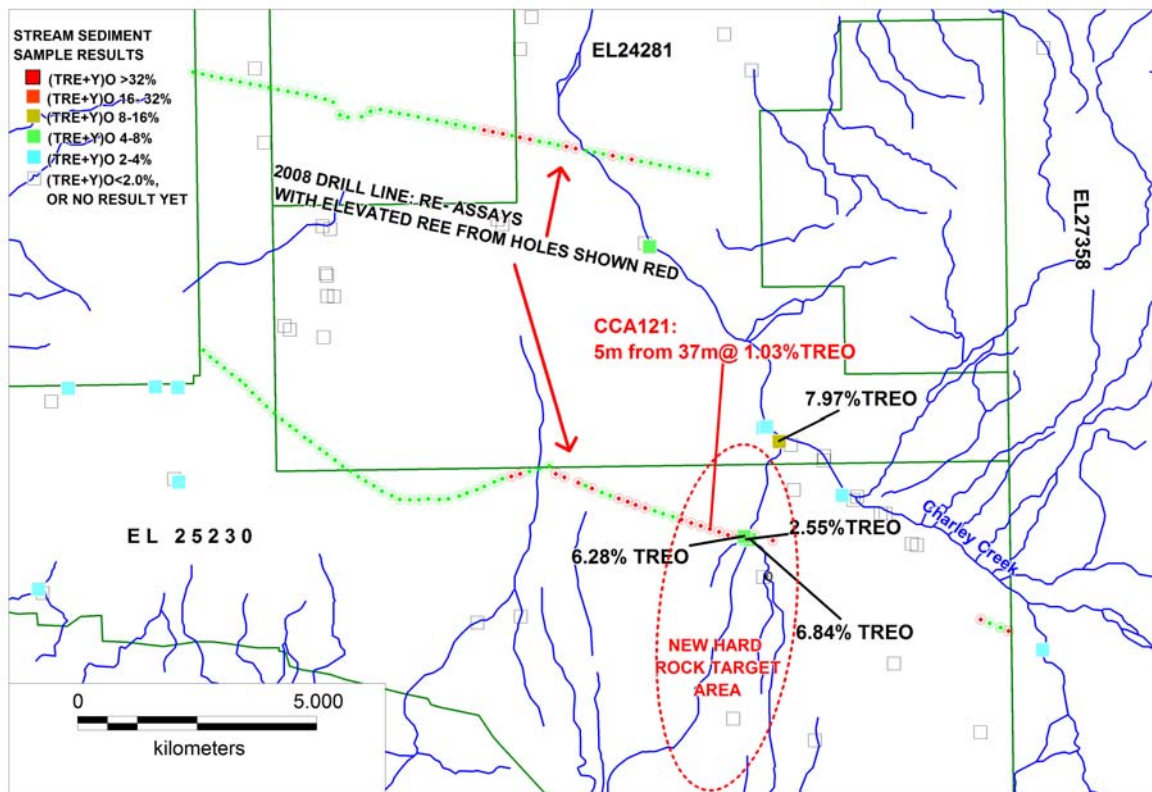


Fig 3 New REE hard rock target area at Cattle Creek, Showing 2008 Air core drill holes and recent stream sediment sampling

Interpretation

Much of the lower country in the Charley Creek Project Area is underlain by Tertiary sediment, or younger alluvium, in places up to 150m thick. In the vicinity of Cattle Creek, it appears from our drilling that this cover is thin to non-existent. The intersection in CCA121 is in basement gneissic rocks, and the mineralisation is in place, not transported in alluvium. It seems likely that the nearby anomalous heavy mineral results in stream sediments are derived from erosion of a local bedrock source. Since three of the stream samples drain country upstream of the drill hole, there is potential for the source to be quite extensive.

Early information suggests that mineralisation at Cattle Creek is also monazite. The REE profile (indicated by Chondrite Plots: see example below) is quite flat, which means that HREE are present in relatively higher amounts than in the alluvial monazite. Also, unlike the detrital heavy minerals from the project, the commonly observed depletion of europium characteristic of monazite derived from granitoids is not pronounced. This indicates that the bedrock mineralisation has an even more attractive mix of REE than has yet been observed in the alluvial heavy mineral samples.

Average rare earth oxide values for individual REE, along with TREO, and the percentage of the TREO that is HREO, are shown in Table 1 for two selected averages from our sample data.

SAMPLE	La ₂ O ₃ %	CeO ₂ %	Pr ₆ O ₁₁ %	Nd ₂ O ₃ %	Sm ₂ O ₃ %	Eu ₂ O ₃ %	Gd ₂ O ₃ %	Tb ₄ O ₇ %	Dy ₂ O ₃ %	Ho ₂ O ₃ %	Er ₂ O ₃ %	Tm ₂ O ₃ %	Yb ₂ O ₃ %	Lu ₂ O ₃ %	Y ₂ O ₃ %	TREO %	HREO% of TREO
HM Conc. >32% TREO	8.49	18.5	1.95	6.15	0.92	0.03	0.64	0.08	0.36	0.06	0.14	0.02	0.08	0.01	1.79	37.5	3.81
37-42m, CCA121	0.18	0.53	0.04	0.16	0.03	0.01	0.03	0.00	0.02	0.00	0.01	0.00	0.01	0.00	0.10	1.03	8.33

Table 1: Average oxide content for each REE, TREO, and percentage of TREO that is HREO for:

- A. Three Alluvial heavy mineral concentrates >32% TREO, from Cockroach Dam area;
- B. Interval 37-42m (5m) from air core hole CCA121.

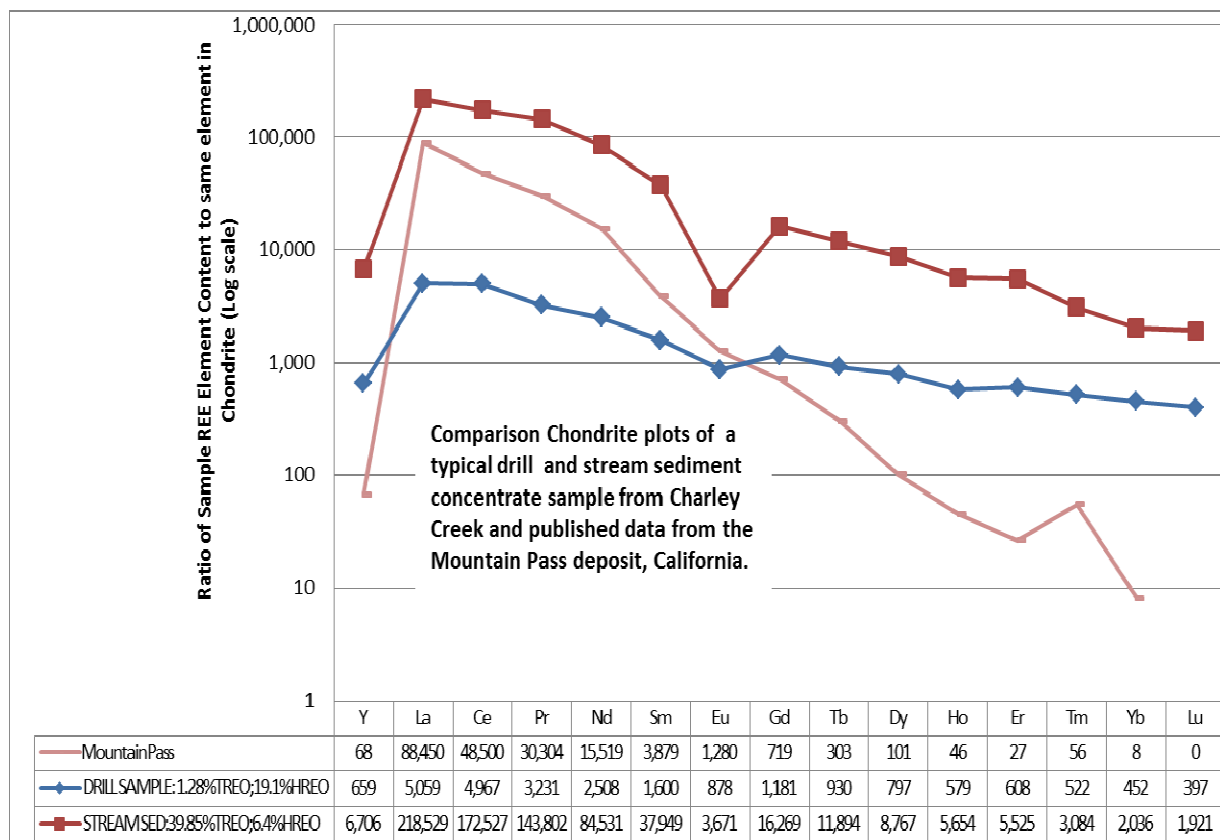


Fig 5: Chondrite Plot of selected REE samples from Charley Creek and published Mountain Pass values

Forward Plans

Work on stream sediment sampling and shallow auger drilling is continuing, and this phase of the program is nearing completion. Results will be received over the next few months.

An aircore rig will commence drilling next week on March 17 at Cattle Creek, and is contracted for six weeks. First targets will be to fill out the drill pattern around Hole CCA121, in the direction of the potential source of stream sediment anomalies. This rig will also evaluate the alluvial areas defined

by shallow drilling and this work should provide base data for Resource estimation for the Cockroach drainages.

Evaluation will also commence of the more promising areas of the vast alluvial fans indicated by sampling and radiometric surveys, where the joint venturers hope to quickly assess the potential for bulk low grade operations.



*The review of exploration activities and results contained in this report are based on information compiled by **Geoffrey S Eupene, B.Sc(Hons) FAusIMM CP**, a Fellow of the Australasian Institute of Mining and Metallurgy. He is a director of the Company and a full time employee of Eupene Exploration Enterprises Pty Ltd. He has sufficient experience which is relevant to the style of mineralisation and types of deposits under consideration, and to the activity which he is undertaking to qualify as a Competent Person as defined in the December 2004 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Geoffrey S Eupene has consented to the inclusion in this report of the matters based on his information in the form and context in which it appears.*