BLACK RANGE
MINERALS

ABN 86 009 079 047

Financial Report
for the half year ended 31 December 2014

CONTENTS

CORPORATE DIRECTORY

Directors
Mr. Alan Scott (Chairman)
Mr. Michael Haynes (Managing Director)
Mr. Benjamin Vallerine (Non-Executive Director)
Mr. Joseph Havlin (Non-Executive Director)

Company Secretary
Mr. Ian Cunningham

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Stock Exchange Listing
Black Range Minerals Limited shares
are listed on the Australian Securities
Exchange, the home branch being Perth
ASX Code: BLR

Auditors
Stantons International Audit and Consulting Pty Ltd
Level 2, 1 Walker Avenue
West Perth WA 6005

DIRECTORS' REPORT

The Directors submit their report for the consolidated entity (**the Group**), consisting of Black Range Minerals Limited (**Black Range** or **the Company**) and its controlled entities, for the half-year ended 31 December 2014.

Directors

The names of the Company's directors in office during the half-year and until the date of this report are set out below. Directors were in office for this entire period unless otherwise stated.

Mr. Alan Scott	Chairman
Mr. Michael Haynes	Managing Director
Mr. Benjamin Vallerine	Non-Executive Director
Mr. Joseph Havlin	Non-Executive Director

Results of Operations

The Group's net loss after taxation for the half-year ended 31 December 2014 was $12,003,851 (2013: $1,128,352), which included a provision for impairment of capitalised expenditure of $10,432,047 (2013: $Nil).

Review of Operations

Hansen / Taylor Ranch Uranium Project

During the half-year to 31 December 2014, the Group completed the fourth and fifth water sampling programs to establish baseline characteristics of water from five water monitoring wells installed during October/November 2013 immediately adjacent to its Hansen Uranium Deposit in Colorado, USA (**the Hansen Deposit**). Acquisition of baseline data from these wells is essential for streamlining the mine permit application and approval process.

This Company has now acquired the five successive sets of quarterly sampling data required before applications for mine permits can be submitted.

During the half-year the Group determined that it would be advantageous to undertake trial borehole mining at the Hansen Deposit in advance of submitting mine permit applications. Following discussions with mine permitting regulators, the Company became aware that a trial would not only help streamline the mine permitting process (because many potential questions could be answered) but that it would also help the Company refine the economics of developing the Hansen Deposit with borehole mining. Accordingly an appropriate application was submitted, with a view to conducting a borehole mining trial in mid-2015.

Additional baseline environmental data monitoring activities continued throughout the half-year, in conjunction with preparatory mine permit application work.

Ablation Joint Venture

During the half-year Mineral Ablation LLC (**the Ablation JV**), of which Black Range owns 50%, undertook further key testwork with the semi-commercial scale Ablation Unit it has constructed in Casper, Wyoming, which has nominal capacity of 5tph (**5tph Unit**). Tests were predominantly undertaken with ore from the "October stockpile" – ore that is typical of many deposits in the Colorado Plateau Province. This province encompasses the four corners region of Colorado, New Mexico, Utah and Arizona, and hosts a large proportion of the uranium resources in the USA. Multiple operational parameters have been varied during several iterative series of tests, to help establish the optimal operating parameters for different ore types.

To validate the veracity of the testwork and indeed the performance of the Ablation system as a whole, independent engineers oversaw the testwork. In line with this, multiple samples were analysed by an independent laboratory, rather than undertaking such analysis in-house. As observed during previous testwork, uranium recoveries of up to 93% into the finest size fractions have been consistently achieved. These results reaffirm that it is highly likely that recoveries of >90% can be achieved at commercial scales.

In addition to the extensive testwork undertaken in the 5tph Unit, tests were undertaken for several new potential clients utilising Mineral Ablation's smaller pilot plant. Extremely encouraging results have been returned from such tests and this continues to provide the Company confidence that Ablation can be commercialised in the near term.

Following the testwork, the Group continued to advance discussions with parties interested in deploying the 5tph Unit to their projects for field trials. These discussions continue.

During the half-year the Group has also been engaged in extensive discussions with its joint venture partner regarding the optimal forward strategy and corresponding budgets for Mineral Ablation, LLC. The two parties have diverging opinions on how best to advance the commercialisation of the technology. They continue to seek a resolution.

Events after Reporting Date

On 19 January 2015, the company announced the issue of 202,314,477 new ordinary shares, being the second tranche of the share consideration payable to STB Minerals LLC (**STB**) for the three year extension of the Company's option over STB's 51% interest in the Hansen Uranium Deposit in Colorado, USA (**the STB Option**) (see Note 12).

On 30 January 2015, the Company announced that:

(i) the Company had entered into an agreement with Western Uranium Corporation (**Western**), a Canadian-based uranium exploration company which is listed on the Canadian Securities Exchange, pursuant to which Western will offer to acquire all of the issued shares of Black Range. Under the offer, Black Range shareholders will receive 1 new Western share for every 750 Black Range shares held (**the Offer**). The terms and conditions of the Offer included Black Range providing Western a 30-day exclusivity period (**Exclusivity Period**), during which it could complete due diligence and prepare definitive agreements, such agreements to include customary provisions for a transaction of this nature. The Exclusivity Period has since been extended to 17 March 2015; and

(ii) in order to ensure that the Company has sufficient working capital in the period prior to completion of the transaction, Western will provide the Company with a $450,000* loan facility (**the Facility**), on the following terms:
   - subject to execution of a definitive Facility agreement prior to expiration of the Exclusivity Period;
   - subject to any requisite approvals, the Facility will be secured;
   - interest rate to be based on prevailing commercial market rates;
   - funds to pay approved Company expenses through to completion of the transaction; and
   - in the event that either party terminates the agreement or the transaction is not approved by the Company's shareholders at the Scheme meeting, the Facility will be repayable.

On 3 March 2015, the Company issued Azarga Resources Limited (**Azarga**) 73,284,314 new shares, representing conversion of the outstanding loan balance of $0.6 million (inclusive of applicable redemption premium) in relation to the third convertible loan facility (**CL3 Facility**) provided by Azarga.

Auditor's Declaration

Section 307C of the Corporations Act 2001 requires our auditors, Stantons International Audit and Consulting Pty Ltd, to provide the directors of the Company with an Independence Declaration in relation to the review of the half-year financial report. This Independence Declaration is set out on page 5 and forms part of this directors' report for the half-year ended 31 December 2014.

*Per the announcement of 30 January 2015, the Facility amount was $0.75 million out of which $0.3 million was to be used for repayment of 50% of the outstanding CL3 Facility loan balance. As per above, all of the outstanding CL3 Facility loan balance has since been converted to equity and hence the Facility balance will be reduced to $0.45 million

This report is signed in accordance with a resolution of the Board of Directors.

Mr Michael Haynes
Managing Director

Perth, Western Australia
13 March 2015

Caution Regarding Forward Looking Statements

This report contains forward looking statements which involve a number of risks and uncertainties. These forward looking statements are expressed in good faith and believed to have a reasonable basis. These statements reflect current expectations, intentions or strategies regarding the future and assumptions based on currently available information. Should one or more risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary from the expectations, intentions and strategies described in this report. The forward looking statements are made as at the date of this report and the Company disclaims any intent or obligation to update publicly such forward looking statements, whether as the result of new information, future events or results or otherwise.

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13 March 2015

Board of Directors
Black Range Minerals Limited
Suite 9, 5 Centro Avenue
SUBIACO, WA, 6000

Dear Directors

RE: BLACK RANGE MINERALS LIMITED

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Black Range Minerals Limited.

As Audit Director for the review of the financial statements of Black Range Minerals Limited for the half year ended 31 December 2014, I declare that to the best of my knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and

(ii) any applicable code of professional conduct in relation to the review.

Yours sincerely
STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(Trading as Stantons International)
(An Authorised Audit Company)

Martin Michalik

Martin Michalik
Director

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income for the half-year ended 31 December 2014

	Notes	Consolidated 31/12/2014 $	31/12/2013 $
Revenues from operations			
Interest revenue		153,783	146,845
Revenue		**153,783**	**146,845**
Expenses			
Foreign exchange losses		(1,220)	-
Marketing expenses		(5,927)	(9,677)
Public company costs		(40,259)	(47,215)
Consulting and directors fees		(115,047)	(363,184)
Legal fees		(5,494)	(145,356)
Staff costs		(94,001)	(111,582)
Serviced office and outgoings		(79,326)	(77,780)
Travel expenses		(14,104)	(58,285)
Provision for capitalised exploration		(10,432,047)	-
Provision for loan		(468,421)	-
Other expenses	3	(193,527)	(301,612)
Exploration expenditure written off		-	(30,000)
Share of loss from joint venture entity	9	(414,147)	(58,923)
Share based payment expenses	10(a)	(294,114)	(71,583)
Net Loss from continuing operations before income tax		(12,003,851)	(1,128,352)
Income tax expense		-	-
Loss from continuing operations after income tax		**(12,003,851)**	**(1,128,352)**
Other comprehensive income			
Items that will not be reclassified to profit or loss		-	-
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations		3,969,797	825,261
Share of foreign currency translation reserve of equity accounted joint venture entity		-	7,332
Other comprehensive income/(loss) for the period		**3,969,797**	**832,593**
Total comprehensive loss for the period		**(8,034,054)**	**(295,759)**
Loss from continuing operations attributable to members		**(12,003,851)**	**(1,128,352)**
Total comprehensive loss for the period that is attributable to members		**(8,034,054)**	**(295,759)**
Loss per share from continuing operations attributable to the ordinary equity holders of the parent			
Basic loss per share (cents per share)		(0.44)	(0.07)
Diluted loss per share (cents per share)		(0.44)	(0.07)

The consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the Company's condensed notes.

Condensed Consolidated Statement of Financial Position as at 31 December 2014

	Notes	Consolidated 31/12/2014 $	30/06/2014 $
ASSETS			
Current assets			
Cash and cash equivalents		189,705	1,489,419
Trade and other receivables		27,540	77,523
Total current assets		**217,245**	**1,566,942**
Non-current assets			
Other receivables		468,841	405,974
Plant and equipment		11,596	12,455
Investment in joint venture entity	9	4,466,166	4,297,508
Exploration and evaluation expenditure	6	15,360,819	19,885,484
Total non-current assets		**20,307,422**	**24,601,421**
TOTAL ASSETS		**20,524,667**	**26,168,363**
LIABILITIES			
Current liabilities			
Trade and other payables		348,329	702,752
Amount payable for extension of STB Option	12	613,046	-
Other liabilities	8	500,000	500,000
Interest bearing liability	13	563,292	493,877
Total current liabilities		**2,024,667**	**1,696,629**
TOTAL LIABILITIES		**2,024,667**	**1,696,629**
NET ASSETS		**18,500,000**	**24,471,734**
EQUITY			
Contributed equity	7	74,105,161	72,336,955
Reserves		5,405,823	1,141,912
Accumulated losses		(61,010,984)	(49,007,133)
TOTAL EQUITY		**18,500,000**	**24,471,734**

The consolidated statement of financial position should be read in conjunction with the Company's condensed notes.

Condensed Consolidated Statement of Changes in Equity for the half year ended 31 December 2014

Consolidated	Contributed Equity $	Accumulated Losses $	Share Based Payment Reserves $	Foreign Currency Translation Reserves $	Total $
At 1 July 2013	66,815,098	(42,896,179)	1,137,784	729,746	25,786,449
Loss for the period	-	(1,128,352)	-	-	(1,128,352)
Other comprehensive income	-	-	-	832,593	832,593
Total comprehensive loss for the period	-	(1,128,352)	-	832,593	(295,759)
Transactions with owners in their capacity as owners					
Share issue to acquire interest in joint venture entity	30,000	-	-	-	30,000
Deferred shares to be issued to acquire interest in joint venture entity	638,000	-	-	-	638,000
Transaction costs on share issue	36,000	-	-	-	36,000
Share based payment	-	-	71,583	-	71,583
Balance at 31 December 2013	**67,519,098**	**(44,024,531)**	**1,209,367**	**1,562,339**	**26,266,273**
At 1 July 2014	72,336,955	(49,007,133)	1,230,255	(88,343)	24,471,734
Loss for the period	-	(12,003,851)	-	-	(12,003,851)
Other comprehensive income	-	-	-	3,969,797	3,969,797
Total comprehensive loss for the period	-	(12,003,851)	-	3,969,797	(8,034,054)
Transactions with owners in their capacity as owners					
Share Purchase Plan	1,401,500	-	-	-	1,401,500
Share issue for the first tranche of share consideration to STB Minerals LLC	533,846	-	-	-	533,846
Transaction costs on share issue	(167,140)	-	-	-	(167,140)
Share based payment	-	-	294,114	-	294,114
Balance at 31 December 2014	**74,105,161**	**(61,010,984)**	**1,524,369**	**3,881,454**	**18,500,000**

The consolidated statement of changes in equity should be read in conjunction with the Company's condensed notes.

Condensed Consolidated Statement of Cash Flows for the half-year ended 31 December 2014

	Notes	Consolidated	
		31/12/2014	31/12/2013
		$	$
Cash flows from operating activities			
Payments to suppliers and employees		(608,989)	(565,168)
Interest received		2,816	2,616
Net cash flows used in operating activities		(606,173)	(562,552)
Cash flows from investing activities			
Loans to joint venture entity		(282,404)	(1,876,964)
Payments for expenditure on exploration		(1,645,498)	(917,506)
Net cash flows used in investing activities		(1,927,902)	(2,794,470)
Cash flows from financing activities			
Transaction costs of issue of shares		(167,140)	-
Proceeds from convertible loan facility		-	3,000,000
Proceeds from issue of shares		1,401,501	-
Net cash flows from financing activities		1,234,361	3,000,000
Net decrease in cash and cash equivalents		(1,299,714)	(357,022)
Cash and cash equivalents at beginning of period		1,489,419	469,323
Foreign exchange variances on cash		-	1
Cash and cash equivalents at end of period		**189,705**	**112,302**

The consolidated statement of cash flows should be read in conjunction with the Company’s condensed notes.

Condensed Notes to the Financial Statements for the half-year ended 31 December 2014

1. Corporate Information

The financial report of the Group for the half-year ended 31 December 2014 was authorised for issue in accordance with a resolution of the directors on 13 March 2015.

Black Range is a public company limited by shares incorporated and domiciled in Australia whose shares are publicly traded on the Australian Securities Exchange.

During the half year ended 31 December 2014, the Group's principal activities comprised development of the Hansen / Taylor Ranch Uranium Project and the Ablation technology.

2. Basis of Preparation and Accounting Policies

Basis of Preparation

This general purpose condensed financial report for the half-year ended 31 December 2014 has been prepared in accordance with AASB 134 Interim Financial Reporting and the Corporations Act 2001.The Company is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

The half-year financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial report.

It is recommended that the half-year financial report be read in conjunction with the annual report for the year ended 30 June 2014 and considered together with any public announcements made by Black Range during the half-year ended 31 December 2014 in accordance with the continuous disclosure obligations of the ASX listing rules.

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 and amended Accounting Standards but determined that their application to the financial statements is either not relevant or not material.

Going Concern

This report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

The Group incurred a net loss after tax for the half year ended 31 December 2014 of $12,003,851 (2013: $1,128,352), which included a provision for impairment of capitalised expenditure of $10,432,047 (2013: $Nil), and experienced net cash outflows of $1,299,714 (2013: $357,022). At 31 December 2014, the Group had net current liabilities of $1,807,422 (2013: $129,687) of which:

- $500,000 was the deferred consideration in relation to the Ablation JV, which is only payable upon commercialisation of the Ablation technology (see Note 8);

- $613,046 was the outstanding share consideration payable in relation to the three year extension of the STB Option, which was subsequently issued in January 2015 (see Notes 11 and 12); and

- $563,292 was the outstanding CL3 Facility loan balance, which was subsequently satisfied via the issue of shares in the Company in March 2015 (see Note 11).

The directors recognise the need to raise additional finance for future exploration and development activities and to take the Ablation technology through to commercial production.

On 30 January 2015, the Company announced the Offer from Western and the proposed $0.45 million Facility, which will provide working capital in the period prior to completion of the transaction. The Facility is subject to execution of a definitive Facility agreement prior to expiration of the Exclusivity Period, which has been extended to 17 March 2015. The other terms and conditions of the facility are detailed in Note 11.

In considering the above, the directors have reviewed the Group's financial position and are of the opinion that the use of the going concern basis of accounting is appropriate given the Company's market capitalisation and on the basis that the Group has been successful to date in securing required funding and the directors are of the opinion that it will continue to do so through a combination of debt and equity.

Should the Group not be able to secure additional funds, there is significant uncertainty whether the Group will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

The financial report does not contain any adjustments relating to the recoverability and classification of recorded assets or to the amounts or classification of liabilities that might be necessary should the Group not be able to continue as a going concern.

	Consolidated	
	31/12/2014	31/12/2013
	$	$
3. Other Expenses		
Accounting and audit fees	50,116	60,748
Bank fees	3,323	2,714
Computer expenses	2,382	3,782
Insurance	29,712	9,294
Printing and stationery	18,022	25,363
Postage and courier	139	585
Subscriptions and memberships	5,535	3,913
Telephone	6,829	4,979
Depreciation	2,559	3,595
Convertible notes redemption interest	69,415	176,805
Other	5,495	9,834
Total Other Expenditure	**193,527**	**301,612**

4. Dividends

No dividends have been paid or provided for during the half-year (2013: $Nil).

5. Segment Reporting

For management purposes, the Company is organised into one main operating segment, which involves mining exploration and development for uranium and other minerals. All of the Company's activities are interrelated, and discrete financial information is reported to the Board (Chief Operating Decision Makers) as a single segment. Accordingly, all significant operating decisions are based upon analysis of the Group as one segment. The financial results from this segment are equivalent to the financial statements of the Group as a whole.

Consolidated

	31/12/2014 $	30/06/2014 $
6. Deferred Exploration and Evaluation Expenditure		
Exploration and evaluation		
At cost, net of accumulated impairment	15,360,819	19,885,484
Total exploration and evaluation	**15,360,819**	**19,885,484**
Carrying amount at beginning of the period	19,885,484	20,047,561
Exploration expenditure during the period[1]	1,681,117	1,264,119
Issue of shares as the first tranche of the share consideration for the three year extension of the STB Option (refer Note 12)	533,846	-
Amount payable in shares (USD$500,000) for extension of the STB Option (refer Note 12)	613,046	-
Net exchange differences on translation	3,079,373	(604,159)
Provision for impairment of capitalized expenditure	(10,432,047)	(768,451)
Write off exploration expenditure	-	(53,586)
Carrying amount at end of period	**15,360,819**	**19,885,484**

[1] Includes US$1m paid to STB for extension of the STB Option

The recoverability of the carrying amount of the deferred exploration and evaluation expenditure is dependent on the successful development and commercial exploitation, or alternatively the sale, of the respective areas of interest.

7. Contributed Equity

	Consolidated 31/12/2014 $	30/06/2014 $
(a) Issued and paid up capital		
Ordinary shares fully paid	74,105,161	72,336,955

(b) Movements in ordinary shares on issue	**Number of shares**	**$**	**Number of shares**	**$**
Balance at beginning of period	2,374,731,552	72,336,955	1,667,631,551	66,815,098
31 July 2013 issue of shares at $0.015	-	-	2,000,000	30,000
30 October 2013 issue of shares at $0.01	-	-	63,800,000	638,000
4 November 2013 issue of shares at $0.012	-	-	3,000,000	36,000
25 June 2014 issue of shares at $0.0045	-	-	333,333,334	1,500,000
26 June 2014 issue of shares at $0.01	-	-	163,300,000	1,633,000
26 June 2014 issue of shares at $0.012	-	-	141,666,667	1,700,000
21 July 2014 issue of shares at $0.0045	133,333,253	600,000	-	-
21 July 2014 issue of shares at $0.005	106,769,165	533,846	-	-
28 July 2014 issue of shares at $0.0045	178,111,109	801,500	-	-
Transaction costs on share issues	-	(167,140)	-	(15,143)
	2,792,945,079	74,105,161	2,374,731,552	72,336,955

Consolidated
31/12/2014 30/06/2014

		$	$
8. Other Liabilities			
Deferred, contingent consideration[1]		500,000	500,000

[1] Contingent consideration payable on the investment in Mineral Ablation LLC (see Note 9). This liability can be settled with either cash or through an issue of equity and is due within 60 days of commercial application of the Ablation technology.

9. Investment in joint venture entity

The Group continued to own a 50% interest in Mineral Ablation LLC, a jointly controlled entity involved in the development of ablation technology. The carrying amount of the investment is accounted for using the equity method.

		Consolidated	
The investment is made up of:		31/12/14	30/06/14
		$	$
Equity accounted investment	9 (a)	-	-
Loan receivable – the Ablation JV	9 (b)	7,587,046	6,589,971
Provision for loan receivable		(3,120,880)	(2,306,174)
Exchange differences		-	13,711
Total		4,466,166	4,297,508

(a) Equity accounted investment

The Ablation JV is a limited liability company that is not listed on any public exchange. The following table illustrates summarised financial information of Black Range's investment in the Ablation JV (including the effects of Black Range's fair value adjustments).

	Consolidated	
	31/12/14	30/06/14
Share of joint venture entity's statement of financial position	$	$
Current assets	2,619	1,751
Property, plant and equipment	2,897,862	2,736,263
Non-current assets	3,376	2,923
	2,903,857	2,740,937
Current liabilities	(670,738)	(768)
Non-current liabilities	(3,836,850)	(3,756,230)
	(4,507,588)	(3,756,998)
Net Liabilities	**(1,603,731)**	**(1,016,061)**
Share of joint venture entity's statement of profit or loss and other comprehensive income and crediting the loan account		
Loss for the period	(414,147)	(990,418)
Reconciliation of movement in carrying amount of investment in joint venture entity		
Balance at beginning of period	-	975,723
Share of joint venture entity loss	-	(973,419)
Share of foreign currency translation reserve of joint venture entity	-	(2,304)
Carrying amount of investment in joint venture	**-**	**-**

(b) Loan receivable

The loan receivable from the Ablation JV is denominated in US dollars. It is unsecured and repayable out of future net revenue from the Ablation JV when the entity achieves commercial scale application of the ablation process. The loan accrues interest at the Applicable Federal Rate for short term obligations published by the Internal Revenue Service.

10. Share Based Payment Plans

(a) Recognised share based payment expenses

Total expenses arising from share based payment transactions recognised during the period as part of share based payment expense were as follows:

	Consolidated	
	31/12/2014	31/12/2013
	$	$
Operating expenditure		
Options vested during the period	294,114	71,583

(b) Options

The Group has established an employee share option plan (**Plan**) and also issues options to executive officers, directors, consultants and employees outside the Plan (collectively the **Options**). The objective of the Options is to assist in the recruitment, reward, retention and motivation of the recipients. An eligible person may receive the Options or nominate a relative or associate to receive the Options.

Grant Date	Expiry date	Exercise price	Balance at start of the period Number	Granted during the period Number	Lapsed during the period Number	Expired during the period Number	Balance at end of the period Number	Exercisable at end of the period Number
15/07/2011	15/07/2014	$0.05	1,750,000	-	-	(1,750,000)	-	-
11/01/2013	10/01/2018	$0.012	30,000,000[1]	-	-	-	30,000,000	15,000,000
14/03/2013	12/03/2018	$0.02	10,000,000	-	-	-	10,000,000	10,000,000
14/03/2013	12/03/2018	$0.02	7,500,000	-	-	-	7,500,000	7,500,000
23/07/2014	20/07/2019	$0.007	-	45,000,000[2]	-	-	45,000,000	45,000,000
28/11/2014	27/11/2019	$0.0064	-	111,500,000[3]	-	-	111,500,000	18,750,000
			49,250,000	156,500,000	-	(1,750,000)	204,000,000	96,250,000
Weighted average exercise price			$0.02				$0.01	$0.02
Weighted remaining contractual life (years)			3.47				4.41	4.24

1. 15,000,000 have vested, 7,500,000 to vest upon the Company reaching a market capitalisation of $30,000,000 and 7,500,000 to vest upon the Company reaching a market capitalisation of $50,000,000;
2. 50% vested immediately and the balance vested on 31 December 2014, following completion of continuous service up until that date; and
3. 18,750,000 vested immediately, 37,000,000 vest on 1 April 2015, 18,750,000 vest on 1 July 2015 and 37,000,000 vest on 1 October 2015, in each case, subject to the continuing service of the underlying option holder up until the relevant date.

During the period, no Options were exercised.

11. Events after Reporting Date

On 19 January 2015, the company announced the issue of 202,314,477 new ordinary shares, being the second tranche of the share consideration payable to STB for the three year extension of the STB Option (see Note 12). This amount was accrued as at 31 December 2014.

On 30 January 2015, the Company announced that:

(i) the Company had entered into an agreement with Western, pursuant to which Western will offer to acquire all of the issued shares of Black Range. Under the Offer, Black Range shareholders will receive 1 new Western share for every 750 Black Range shares held, The terms and conditions of the Offer included Black Range providing Western a 30-day exclusivity period, during which it could complete due diligence and prepare definitive agreements, such agreements to include customary provisions for a transaction of this nature. The Exclusivity Period has since been extended to 17 March 2015.

(ii) in order to ensure that the Company has sufficient working capital in the period prior to completion of the transaction, Western will provide the Company with a $450,000 loan facility, on the following terms:
- subject to execution of a definitive Facility agreement prior to expiration of the Exclusivity Period;
- subject to any requisite approvals, the Facility will be secured;
- interest rate to be based on prevailing commercial market rates;
- funds to pay approved Company expenses through to completion of the transaction; and
- in the event that either party terminates the agreement or the transaction is not approved by the Company's shareholders, the Facility will be repayable.

On 3 March 2015, the Company issued Azarga 73,284,314 new shares, representing conversion of the outstanding CL3 loan balance of $598,000 (inclusive of applicable redemption premium) (refer Note 13).

12. Contingent Commitments

Agreements over the Hansen Uranium Deposit

Pursuant to a definitive agreement with STB, the Group was granted the STB Option. The key components of the STB Option are as follows:

- the conditions precedent for the STB Option were settled in July 2011 and pursuant to the terms of the agreement:
  - on 28 July 2011 the Company paid STB $1 million and issued STB 30,585,140 shares in the Company; and
  - on 31 January 2012 the Company issued a further 43,970,888 shares to STB;

- the Group shall undertake feasibility studies into the development of a commercial scale mining operation, evaluating all potential mining methods;

- within three years of satisfaction of the conditions precedent, being on or before 28 July 2014, the Group was required to exercise the STB Option by paying STB a further US$2 million and issuing STB a further US$7.5 million worth of shares in the Company. These shares would be issued in two tranches, 180 days apart;

- however, the Group also had the right to extend the STB Option for a further three years by paying STB US$1 million and issuing STB a further US$1 million worth of shares in the Company, to be issued in two tranches, 180 days apart (**the Option Extension**). In July 2014, the Group exercised the Option Extension, thereby extending the STB Option end date to 28 July 2017. Accordingly, in July 2014, the Group paid STB a further US$1 million and issued STB US$0.5 million worth of shares in the Company;

- as at 31 December 2014, the Group has accrued for the second tranche of the Option Extension share consideration of US$0.5 million, which at the closing AUD exchange rate equated to $613,046. This second tranche of the Option Extension share consideration was subsequently issued to STB in January 2015 (refer Note 11); and

- if the Group exercises the STB Option, STB will be entitled to a 1.5% royalty on production from its 51% interest in the Hansen Uranium Deposit.

Pursuant to an option agreement with NZ Minerals, LLC (**NZ**) the Group has been granted the sole and exclusive option to acquire its 49% of the mineral interest in the Hansen Uranium Deposit (**the NZ Option**). The consideration for the grant of the NZ Option is as follows:

- the Group issued NZ with $US 1,000,000 worth of ordinary shares in the Company on 22 July 2009. The number of shares issued was determined using a 90 day volume weighted average price of $0.06816;

- if the Group is successful in either (i) purchasing the outstanding 51% interest in the Hansen Deposit or (ii) in securing a joint venture or similar arrangement with the successful purchaser of the 51% interest then the Group will be required to issue a further $US 1,000,000 worth of ordinary shares in the Company and pay NZ US$ 1,000,000 in cash. Accordingly, as a result of entering into the STB Option, the Group paid to NZ $1m cash and issued 27,996,857 shares in the Company to NZ on 28 July 2011;

- on or before the Group reaches commercial scale production at the Hansen Deposit, the Group will issue a further $US 2,000,000 worth of ordinary shares in the Company and pay NZ US$ 2,000,000 in cash; and

- NZ shall retain a 1.47% royalty interest in production from the Hansen Uranium Deposit.

Other
There have been no material changes to the (i) rental and service agreements commitments; and (ii) remuneration commitments, which were previously disclosed in the most recent annual financial report.

13. Interest Bearing Liability

	Consolidated	
	31/12/14	30/06/14
	$	$
Convertible note	563,292	493,877

Azarga Resources Ltd ("**Azarga**") provided funds by way of the following unsecured convertible loan facilities:

i) in July 2013, the Company secured a $2 million facility (**CL1 Facility**), which was repayable in cash or in shares at $0.01 per share. The term of the CL1 Facility was 24 months and was only convertible to shares at maturity, if not redeemed prior. The applicable redemption premiums ranged from 10%-30% dependent upon the duration of the advance. In October 2013, the Company issued Azarga 63.8 million new shares, representing partial conversion of the outstanding CL1 Facility loan balance of $638,000 (inclusive of applicable redemption premium). In June 2014, the Company issued Azarga a further 163.3 million new shares, representing conversion of the outstanding CL1 Facility loan balance of $1,633,000 (inclusive of applicable redemption premium);

ii) in October 2013, the Company secured a new $1.5 million facility (**CL2 Facility**), which was repayable in cash or in shares at $0.012 per share. The term of the CL2 Facility was 24 months and was only convertible to shares at maturity, if not redeemed prior. The applicable redemption premiums ranged from 10%-30% dependent upon the duration of the advance. In June 2014, the Company issued Azarga 141,667,667 new shares, representing conversion of the outstanding CL2 Facility loan balance of $1.7 million (inclusive of applicable redemption premium); and

iii) in February 2014, the Company secured the $2 million CL3 Facility. The term of the CL3 Facility is 12 months from the date of the first advance, being 3 March 2014. Azarga may convert the outstanding CL 3 Facility loan balance at any time up to the maturity date. In March 2015, the Company issued Azarga 73,284,314 new shares, representing conversion of the outstanding CL3 Facility loan balance of $0.6 million (inclusive of applicable redemption premium). As at 31 December 2014, the outstanding CL3 Facility loan balance was $563,292, inclusive of redemption premium (interest) of $103,292. Refer Note 11 regarding repayment of the convertible note subsequent to 31 December 2014.

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Black Range Minerals Limited, I state that:

In the opinion of the directors:

1. The financial statements and notes of the consolidated entity are in accordance with the *Corporations Act 2001*, including;

    (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2014 and of its performance for the half-year ended on that date; and

    (b) complying with Australian Accounting Standards AASB 134: Interim Financial Reporting and the *Corporations Regulations 2001*;

2. In the directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board

Michael Haynes
Managing Director
Perth
13 March 2015

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INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
BLACK RANGE MINERALS LIMITED

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Black Range Minerals Limited, which comprises the consolidated statement of financial position as at 31 December 2014, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows for the half-year ended on that date, condensed notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration for Black Range Minerals Limited (the consolidated entity). The consolidated entity comprises both Black Range Minerals Limited (the Company) and the entities it controlled during the half year.

Directors' Responsibility for the Half-Year Financial Report

The directors of Black Range Minerals Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001* and for such internal 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 half year 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 31 December 2014 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 Black Range Minerals Limited, 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.

Whilst we considered the effectiveness of management's internal controls over financial reporting when determining the nature and extent of our procedures, our review was not designed to provide assurance on internal controls.

Our review did not involve an analysis of the prudence of business decisions made by the directors or management.

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*, has been provided to the directors of Black Range Minerals Limited on 13 March 2015.

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 Black Range Minerals Limited 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 31 December 2014 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.

Material Uncertainty Regarding Going Concern and Carrying Value of Investment in the Joint Venture Entity and Capitalised Exploration Costs

Without qualification to the conclusion expressed above, attention is drawn to the following matters:

As referred to in note 2 to the half year financial report, the financial statements have been prepared on a going concern basis. As at 31 December 2014, the consolidated entity had cash and cash equivalents of $189,705, a working capital deficiency of $1,807,422 and had incurred a loss of $12,003,851 for the half year then ended. In the event that the consolidated entity is unable to raise additional funding as described in note 2 to the financial report, and based on the current commitments and planned expenditure, there is a material uncertainty whether the consolidated entity will continue as a going concern, and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report. The financial report does not include any adjustments relating to recoverability and classification of recorded assets amounts, or to the amounts and classification of liabilities, that might be necessary should the consolidated entity not continue as a going concern.

The recoverability of the consolidated entity's carrying value of its investment in the Joint Venture entity of $4,466,166 and its exploration assets with a carrying value of $15,360,819 as at 31 December 2014 respectively, is dependent on the successful commercialisation of the Ablation Technology, the successful exploitation of its exploration assets or the sale of the Ablation Technology and exploration assets to generate amounts in excess of the book values. In the event that the consolidated entity is not successful in the commercial exploitation and/or sale of the Ablation Technology and exploration assets, the realisable value of the investment in the Joint Venture entity and exploration assets may be significantly less than the current carrying values.

STANTONS INTERNATIONAL AUDIT AND CONSULTING PTY LTD
(Trading as Stantons International)
(An Authorised Audit Company)

Stantons International Audit & Consulting Pty Ltd

Martin Michalik

Martin Michalik
Director

West Perth, Western Australia
13 March 2015