



**JACK HILLS
IRON ORE MINE
WESTERN
AUSTRALIA'S
MID-WEST
REGION**



MEDIA RELEASE

Thursday 5 June 2008

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CROSSLANDS RESOURCE UPDATE

Further to the announcement of 27 May 2008, Crosslands Resources Ltd is pleased to provide an update on the Mineral Resource at its Jack Hills iron ore mine. Direct Ship (DSO) Mineral Resources at a 50% Fe cut-off are 96.6 Mt at 59.1 % Fe. Beneficiation Feed (BFO) Mineral Resources are 435 Mt as detailed in Table 1.

Crosslands CEO Stuart Hall commented on the significance of the estimates.

“These revised estimates present a broader range of blending and product options and will be used as input into the bankable feasibility study for the Jack Hills iron ore mine stage 2 expansion.”

Table 1 – Mineral Resources at the Jack Hills Iron Ore Project

(Note: the DSO resource at a 50% cut-off is inclusive of the DSO resource at a 55% cut-off)

Direct Ship Mineral Resource Summary at 55% Fe Cutoff

	M Tonnes	FE	P	LOI	SIO2	AL2O3	MGO	Density
Indicated	63.0	60.5	0.062	3.1	6.1	0.9	3.2	4.1
Inferred	16.1	60.4	0.063	3.3	6.1	0.7	3.2	4.1
Total DSO	79.1	60.5	0.062	3.2	6.1	0.9	3.2	4.1

Direct Ship Mineral Resource Summary at 50% Fe Cutoff

	M Tonnes	FE	P	LOI	SIO2	AL2O3	MGO	Density
Indicated	77.1	59.1	0.061	3.3	7.3	1.0	3.7	4.0
Inferred	19.5	59.1	0.063	3.5	7.1	0.8	3.8	4.1
Total DSO	96.6	59.1	0.061	3.4	7.2	1.0	3.7	4.1

BFO Mineral Resource by Resource Category

	M Tonnes	FE	P	LOI	SIO2	AL2O3	MGO	Density
Indicated	80.2	36.5	0.043	11.5	19.3	0.5	15.5	3.2
Inferred	354.6	34.7	0.035	3.8	38.4	0.7	6.4	3.2
Total Bene	434.8	35.1	0.037	5.2	34.9	0.7	8.1	3.2

BFO Mineral Resource by Material Type

Type	M Tonnes	FE	P	LOI	SIO2	AL2O3	MGO	Density
High-SiO2	304.0	34.3	0.034	2.8	41.2	0.7	5.3	3.2
High-MGO	130.8	36.9	0.042	10.9	20.1	0.6	14.7	3.2
Total Bene	434.8	35.1	0.037	5.2	34.9	0.7	8.1	3.2

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The main change from the 27 May 2008 resource update is to restate DSO Mineral Resource at a 50% Fe cut-off rather than a 55% Fe cut-off. This is consistent with industry practice. Other minor changes are an adjustment to the mineralisation boundary and a decrease in BFO resulting from the DSO change.

The lower cut-off grade is consistent with the benefits that may be realised from blending complementary mineralisation types together. For example a higher silica and lower alumina hematite resource such as Jack Hills may offset complementary hematite-goethite resources of lower silica and higher alumina that are known to occur on the leases of other companies in the region. The net effect of such a relationship is to allow the cut-off grades of a blended product to be lower than the cut-off grade applied to discrete products whilst still meeting our customers' specifications.

Crosslands also has an opportunity for lower grade DSO sinter fines to be blended with a high grade and relatively coarse beneficiation concentrate. The feasibility of this blending opportunity will be subject to further geological exploration and metallurgical test work.

Crosslands is continuing its exploration program to identify additional DSO and BFO mineralisation along strike at Jack Hills and at its other leases in the Mid-west region.

For further information:

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About Crosslands

Crosslands is a dedicated iron ore company owned 50% by Murchison Metals Ltd and 50% by Mitsubishi Development Pty Ltd, a subsidiary of Mitsubishi Corporation of Japan. Crosslands owns and operates the Jack Hills iron ore project located 380kms north east of Geraldton and is one of the largest tenement holders in the mid-west iron ore province of Western Australia.

The Jack Hills Stage 1 operation is currently producing at a rate in excess of 1.5 million tonnes of high grade direct shipping ore per annum. Crosslands is also well advanced in feasibility studies into a substantial Stage 2 expansion of iron ore production at the Jack Hills mine.

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Competent Person's Statement

The information in this announcement that relates to Mineral Resources of the Jack Hills Project is based on information compiled by Mr Malcolm Titley in his capacity as a principal of CSA Australia Pty Ltd. Mr Titley is a Member of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists.

The information in this announcement that relates to Exploration Results and geological and mineralogical interpretations of the Mineral Resource estimate of the Jack Hills Project is based on information compiled by Mr Dean Wingfield. Mr Wingfield is a full time employee of Crosslands Resources Ltd and is a Member of the Australasian Institute of Mining & Metallurgy.

Both Mr Titley and Mr Wingfield have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as competent persons as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.

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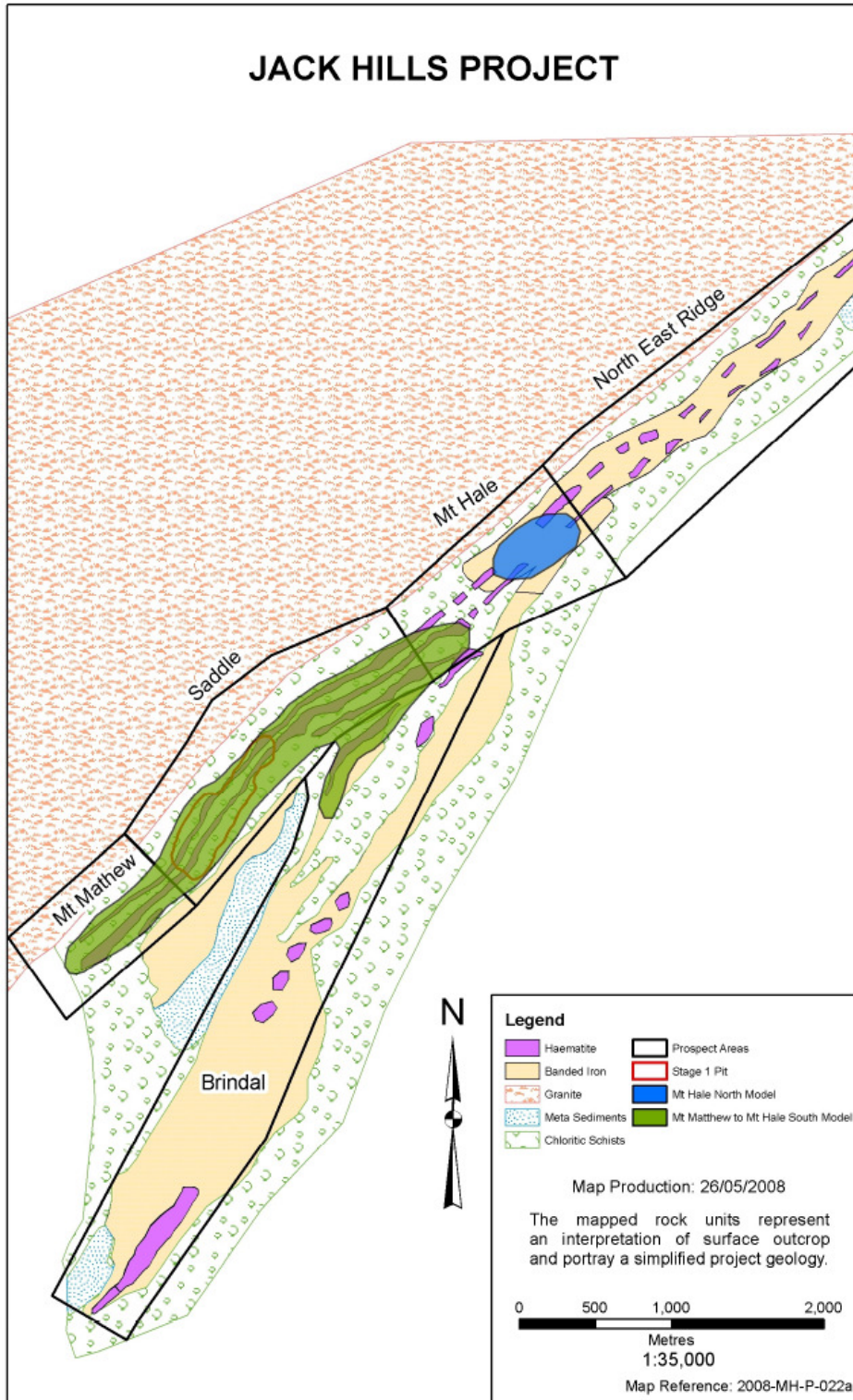


Figure 1: Jack Hills Project Area.

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