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20 November 2012

Dear Shareholder

NON-RENOUCEABLE RIGHTS ISSUE - NOTIFICATION TO ELIGIBLE SHAREHOLDERS

As announced on 16 November 2012, Black Range Minerals Limited (ACN (009 079 047)) (**BRL or the Company**) is undertaking a 1:2 pro rata non-renounceable rights issue (**Rights Issue or Offer**) of approximately 420,467,400 fully paid ordinary shares (**New Share**) to raise approximately \$2,102,337. The price of New Shares under the Offer is \$0.005 each (**Issue Price**). The Company lodged a prospectus for the Offer (**Prospectus**) with ASIC and ASX on 16 November 2012.

The Offer is partially conditionally underwritten by MQB Ventures Pty Ltd (**Underwriter**). The Underwriter will not be paid a fee nor will it receive a commission for its services. In addition, directors Alan Scott, Ben Vallerine and Duncan Coutts and Senior Managers Beverley Nichols and Nick Day (together, the **Sub-underwriters**) have entered into separate conditional sub-underwriting agreements with MQB Ventures Pty Ltd to sub-underwrite a total of \$130,000 worth of Underwritten Shares under the Offer as follows:

- (a) Mr Alan Scott – \$50,000 (10,000,000 Underwritten Shares);
- (b) Mr Ben Vallerine - \$25,000 (5,000,000 Underwritten Shares);
- (c) Mr Duncan Coutts - \$15,000 (3,000,000 Underwritten Shares);
- (d) Ms Beverley Nichols - \$30,000 (6,000,000 Underwritten Shares); and
- (e) Mr Nick Day - \$10,000 (2,000,000 Underwritten Shares).

Neither the Sub-Underwriters nor the Underwriter will end up holding a post-Offer relevant interest in the Company that will exceed 20%.

It is anticipated that the proceeds of the Offer which will be allocated as follows:

Expenditure Area	Approximate Allocation	
	Minimum Subscription \$	Maximum Subscription \$
Hansen/Taylor Ranch Project	200,000	1,667,960
Expenses of the Offer	29,946	34,377
Working capital	170,054	400,000
Total	400,000	2,102,337

The Offer is being made to all shareholders of the Company (**Shareholders**) named on its register of members at 5.00pm (WST) on 27 November 2012, whose registered address is in Australia or New Zealand.

New Shares will rank equally with all fully paid ordinary shares in the capital of the Company (**Shares**) already on issue.

Following completion of the Offer, the Company will have issued approximately 420,467,400 New Shares resulting in total Shares on issue of approximately 1,261,402,200.

A copy of the Prospectus is available on ASX's (under "BLR") and BRL's website. Eligible Shareholders will be mailed a Prospectus together with an Entitlement and Acceptance Form no later than 29 November 2012. Your entitlement will be set out on the personalised Entitlement and Acceptance Form accompanying the Prospectus.

For the purposes of calculating each Eligible Shareholders' entitlement, fractions of entitlements have been rounded up to the nearest whole number of New Shares.

Actions required of Eligible Shareholders

There are a number of actions Eligible Shareholders may take:

- You may wish to accept all of your rights to subscribe for New Shares pursuant to the Prospectus (**Entitlement**). To take up all or some of your Entitlements you will need to ensure your application money for the Entitlements you wish to take up is received by Computershare Investor Services Pty Limited (**Share Registry**) by no later than 3.00pm (WST) on 13 December 2012, by completing and returning your Entitlement and Acceptance Form together with your cheque, drawn on an Australian bank or bank draft made payable in Australian currency, for the amount indicated on the Entitlement and Acceptance Form or by making a payment by BPAY in accordance with the instructions on your Entitlement and Acceptance Form (at \$0.005 per New Share).
- You may wish to accept part of your Entitlement. To take up part of your Entitlement you will need to ensure your application money for the Entitlements you wish to take up is received by the Share Registry by no later than 3.00pm (WST) on 13 December 2012, by completing and returning your Entitlement and Acceptance Form by filling in the number of New Shares you wish to accept in the space provided on the Entitlement and Acceptance Form together with your cheque, drawn on an Australian bank or bank draft made payable in Australian currency, for the amount indicated on the Entitlement and Acceptance Form or by making a payment by BPAY in accordance with the instructions on your Entitlement and Acceptance Form (at \$0.005 per New Share).
- You may do nothing. If you choose to do nothing with your Entitlements, while you will continue to hold the same number of Shares, your interest in the Company will be diluted and you will receive no value for your Entitlement.

Key dates for the Offer

Event	Proposed Date
Lodgement of Prospectus with the ASIC	16 November 2012
Lodgement of Prospectus & Appendix 3B with ASX	16 November 2012
Notice sent to Optionholders	20 November 2012
Notice sent to Shareholders	20 November 2012
Ex date	21 November 2012
Record Date for determining Entitlements	27 November 2012
Prospectus despatched to Shareholders & Company announces despatch has been completed	29 November 2012
Closing Date*	13 December 2012
Shares quoted on a deferred settlement basis	14 December 2012
ASX notified of under subscriptions	17 December 2012
Despatch of holding statements	21 December 2012

If you have any queries concerning the Rights Issue, or the action you are required to take to subscribe for New Shares, please contact your financial adviser or Mr Nicholas Day, BRL's Company Secretary, on +61 9481 4920.

Yours sincerely



MICHAEL HAYNES
MANAGING DIRECTOR