



**BLACK RANGE  
MINERALS**

**ASX Release**

**31 October 2011**

**BLACK RANGE MINERALS  
LIMITED**

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**Directors / Officers:**

**Alan Scott**

**Mike Haynes**

**Duncan Coutts**

**Ben Vallerine**

**Nick Day**

**Issued Capital:**

**797.0 million shares**

**5.1 million unlisted options**

**Australian Stock Exchange**

**Symbol: BLR**

**QUARTERLY ACTIVITIES REPORT  
SEPTEMBER 2011**

**Highlights**

- **24.5% interest in the Hansen Uranium Deposit transferred to the Company.**
- **Company has exclusive rights to acquire the other 75.5% interest in the Hansen Uranium Deposit.**
- **Drilling program at the Hansen and Picnic Tree Uranium Deposits completed, with outstanding results returned, including:**
  - **33.5 metres at 0.061% eU<sub>3</sub>O<sub>8</sub>**
  - **24.8 metres at 0.070% eU<sub>3</sub>O<sub>8</sub>**
  - **11.1 metres at 0.111% eU<sub>3</sub>O<sub>8</sub>**
  - **6.1 metres at 0.203% eU<sub>3</sub>O<sub>8</sub>**
- **Metallurgical test work and mine design studies commenced.**

**HANSEN/TAYLOR RANCH URANIUM  
PROJECT, COLORADO, USA**

**Acquisition of the Hansen Uranium Project**

During the September quarter all conditions precedent pertaining to the Company's agreement to acquire STB Minerals LLC's ("STB") 51% interest in the Hansen Uranium Deposit in Colorado, USA (see Figures 1-3), were satisfied.

The Company's exclusive six-year option to acquire STB's 51% interest in the Hansen Uranium Deposit is now unconditional.

Since July 2009 the Company has held the exclusive right to acquire the other 49% interest in the Hansen Deposit from NZ Minerals LLC ("NZ").

With the conditions precedent to the STB agreement satisfied, in accordance with the Company's agreement with NZ, 50% of NZ's mineral interest (for a net 24.5% interest in the Hansen Deposit) was transferred to the Company during the quarter. The Company can acquire NZ's remaining 24.5% interest by bringing the Project into production.

**Drilling at the Hansen and Picnic Tree Uranium Deposits**

The Company completed its inaugural drilling program at the Hansen and Picnic Tree Uranium Deposits during October.

A total of eight diamond core holes were drilled at the Hansen Deposit for 1,741 metres and a further three diamond core holes for 170 metres were completed at the Picnic Tree Deposit (see Figure 4). These holes were drilled to obtain additional geological, geotechnical, metallurgical and hydrological data.

Data acquired will be used to update the feasibility studies that were undertaken to assess the development of the Hansen Deposit during the early 1980s.

Exceptional results were returned from drilling at the Hansen Deposit, including:

- **33.5 metres at 0.061% eU<sub>3</sub>O<sub>8</sub>, including**  
**10.1 metres at 0.093% eU<sub>3</sub>O<sub>8</sub>, and**  
**4.3 metres at 0.100% eU<sub>3</sub>O<sub>8</sub>**
- **24.8 metres at 0.070% eU<sub>3</sub>O<sub>8</sub>, including**  
**5.8 metres at 0.138% eU<sub>3</sub>O<sub>8</sub>**
- **11.1 metres at 0.111% eU<sub>3</sub>O<sub>8</sub>, including**  
**4.1 metres at 0.165% eU<sub>3</sub>O<sub>8</sub>, and**  
**1.8 metres at 0.200% eU<sub>3</sub>O<sub>8</sub>**

Significant thicknesses of high-grade mineralisation were also intersected at the Picnic Tree Uranium Deposit, with results including:

- **6.1 metres at 0.203% eU<sub>3</sub>O<sub>8</sub>, including**  
**4.3 metres at 0.277% eU<sub>3</sub>O<sub>8</sub>**

### **Metallurgical Test Work and Mine Design Studies**

Representative composite samples of mineralisation from the Hansen and Picnic Tree Deposits have been submitted to a laboratory in advance of the commencement of metallurgical test work.

Considerable geotechnical information was also acquired during the recently completed drilling program. Mine design studies incorporating this information have commenced. On completion of this work previous feasibility studies will be updated.

## **JONESVILLE COAL PROJECT, ALASKA**

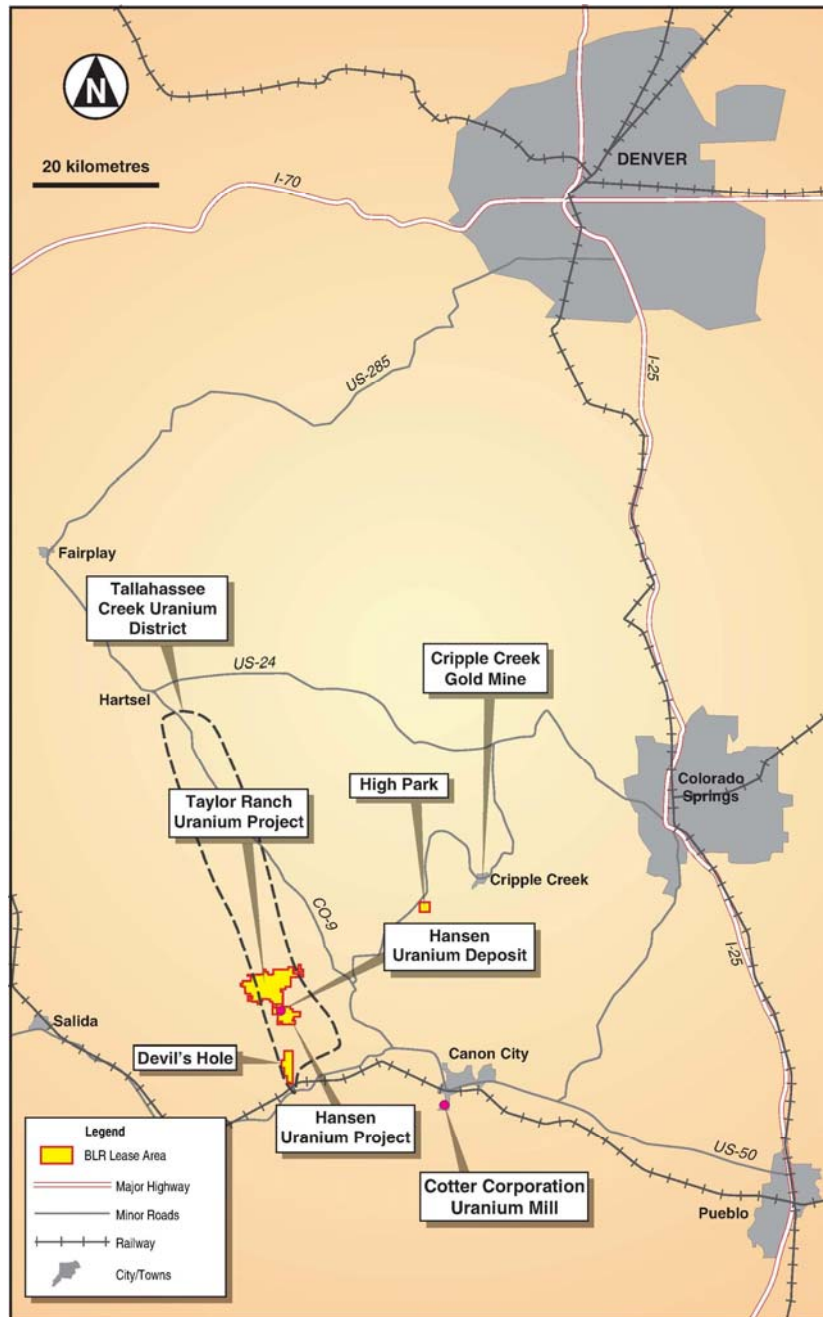
During the quarter the Company continued to assess numerous opportunities to realise value from this project.

## **CORPORATE**

At 30 September 2011 cash reserves were approximately \$5.55 million. The Company also holds shares in listed entities with an approximate value of ~\$200,000 (based on recent closing prices).

During the quarter, as partial consideration for the acquisition of the Hansen Uranium Project, the Company made payments to the two vendors of this project totalling US\$1.0 million in cash and 58.6 million shares.

During October 2011 Mr Ben Vallerine was appointed an Executive Director of the Company.



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

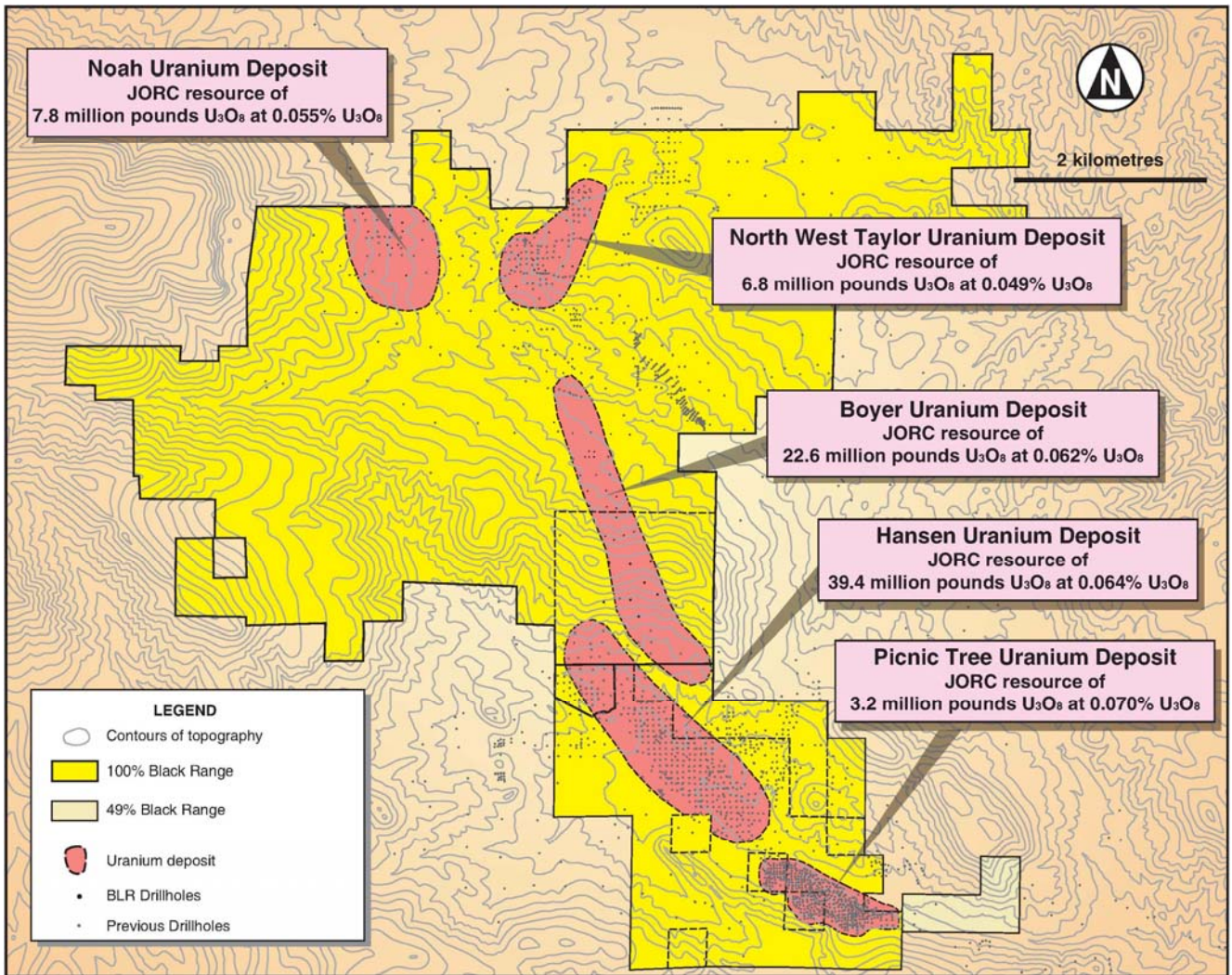


Figure 2. Location of uranium deposits within Black Range's Hansen/Taylor Ranch Uranium Project.

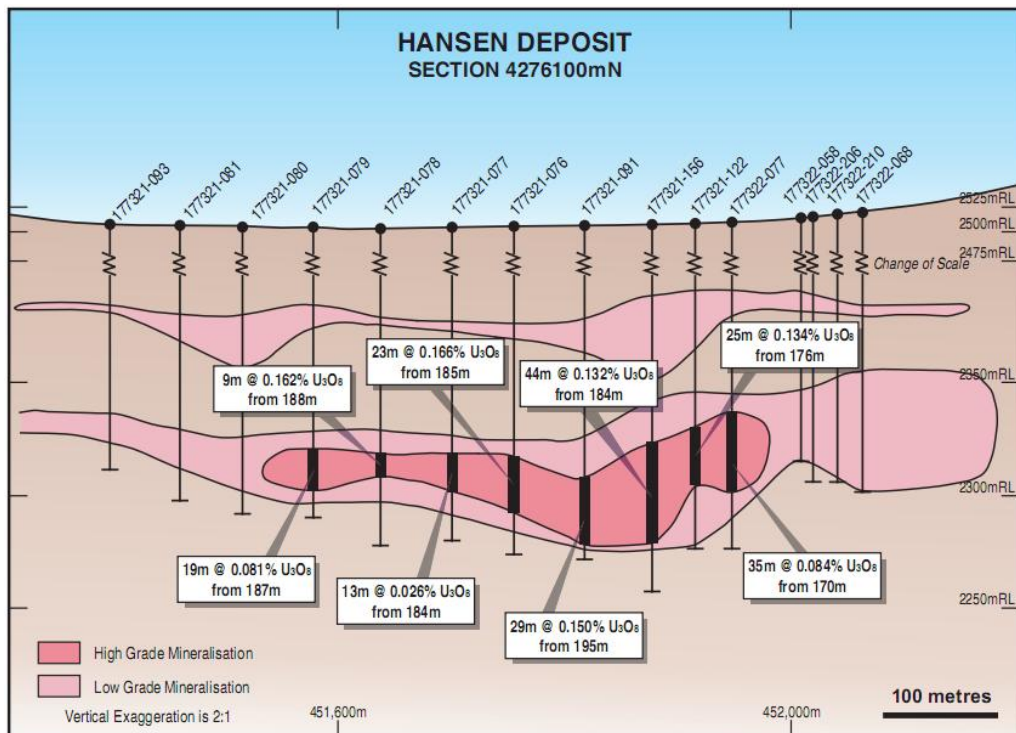
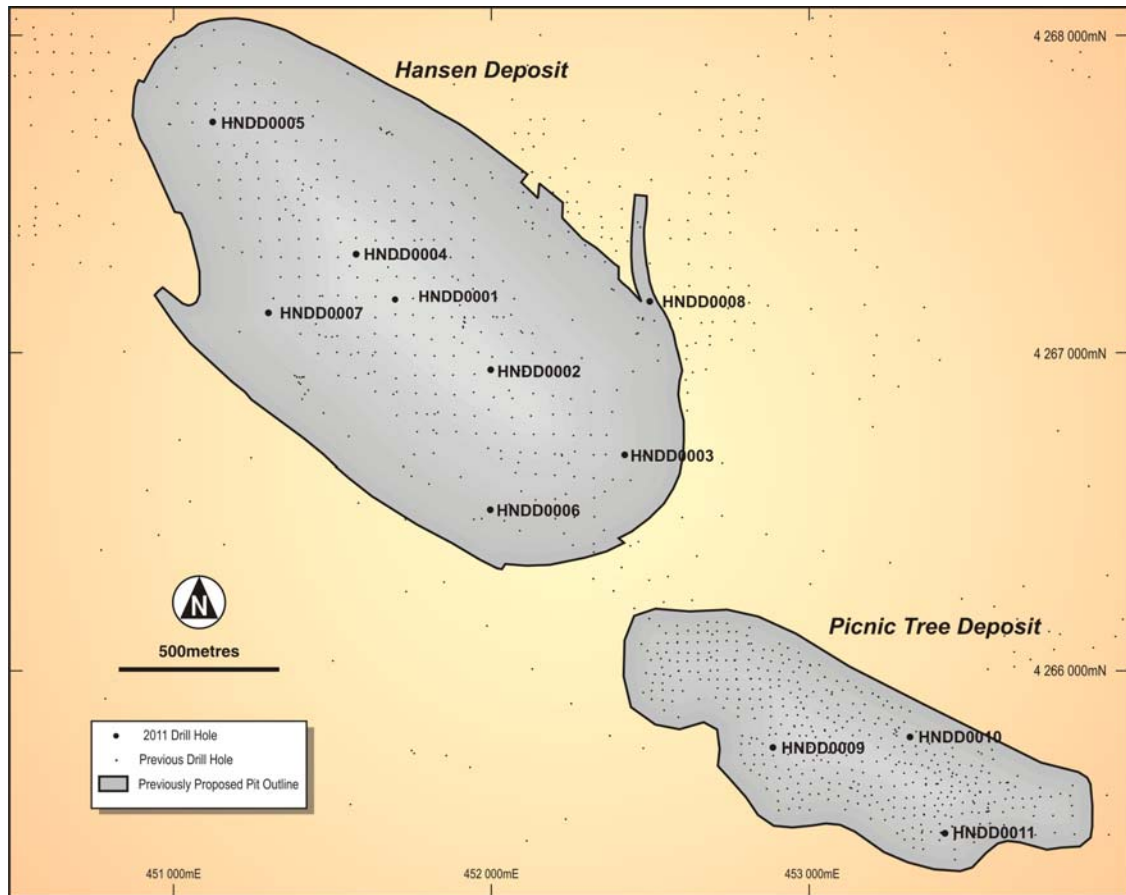


Figure 3. Schematic cross-section through the Hansen Uranium Deposit.



**Figure 4.** Location of previous and recently drilled holes at the Hansen and Picnic Tree Uranium Deposits, in relation to the boundary of the open pits as proposed and permitted in the 1980s (despite all permits being awarded, mining was never undertaken).

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

Using a cut-off grade of 0.025% U<sub>3</sub>O<sub>8</sub>:

Deposit	Indicated (0.025% Cut-Off)				Inferred (0.025% Cut-Off)				Total (0.025% Cut-Off)			
	Tonnes	Grade U <sub>3</sub> O <sub>8</sub> (%)	Tonnes of U <sub>3</sub> O <sub>8</sub>	Pounds of U <sub>3</sub> O <sub>8</sub>	Tonnes	Grade U <sub>3</sub> O <sub>8</sub> (%)	Tonnes of U <sub>3</sub> O <sub>8</sub>	Pounds of U <sub>3</sub> O <sub>8</sub>	Tonnes	Grade U <sub>3</sub> O <sub>8</sub> (%)	Tonnes of U <sub>3</sub> O <sub>8</sub>	Pounds of U <sub>3</sub> O <sub>8</sub>
Hansen	11,600,262	0.067	7,768	17,124,620	16,399,487	0.062	10,101	22,269,792	27,999,749	0.064	17,869	39,394,412
Boyer	9,102,294	0.059	5,403	11,912,352	7,577,863	0.064	4,871	10,737,856	16,680,157	0.062	10,274	22,650,208
Picnic Tree	1,703,693	0.073	1,248	2,750,840	337,473	0.054	183	403,308	2,041,166	0.070	1,431	3,154,148
NW Taylor	2,385,649	0.058	1,388	3,061,003	3,940,027	0.043	1,710	3,769,842	6,325,676	0.049	3,098	6,830,845
Noah	1,438,200	0.055	784	1,728,025	4,956,582	0.055	2,736	6,031,920	6,394,782	0.055	3,520	7,759,945
High Park	1,954,983	0.053	1,028	2,267,000	433,634	0.077	333	734,000	2,388,617	0.057	1,361	3,001,000
Other (Taylor)	409,627	0.031	126	278,146	4,398,939	0.039	1,729	3,811,314	4,808,565	0.039	1,855	4,089,460
Other (Hansen Area)	333,771	0.085	285	627,955	2,020,228	0.077	1,552	3,421,397	2,353,999	0.078	1,837	4,049,351
<b>Total</b>	<b>28,928,480</b>	<b>0.062</b>	<b>18,030</b>	<b>39,749,941</b>	<b>40,064,232</b>	<b>0.058</b>	<b>23,215</b>	<b>51,179,428</b>	<b>68,992,711</b>	<b>0.060</b>	<b>41,244</b>	<b>90,929,369</b>

Or using a 0.075% U<sub>3</sub>O<sub>8</sub> cut-off grade:

Deposit	Indicated (0.075% Cut-Off)				Inferred (0.075% Cut-Off)				Total (0.075% Cut-Off)			
	Tonnes	Grade U <sub>3</sub> O <sub>8</sub> (%)	Tonnes of U <sub>3</sub> O <sub>8</sub>	Pounds of U <sub>3</sub> O <sub>8</sub>	Tonnes	Grade U <sub>3</sub> O <sub>8</sub> (%)	Tonnes of U <sub>3</sub> O <sub>8</sub>	Pounds of U <sub>3</sub> O <sub>8</sub>	Tonnes	Grade U <sub>3</sub> O <sub>8</sub> (%)	Tonnes of U <sub>3</sub> O <sub>8</sub>	Pounds of U <sub>3</sub> O <sub>8</sub>
Hansen	3,126,521	0.129	4,041	8,908,599	3,909,667	0.125	4,904	10,811,979	7,036,188	0.127	8,945	19,720,578
Boyer	3,010,039	0.103	3,097	6,828,444	2,951,979	0.100	2,964	6,534,032	5,962,018	0.102	6,061	13,362,476
Picnic Tree	532,517	0.141	749	1,650,994	55,338	0.123	68	149,744	587,856	0.139	817	1,800,738
NW Taylor	373,571	0.154	574	1,265,849	346,530	0.098	338	745,633	720,101	0.127	912	2,011,481
Noah	259,397	0.114	295	649,647	806,233	0.125	1,010	2,227,132	1,065,630	0.122	1,305	2,876,779
High Park	326,587	0.114	372	820,000	130,635	0.163	212	468,000	457,221	0.128	584	1,288,000
Other (Taylor)	-	-	-	-	234,961	0.105	246	542,864	234,961	0.105	246	542,864
Other (Hansen Area)	84,368	0.213	180	396,180	428,191	0.196	839	1,849,296	512,559	0.199	1,019	2,245,476
<b>Total</b>	<b>7,713,001</b>	<b>0.121</b>	<b>9,308</b>	<b>20,519,713</b>	<b>8,863,534</b>	<b>0.119</b>	<b>10,581</b>	<b>23,328,680</b>	<b>16,576,535</b>	<b>0.120</b>	<b>19,889</b>	<b>43,848,392</b>

"The term  $eU_3O_8$  refers to an equivalent uranium oxide grade that is based on the conversion of a radiometric gamma log determination of radioactive mineral abundance to a calculated uranium content. True  $U_3O_8$  values are obtained from direct chemical assay results."

**Competent Person Statement:**

*The information in this report that relates to Mineral Resources at the Hansen and 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 compiled this information in his capacity as a 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.*