



ASX Release

5 May 2011

BLACK RANGE MINERALS LIMITED

Level 2 / 675 Murray Street
WEST PERTH
Australia

Tel: +61 8 9481 4920

Fax: +61 8 9226 2027

Contact:

Mike Haynes
Managing Director

E-mail:
info@blackrangeminerals.com

Tel: +61 8 9481 4920

Directors / Officers:

Alan Scott
Mike Haynes
Duncan Coutts
Nick Day

Issued Capital:
738.4 million shares
5.75 million unlisted options

Australian Stock Exchange
Symbol: BLR

DRILLING COMMENCES AT THE HANSEN URANIUM DEPOSIT

Black Range Minerals Limited (ASX: BLR; “Black Range” and the “Company”) is pleased to advise that it has commenced its inaugural drilling program at the ~30 million pound Hansen Uranium Deposit¹ in Colorado, USA (see Figure 1). The Company holds exclusive rights to acquire 100% of the Hansen Deposit.

The Hansen Uranium Deposit is located immediately adjacent to the Company’s 100%-owned Taylor Ranch Uranium Project, which hosts JORC Code compliant indicated and inferred mineral resources of more than 60 million pounds of U₃O₈ (see Table 1 and Figure 2).

A JORC-compliant resource is yet to be finalised for the Hansen Deposit. However, from the abundance of work undertaken at the Hansen Uranium Deposit previously, including approximately 1,000 drill holes and three mining feasibility studies, it was reported that the deposit hosts in the order of 15-20 Mt of mineralised material at a grade of 0.06-0.08% U₃O₈ for circa 30 million pounds of U₃O₈. As a mineral resource is yet to be calculated for the deposit under the JORC Code, this quantity and grade of mineralisation is conceptual in nature and is an exploration target, and it is uncertain if further exploration will result in the determination of a mineral resource of this size.

The combined Taylor Ranch/Hansen Uranium Project is one of the largest uranium projects within the USA.

Hansen Uranium Deposit - Background

The Hansen Uranium Deposit was discovered in 1977. Approximately 1,000 holes were drilled previously to define the deposit. Mineralisation is hosted by a flat-lying sandstone sequence, with the high-grade portion of the deposit being up to 45 metres in thickness (see Figure 3).

Three feasibility studies into the development of the Hansen Deposit were completed between 1979 and 1981. These studies concluded that the deposit could be viably developed by way of open pit mining. All permits necessary to mine the deposit were subsequently issued; however, mining never eventuated because the global uranium price collapsed shortly after permits were awarded.

Objectives of the Current Drilling Program

The Company and its consultants have undertaken an extensive review of the historic feasibility data acquired at the Hansen Deposit. In order to update these previous studies the Company

has initiated this 10-12 hole diamond core drilling program (approximately 3,000 metres) to acquire additional metallurgical, geotechnical and hydrological data at the Hansen Deposit.

The drilling program is expected to continue for approximately three months. Data acquired will then be analysed to update the previous feasibility studies to pre-feasibility accuracy. Further development plans will then be formulated.

Mine permitting activities will continue throughout this drilling program.

Mike Haynes
Managing Director

Table 1. JORC Code compliant resources for the Company's 100% owned properties at the Taylor Ranch Uranium Project at different cut-off grades.

Using a cut-off grade of 0.025% U₃O₈:

Category	Tonnes	Grade U₃O₈(%)	Pounds U₃O₈
Indicated	17,910,008	0.057	22,567,741
Inferred	29,897,723	0.057	37,652,173
Total	47,807,731	0.057	60,219,914

Or using a 0.075% U₃O₈ cut-off grade:

Category	Tonnes	Grade U₃O₈(%)	Pounds U₃O₈
Indicated	4,406,192	0.111	10,781,688
Inferred	6,386,543	0.121	16,982,818
Total	10,792,735	0.117	27,764,506

Note: JORC Code compliant resources are yet to be finalised for the Hansen Uranium Deposit.

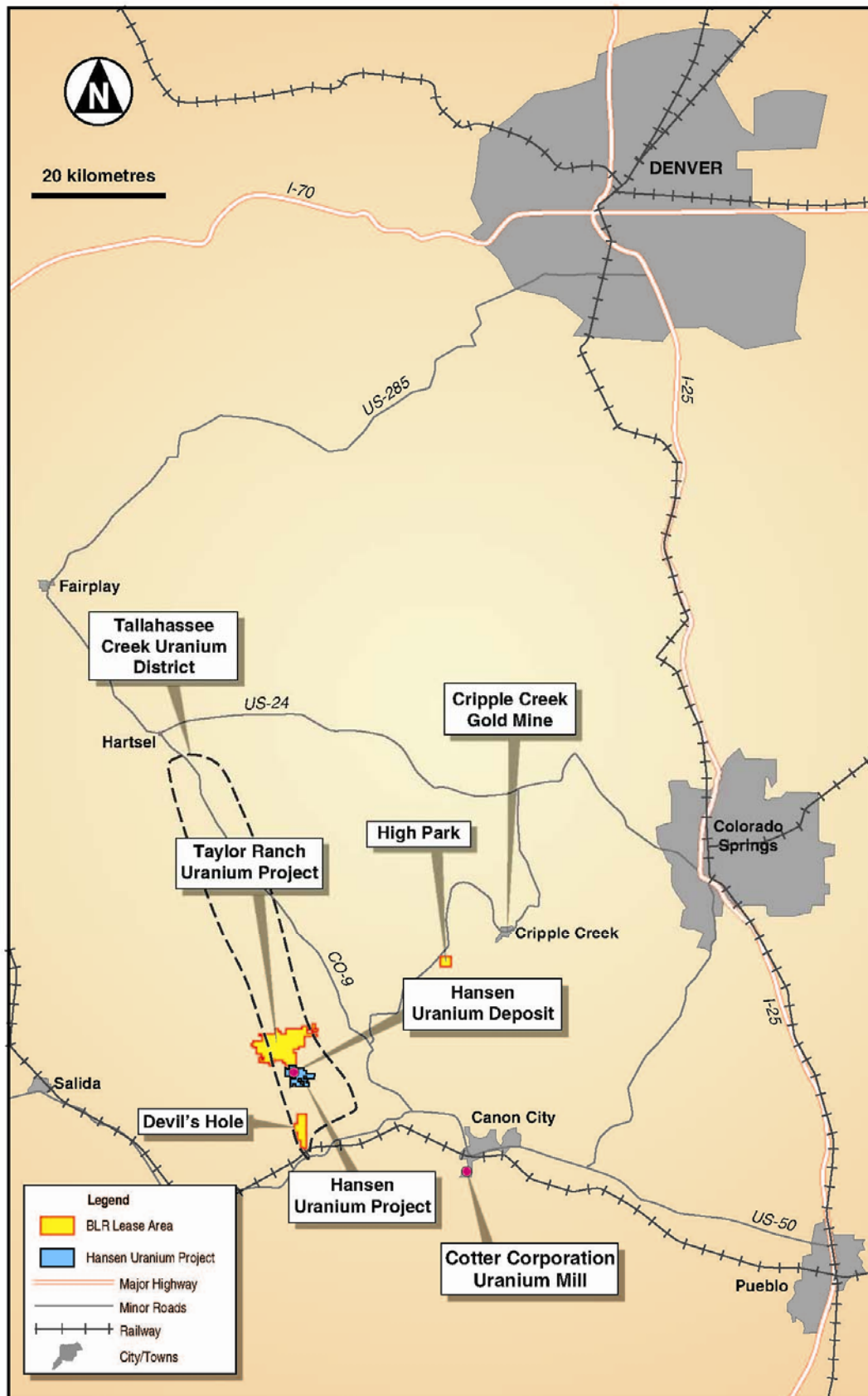


Figure 1. Location of Black Range Minerals' Taylor Ranch/Hansen Uranium Project in Colorado, USA.

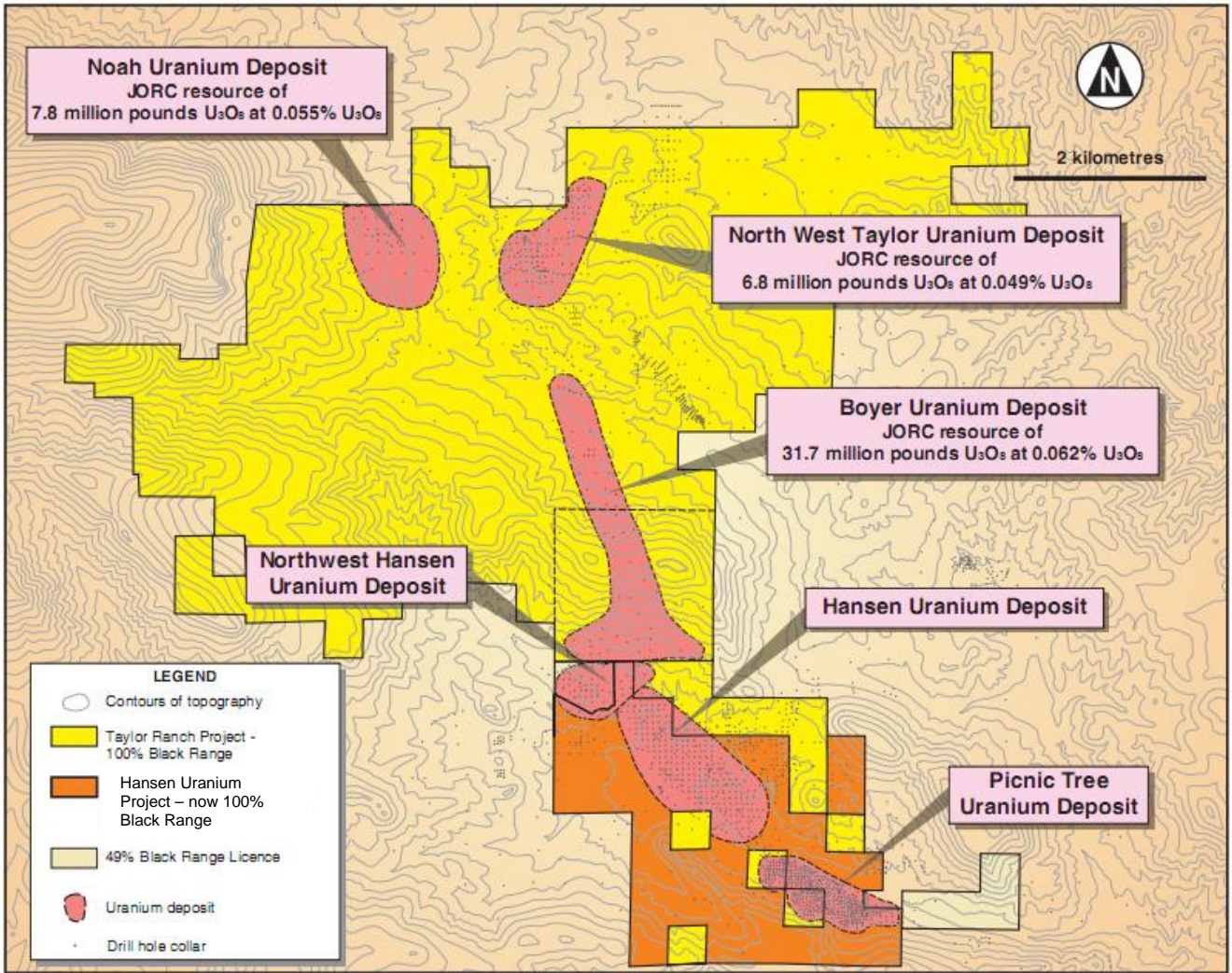


Figure 2. Location of uranium deposits within Black Range's Taylor Ranch/Hansen Uranium Project.

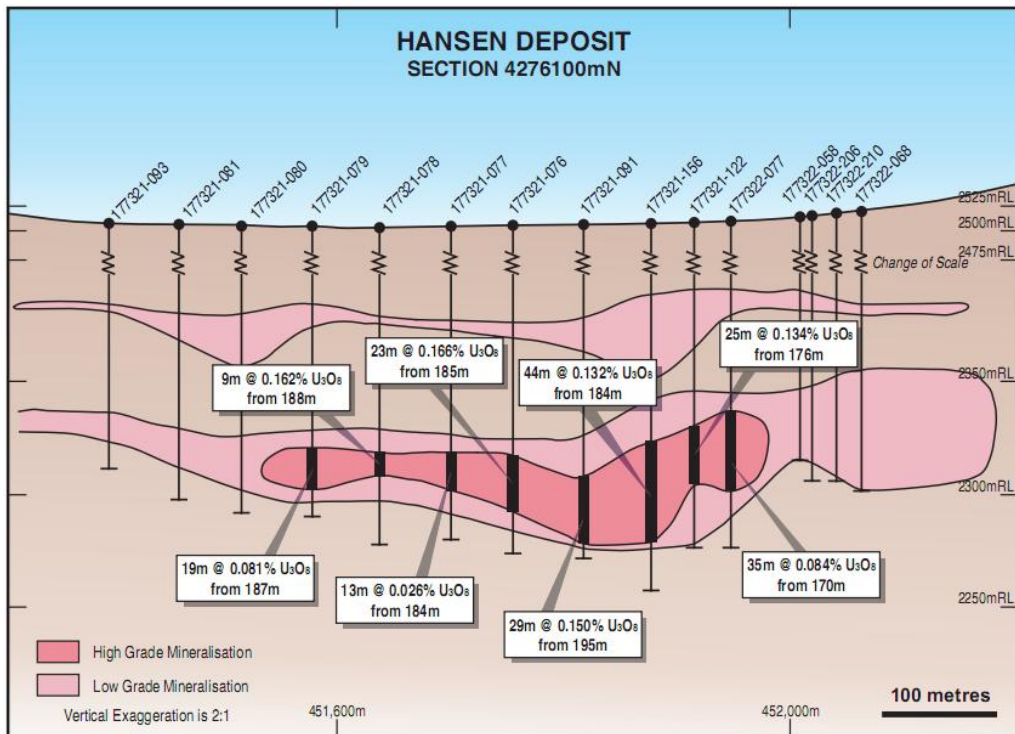


Figure 3. Schematic cross-section through the Hansen Uranium Deposit.

¹ From the abundance of work undertaken at the Hansen Uranium Deposit previously, including approximately 1,000 drill holes and mining feasibility studies, it was reported that the deposit hosts in the order of 15-20 Mt of mineralised material at a grade of 0.06-0.08% U₃O₈ for circa 30 million pounds of U₃O₈. As a mineral resource is yet to be calculated for the deposit under the JORC Code, this quantity and grade of mineralisation is conceptual in nature and is an exploration target, and it is uncertain if further exploration will result in the determination of a mineral resource of this size.

Competent Person Statement:

The information in this report that relates to Mineral Resources at the Taylor Ranch Uranium Projects is based on information compiled by Mr. John Rozelle who is a member of the American Institute of Professional Geologists. Mr John Rozelle is the Principal Geologist of Tetra Tech. Mr. John Rozelle has sufficient experience, which is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr. John Rozelle consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Exploration Results is based on information compiled by Mr. Ben Vallerine, who is a member of The Australian Institute of Mining and Metallurgy. Mr Vallerine is the Exploration Manager, USA for Black Range Minerals Limited. Mr. Vallerine has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr. Vallerine consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.