



ASX Release

23 March 2015

**BLACK RANGE MINERALS
LIMITED**

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**Australian Securities Exchange
Symbol: BLR**

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Directors / Officers:
Alan Scott (Non-Exec. Chairman)
Mike Haynes (Managing
Director/CEO)
Ben Vallerine (Non-Exec.
Director)
Joseph Havlin (Non-Exec.
Director)
Ian Cunningham (Company
Secretary)
Bev Nichols (CFO)

Issued Capital:
3,068.5 million shares
204.0 million unlisted options

**Last closing price of BLR shares
on the ASX:**
\$0.003

DEFINITIVE AGREEMENTS EXECUTED, FORMALISING WESTERN URANIUM'S TAKEOVER OFFER FOR BLACK RANGE

- Definitive Merger Implementation Agreement executed, formalising Western Uranium Corporation's takeover offer for 100% of Black Range
- Pursuant to the Offer, Black Range shareholders will receive 1 Western share for every 750 Black Range shares
- Offer represents a 106% premium to Black Range's share price at the time the Offer was announced and a 104% premium to Black Range's most recent closing price
- Offer to be implemented via Scheme of Arrangement
- Western owns multiple advanced-stage, near-term development uranium projects in the USA, including the Sunday Mine Complex in Colorado that is fully permitted for mining
- Western's near-term development assets are complementary to Black Range's Hansen/Taylor Ranch Uranium Project and its proprietary Ablation technology
- Testwork has successfully demonstrated that ore from the Sunday Mine is amenable to Ablation
- Opportunity to generate near-term cash-flow by Ablating the ~100,000 ton surface ore stockpile at the Sunday Mine
- Well positioned to rapidly build a significant USA-focused conventional uranium mining company
- Loan facility documents have been executed, whereby Western has agreed to provide \$450,000 to ensure Black Range is suitably financed through to completion
- Black Range's Board unanimously recommends the Offer to shareholders in the absence of a superior proposal

Black Range Minerals Limited (ASX:BLR) ("**Black Range**" or "**the Company**") is pleased to announce that a definitive Merger Implementation Agreement ("**MIA**") with Western Uranium Corporation ("**Western**") has been executed, pursuant to which Western will offer to acquire all of the issued shares of Black Range ("**the Offer**"). Under the Offer, Black Range shareholders will receive 1 new Western share for every 750 Black Range shares held.

Based on Western's closing share price of C\$4.53 on the CSE at the date the proposed offer was announced on 29 January 2015 and an exchange rate of C\$1=A\$1.02, the Offer valued Black Range at \$18.5 million or A\$0.00617 per share, representing a 106% premium to Black Range's closing price of \$0.003 at the time. Based on Western's closing share price of C\$4.50 on 20 March 2015, the Offer represents a 104% premium to Black Range's most recent closing price of \$0.003.

Offer Structure and Terms

Western has proposed to acquire all of the issued ordinary shares of Black Range by way of a Scheme of Arrangement (“**Scheme**”) under the Australian Corporations Act 2001. The Offer is subject to a number of conditions, including:

- (i) receipt of all requisite regulatory and shareholder approvals;
- (ii) preparation of an independent expert’s report for Black Range shareholders in which the independent expert opines that the Scheme is in the best interests of Black Range shareholders;
- (iii) all outstanding Black Range options to be converted to options to acquire shares in Western on a 1 to 750 ratio and at a corresponding exercise price ratio;
- (iv) Black Range’s key personnel waiving any entitlements to redundancy, severance or termination payments that may otherwise be triggered by a change of control event;
- (v) as soon as reasonably practicable, Black Range to arrange for the transport of an Ablation pilot plant to the Sunday Mine for the purpose of undertaking a field trial. Western will be responsible for meeting all costs in relation to the field trial;
- (vi) in the event Black Range’s board of directors receives a proposal from a third party that it determines is superior to Western’s proposal, Black Range shall be entitled to terminate the agreement, subject to paying Western a break fee of \$500,000. The break fee is payable within 60 days following such termination;
- (vii) Western may terminate the agreement at any time by providing written notice, in which case Black Range will be reimbursed costs incurred as a result of the Offer up to a maximum of \$100,000.

The full conditions to the Offer and other terms are set out in a Merger Implementation Agreement dated 20 March 2015, a copy of which will be released separately to this announcement.

An indicative timetable for completion of the transaction is set out below:

Announcement of Definitive Agreements	23 March 2015
Dispatch Scheme Booklet to Black Range shareholders	May 2015
Black Range Scheme Meeting	June 2015
Scheme Implementation	July 2015

Loan Facility

In order to ensure Black Range has sufficient working capital in the period prior to completion of the transaction, the Company has entered into an agreement with Western whereby it will provide a secured loan facility for up to \$450,000 (the “Facility”), the terms of which include the following:

1. interest will accrue at 8.00% per annum;
2. secured over the Company’s assets to the extent permitted by law and subject to any requisite third party consents; and
3. the loan, together with accrued interest, will be repayable to Western on the earlier of (i) 60 days after either party gives notice to terminate the Transaction as provided in the letter of intent or the MIA (as applicable), (ii) 60 days after the date of the Black Range Shareholder Meeting (as defined in the MIA); and (iii) 1 October 2015.

Black Range Board Recommendation

Black Range’s Board unanimously recommends that shareholders approve the Offer in the absence of a superior proposal for Black Range and subject to the independent expert opining that the Offer is in the best interests of Black Range shareholders, on the basis that the Offer is considered to be the most compelling alternative available to Black Range shareholders at the current time, in terms of creating future value for shareholders. In particular:

- the Offer will provide Black Range shareholders with the opportunity to become part of a larger uranium company, which offers short term production opportunities and the potential to accelerate the commercialisation of its interest in the Ablation technology via a field trial;

- the combined entity would control a more diversified asset base, including a combined uranium resource base of >95 million pounds of U₃O₈ across 9 projects;
- Western's management team has considerable experience in the uranium industry, and includes George Glasier who was the founder of Energy Fuels Inc. and served as its CEO from 2006 – 2010; and
- Western's existing cash resources and access to further financial backing will provide a higher level of funding certainty in the current difficult market environment.

Each Black Range director and officer will vote the voting rights attached to all their respective Black Range shares over which they have control in favour of any Black Range shareholder resolutions to implement the Offer, in the absence of a superior proposal for Black Range and subject to the independent expert opinion that the Offer is in the best interests of Black Range shareholders.

Black Range's two major shareholders, Azarga Resources Limited (which owns 19.3% of Black Range's shares) and Siebel's Hard Asset Fund (which holds 15.7% of Black Range's shares) are both also supportive of the proposed transaction.

About Western Uranium Corporation

Western Uranium Corporation is a Canadian-based uranium exploration company focused on resources in the western Colorado Plateau in the United States of America. It is listed on the Canadian Securities Exchange ("CSE"; ticker code "WUC"). It owns multiple advanced-stage, near-term development projects in the USA, including the Sunday Mine Complex in Colorado, which was actively mined between 2007 and 2009 and remains fully permitted in preparation for recommencement of operations, potentially in the near-term. Approximately 146,000 tons of ore were mined from Sunday during this period at grades of approximately 0.19% U₃O₈ and 1.0% V₂O₅.

Significantly, there is a circa 100,000 ton stockpile of uranium-vanadium ore at surface at the Sunday Mine. Recent testwork has successfully demonstrated that this ore is amenable to Ablation. As such it affords an opportunity for the integrated companies to cost effectively generate substantial cash-flow in the near term, even before mining operations recommence at the Sunday Mine. Being fully permitted for mining, the Sunday Mine also affords an ideal site to demonstrate the commercial viability of Ablation.

Western also holds more than 3.4 million pounds of NI 43-101 compliant indicated U₃O₈ resources at the San Rafael Project in Utah at a grade of 0.225% U₃O₈ together with an additional 1.86 million pounds of inferred U₃O₈ resources at a grade of 0.205% U₃O₈.

About Black Range Minerals Limited

Black Range is an ASX-listed company focused on the acquisition, exploration and development of uranium projects in the USA. Its primary assets are the Hansen/Taylor Ranch Uranium Project in Colorado, which hosts JORC Code compliant resources of 90.4 million pounds of U₃O₈ at a grade of 600ppm (0.06%) U₃O₈ and the license it secured recently to commercialise the rapidly emerging Ablation technology it has been involved in developing to reduce the capital and operating cost of recovering uranium from conventional sandstone hosted uranium deposits, globally, including the Hansen Deposit.

For further information please contact:

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Competent Person's Statement

The information in this announcement that relates to Mineral Resources at the Hansen / Taylor Ranch Uranium Project is based on information compiled by Dr Rex C. Bryan who is a member of the American Institute of Professional Geologists. Dr Rex C. Bryan compiled this information in his capacity as a Principal Geologist of Tetra Tech. Dr Rex C. Bryan 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 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Dr Rex C. Bryan consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

For further details in relation to the Black Range mineral resource estimate, please refer to the ASX announcement of 23 April 2014 ("**Resource Announcement**"). The Company confirms that:

- i) it is not aware of any new information or data that materially affects the information included in the Resource Announcement; and
- ii) all material assumptions and technical parameters underpinning the mineral resource estimate in the Resource Announcement continue to apply and have not materially changed.

Caution Regarding Forward Looking Statements

This announcement 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 announcement. The forward looking statements are made as at the date of this announcement 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.

Further information on Black Range can be sourced from www.blackrangeminerals.com