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**CONTINUING ROBUST DRILL RESULTS FROM PILOT
MOUNTAIN TUNGSTEN PROJECT**

HIGHLIGHTS

- Assays for a further 4 diamond holes at the Desert Scheelite Prospect have been received **and continue to deliver exciting results and confirm the significance of this deposit.**
- Best down-hole (not true width) tungsten intersections included;
 - **14.2m @ 0.32% WO₃ from 62.6m in hole DSDD-06**
 - **11.3m @ 0.39% WO₃ from 91.6m in hole DSDD-08**
 - **13.9m @ 0.28% WO₃ & 36g/t Ag from 151.4m in hole DSDD-09**
 - **5.7m @ 0.33% WO₃, 0.46% Cu & 10g/t Ag from 200.0m in hole DSDD-09**
- Significant tungsten skarn mineralisation has now been confirmed **over 550m of strike and a vertical extent of 330m with mineralisation remaining open in all directions.**
- A total of 12 holes completed to date of a revised planned program of 15 holes with **further assays due in mid-March.**
- The aim of this drill program is to provide confirmatory assay and geological information so that the extensive historic drill database may be brought into a **maiden JORC compliant resource calculation for Desert Scheelite, scheduled for completion by the end of June 2012.**
- **Scoping Study planned to commence in the 3rd Quarter, 2012.**
- Based on the available historic Union Carbide data, Black Fire's initial **Exploration Target for Desert Scheelite is 4 - 5Mt @ 0.30 – 0.34% WO₃*. The total Exploration Target across the three advanced prospects (Desert Scheelite, Gunmetal & Garnet) is 7-9Mt @ 0.30 – 0.37% WO₃* with good potential for copper and silver credits.** A total of 11 other prospect areas are currently known within the licence area providing excellent exploration upside.

Black Fire's Chairman, Anthony Baillieu, stated "Desert Scheelite continues to deliver excellent results and we are looking forward to shortly completing the drilling program and commencing work on the maiden JORC resource estimate".

"Given the extent of historic data, feasibility studies and trial mining, Black Fire intends to rapidly progress the project towards development with the commencement of Scoping Studies in the 3rd quarter".

"With the media and market becoming increasingly aware of the strong fundamentals of tungsten, and various government and industry bodies listing tungsten as a critical supply metal, Black Fire is well placed to realise significant value from the Pilot Mountain Project".

PILOT MOUNTAIN TUNGSTEN PROJECT – CONTINUING ROBUST DRILL RESULTS HOLES DSDD-06 TO DSDD-09

The Board of Black Fire Minerals Limited (“Black Fire” or “Company”) is pleased to announce that the Company has received the assay results for a further four diamond drill holes completed as part of the current program underway at the Desert Scheelite Prospect within the Pilot Mountain Tungsten Project located in Nevada, USA. These robust results continue to support the historic drill results and confirm the significant potential of the Desert Scheelite Prospect.

Twelve holes have been completed to date in the Desert Scheelite program with the final program being revised to comprise a total of 15 holes. The aim of this program is to twin and infill selected historic vertical diamond drill holes that were drilled predominantly on 33m x 33m centres (Figure 1) to provide confirmatory assay and geological information so that the extensive historic database may be brought into a maiden JORC compliant resource calculation for Desert Scheelite, scheduled for completion by the end of June 2012. Black Fire’s drill program will comprise both “twins” to historical vertical holes and angled holes drilled to provide better geological control and confirm true width intersections.

Full drill results for holes, DSDD-06 to DSDD-09 are presented in Table 1. The results for holes DSDD-01 & DSDD-02 were reported on 6th February and holes DSDD-03 to DSDD-05 were reported on the 21st February.

Table 1
Pilot Mountain Tungsten Project
Desert Scheelite Prospect – Significant Down-Hole Drill Intersections
Holes DSDD-06 to DSDD-09

Hole ID	Northing	Easting	Dip	Azi	From* (m)	To* (m)	Int# (m)	WO3 (%)	Cu (%)	Ag (g/t)
DSDD-06	4248249	423907	-90	0	22.0	35.7	13.7	0.22	<0.10	14
					40.7	47.5	6.8	0.24	<0.10	13
					62.6	76.8	14.2	0.32	<0.10	<5
					79.9	82.4	2.5	0.24	<0.10	15
					85.1	94.9	9.8	0.29	<0.10	7
DSDD-07	4248250	423817	-45	180	96.0	102.0	6.00	0.14	<0.10	9
DSDD-08	4248256	423872	-90	0	91.6	102.9	11.3	0.39	<0.10	<5
					105.6	111.4	5.8	0.22	<0.10	<5
					122.9	131.1	8.2	0.25	<0.10	10
					133.3	136.5	3.2	0.30	<0.10	<5
					141.1	145.8	4.7	0.21	<0.10	<5
DSDD-09	4248352	424297	-80	180	151.4	165.3	13.9	0.28	<0.10	36
					173.1	177.4	4.3	0.32	<0.10	<5
					200.0	205.7	5.7	0.33	0.46	10

Quoted mineralised intervals for vertical holes (dip of -90 degrees) are down-hole intersections and therefore not “true width”. The true width of mineralisation in vertical holes will depend on updated geological interpretations, but are likely to be 30 to 50% of the down-hole intersection, which is consistent with previous drill results. The mineralised intervals in angled holes are closer to true width, but final calculations will also depend on updated geological interpretations.

* All drilling and sampling was undertaken in imperial measurements (feet) and for the purposes of this announcement to the ASX has been converted to metres using a 0.3048m per foot.

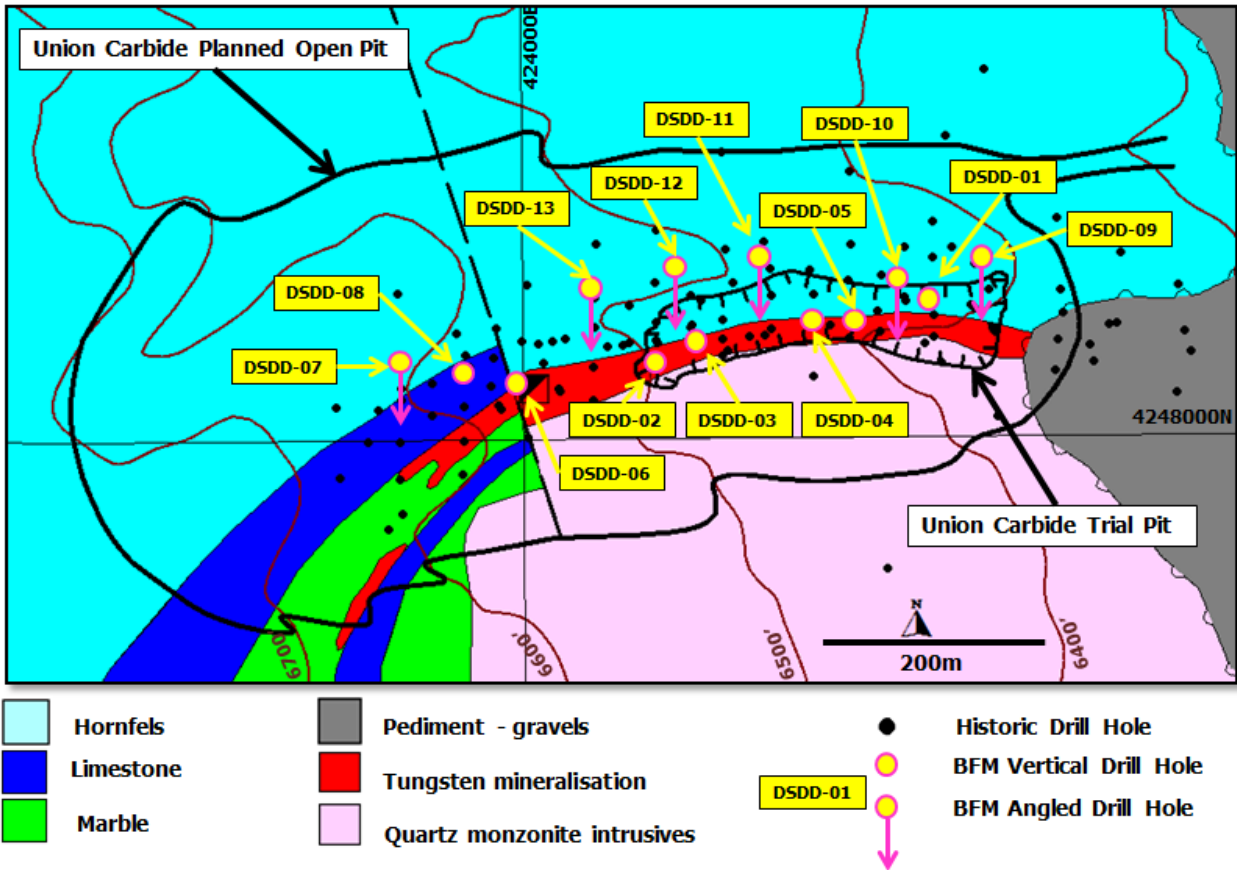
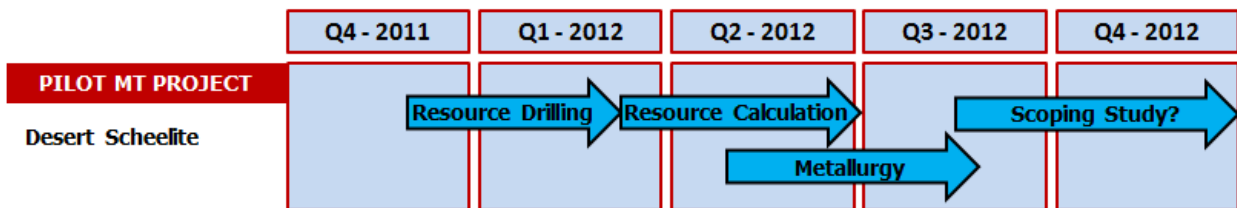


Figure 1 – Pilot Mt Project – Desert Scheelite Prospect Geology, Historic Drilling & Completed BFM Holes

Desert Scheelite Program Progress

The Desert Scheelite resource drilling program remains on track with drilling due to be completed by mid-March. Independent resource consultants, Golder & Associates, have been appointed to undertake the resource calculation and their background database work has commenced. Golder’s will also shortly be undertaking a site visit to the project for standard auditing purposes.



Details of Holes DSDD-06 to DSDD-09

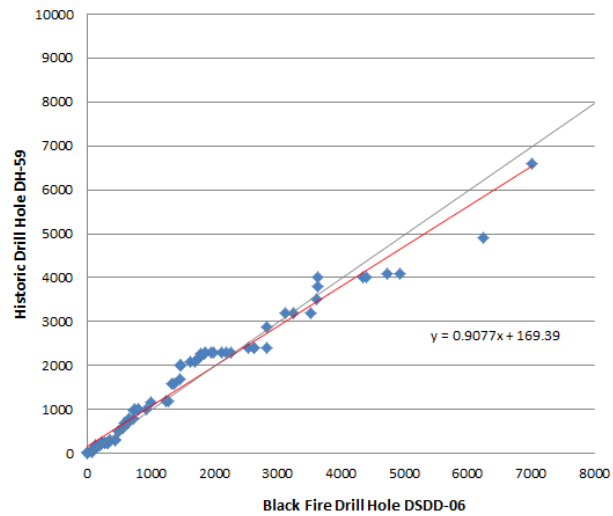
Drill hole **DSDD-06** was completed as a vertical twin of historic drill hole DH-59 with the aim of confirming geology, mineralisation positions and assay results. DH-59/DSDD-06 is located west of the historic trial pit, proximal to the historic Desert Scheelite underground mine shaft (Figure 1). The logged geology and the assay results for DSD-06 are considered consistent with the historic hole. Further analysis of the comparative data has been completed with Figure 2 showing a normalised scatter plot of the tungsten assay results for DSDD-06 versus DH-59. The straight line relationship indicates good comparisons of tungsten grade ranges between these two drill holes and continues to increase the Company’s confidence in the historic data.

Drill hole **DSDD-07** was drilled towards the western end of Desert Scheelite (Figure 1) and was the first of a planned 8 angled holes designed to provide better geological control on mineralisation. The hole confirmed the steep northerly dip of mineralisation with a hanging wall package of intercalated hornfels and marble and a footwall of moderately to strongly sericite-pyrite altered quartz monzonite intrusive.

Drill hole **DSDD-08** was completed as a vertical twin of historic drill hole DH-70 with the aim of confirming geology, mineralisation positions and assay results. DH-70/DSDD-08 is located west of the historic trial pit. (Figure 1). The logged geology and the assay results for DSD-08 are considered consistent with the historic hole that it twins.

Drill hole **DSDD-09**, the second angled hole of the program, was drilled at the eastern end of the historic trial pit (Figure 1) and intersected significant, steeply northerly dipping, tungsten skarn mineralisation in expected positions. Interestingly, **this hole also returned a 5.7m intersection of 0.46% copper and 10g/t silver which supports the current interpretation that the central portion of the mineralised system has good potential for copper and silver credits.**

**Figure 2 - WO3 Grade Comparison
DSDD-06 Vs DH-59**



Diamond Drill Core Being Placed In Boxes at Rig



Geological Logging of Diamond Drill Core

Background Information & Exploration Target

The Pilot Mountain Project is located on the eastern flank of Pilot Mountain, 250km southeast of the city of Reno and 20km east of the town of Mina, in Nevada USA. It is situated on open rangelands with excellent infrastructure including grid power and intrastate highway less than 20km to the west. Nevada is the “mining capital” of the USA with a favourable regulatory environment and availability of equipment and a skilled workforce.

The Desert Scheelite Prospect is one of three advanced prospects at the Pilot Mountain Project which were historically extensively drilled and subjected to mining feasibility studies by Union Carbide Corporation during the early 1980’s. In addition, Desert Scheelite was also trial mined with the successful extraction of a 70,000 ton bulk sample. Union Carbide “mothballed” the project in the mid-1980 in response to a significant fall in tungsten prices at that time. There has been no significant exploration undertaken since then.

Based on the available historic Union Carbide data, Black Fire’s initial Exploration Target for the three advanced prospects (Desert Scheelite, Gunmetal & Garnet) is 7-9Mt @ 0.30 – 0.37% WO₃* with good potential for copper and silver credits. Within this overall target, the Exploration Target for Desert Scheelite is 4 – 5Mt @ 0.30 – 0.34% WO₃.

A total of 11 other prospect areas are currently known within the licence area providing good exploration upside potential.

The Board is very excited about the potential of the Pilot Mountain Project to rapidly deliver JORC compliant resources at a time of such high tungsten demand and corresponding high prices.

Detailed background information including additional drill plans and cross sections on the Pilot Mountain Project is available on the Company's Website at www.blackfireminerals.com.au

Simon Rigby
Managing Director

The information in this report that relates to Exploration Results & Targets is based on information compiled by Mr. S. Rigby, who is a Member of the Australian Institute of Geoscientists and who has had sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activities which are being undertaken 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. Rigby is an employee of Black Fire Minerals and consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

** This targeted tonnage and grade is conceptual in nature and there has been insufficient exploration to define a Mineral Resource under the JORC Code and it is uncertain if further exploration will result in the determination of a Mineral Resource.*