



## ASX Release

29 October 2010

### BLACK RANGE MINERALS LIMITED

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Australia

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Managing Director

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#### Directors / Officers:

**Alan Scott**  
**Mike Haynes**  
**Duncan Coutts**  
**Nick Day**

**Issued Capital:**  
**638.1 million shares**  
**100.3 million options**

**Australian Stock Exchange**  
**Symbol: BLR & BLRO**

## QUARTERLY ACTIVITIES REPORT SEPTEMBER 2010

### TAYLOR RANCH URANIUM PROJECT, COLORADO, USA

#### Permitting

During the September quarter the Company applied to Fremont County, Colorado, to amend its current permit that allows it to conduct exploration at the Taylor Ranch Uranium Project. The Company seeks to incorporate the adjacent Hansen Uranium Deposit into its current 8-year permit.

As required under the permitting process, Fremont County has held several public meetings to consider the Company's application. A decision is expected in early to mid- November.

#### Acquisition of the 51% Interest in the Hansen Uranium Deposit

During the quarter the Company continued to advance definitive agreements with STB Minerals LLC ("STB"), regarding the acquisition of the remaining 51% interest in the ~30 million pound Hansen Uranium Deposit<sup>1</sup> in Colorado, USA.

The Company executed a Letter of Intent with STB in May 2010, and now holds exclusive rights to secure a 100% interest in the Hansen Uranium Deposit, which is located immediately adjacent to the Company's 100% owned +60 million pound Taylor Ranch Uranium Project (see Figure 1).

Approximately 1,000 holes have been drilled to define the Hansen Uranium Deposit, which hosts approximately 30 million pounds of U<sub>3</sub>O<sub>8</sub><sup>1</sup>. Mineralisation at the Hansen Deposit 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 2). The deposit was fully permitted for mining in the early 1980s; however mining never eventuated because the global uranium price collapsed shortly after permits were awarded.

The Company's adjacent Taylor Ranch Uranium Project contains JORC Code compliant indicated and inferred resources of more than 60 million pounds of U<sub>3</sub>O<sub>8</sub> (see Table 1). **The combined Taylor Ranch/Hansen Uranium Project is one of the largest uranium projects within the USA** – a country that annually consumes around 50 million pounds of U<sub>3</sub>O<sub>8</sub> per annum (or ~27% of the world's uranium consumption) yet produces less than 5 million pounds of U<sub>3</sub>O<sub>8</sub> per year (or <2.5% of total annual global uranium consumption).

Once definitive agreements are executed with STB and exploration permits awarded, pre-feasibility studies into the development of the combined Taylor Ranch/Hansen Uranium Project can commence.

## KOONENBERRY BASE METAL PROJECT, NSW

During the quarter the Company completed the sale of 100% of its interests in the non-core Koonenberry Base Metal Project to a wholly owned subsidiary of ASX-listed Ausmon Resources Limited (ASX:AOA). Consideration comprised \$200,000 cash and 1,000,000 shares in Ausmon Resources Limited.

## NEW PROJECTS

The Company assessed numerous opportunities to acquire additional projects during the September quarter.

## CORPORATE

At 30 September 2010 cash reserves were approximately \$5.5 million. In addition the Company held shares in an ASX listed entity valued at approximately \$200,000.

**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% U<sub>3</sub>O<sub>8</sub>:

Category	Tonnes	Grade U <sub>3</sub> O <sub>8</sub> (%)	Pounds U <sub>3</sub> O <sub>8</sub>
Indicated	17,910,008	0.057	22,567,741
Inferred	29,897,723	0.057	37,652,173
<b>Total</b>	<b>47,807,731</b>	<b>0.057</b>	<b>60,219,914</b>

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

Category	Tonnes	Grade U <sub>3</sub> O <sub>8</sub> (%)	Pounds U <sub>3</sub> O <sub>8</sub>
Indicated	4,406,192	0.111	10,781,688
Inferred	6,386,543	0.121	16,982,818
<b>Total</b>	<b>10,792,735</b>	<b>0.117</b>	<b>27,764,506</b>

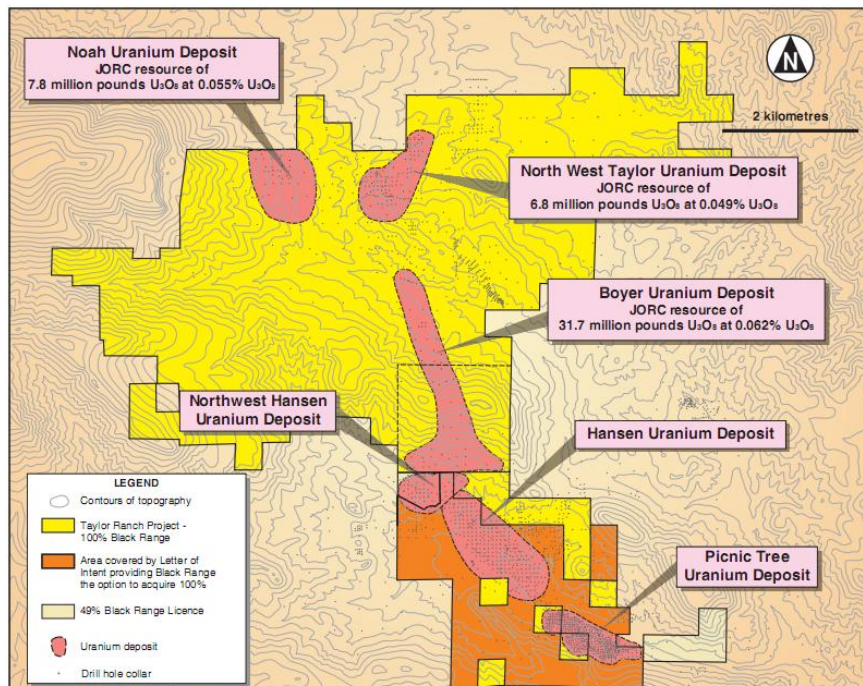


Figure 1. Location of uranium deposits within Black Range's Taylor Ranch/Hansen Uranium Project.

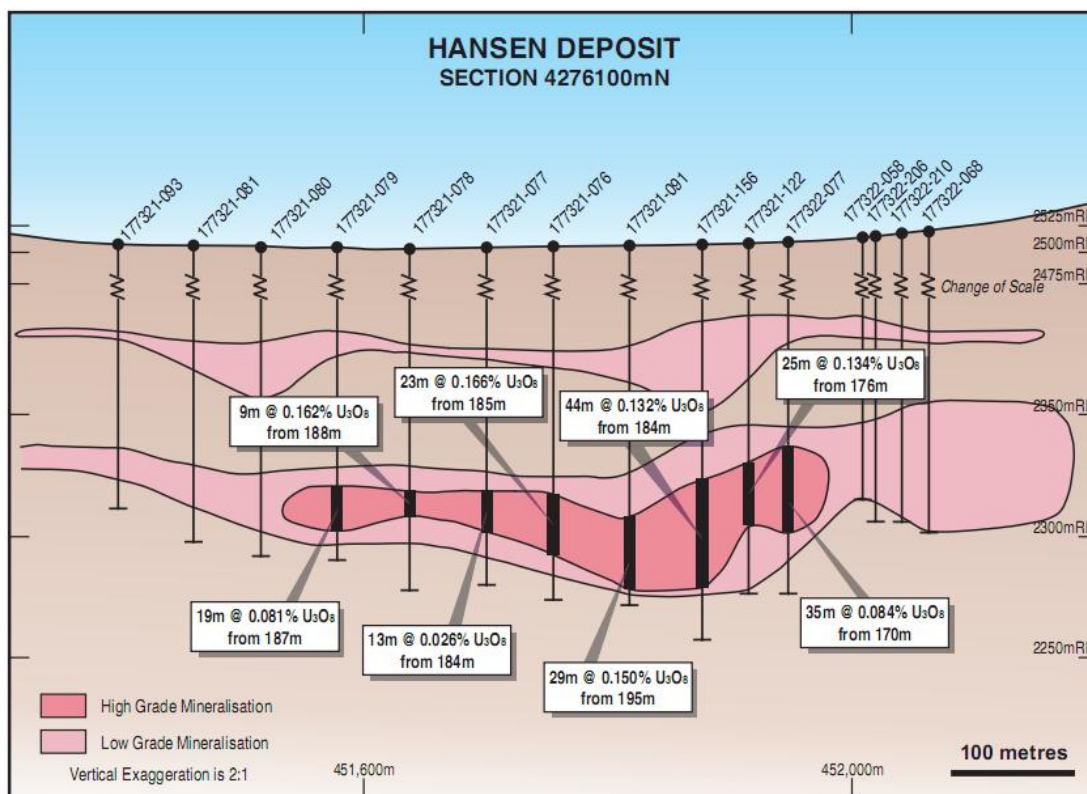


Figure 2. Schematic cross-section through the Hansen Uranium Deposit.

<sup>1</sup> 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 the order of 15-20 Mt of mineralised material at a grade of 0.06-0.08% U<sub>3</sub>O<sub>8</sub> for circa 30 million pounds of U<sub>3</sub>O<sub>8</sub>. 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.*