



ASX Release

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**BLACK RANGE MINERALS LIMITED**

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**Australian Stock Exchange  
Symbol: BLR**

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**Issued Capital:**

1,669.6 million shares  
50.7 million unlisted options



## DRILLING PROGRAM COMMENCES AT THE HANSEN URANIUM DEPOSIT

- **A drilling program has commenced at the Hansen Uranium Deposit**
- **Following ongoing mine design work, five new wells are being installed for water monitoring purposes**
- **Data acquired from these new water wells will complement base-line surface and ground water data that has been collected during the past two years**
- **This program will help facilitate the submission of thorough applications for mine permits, to help streamline the permit assessment process**

Black Range Minerals Limited ("**Black Range**" or the "**Company**") is pleased to advise that it has commenced a drilling program at the Company's 100% Hansen/Taylor Ranch Uranium Project in the USA (the "**Project**"), which contains Indicated and Inferred resources of 90.9 million pounds of U<sub>3</sub>O<sub>8</sub> at a grade of 600 ppm U<sub>3</sub>O<sub>8</sub> (0.06% U<sub>3</sub>O<sub>8</sub>).

The drilling program will comprise the installation of five new water monitoring wells immediately adjacent to the Project's 39.4 million pound Hansen Uranium Deposit (the "**Hansen Deposit**").

During the first half of 2012 independent engineers TREC Inc. completed a scoping study into the development of just the Hansen Deposit. This study indicated that robust economics are anticipated, with the key outcomes of the study being:

- Conceptual production rate of 2Mlbs U<sub>3</sub>O<sub>8</sub> per annum
- Capital costs <US\$80m
- Initial mine life of 7-8 years (to be followed by development of other deposits within the Project)
- Operating costs estimated to be ~US\$30/lb U<sub>3</sub>O<sub>8</sub>
- Recovery of ~95% U<sub>3</sub>O<sub>8</sub> in ~10% of mined material when utilising Ablation
- Offsite milling is anticipated – reducing capital costs and streamlining mine permitting

The Company is now aggressively advancing the Project towards production and is targeting receipt of all mine permits for the development of the Hansen Deposit in 2016, with production anticipated shortly thereafter.

The locations of these additional water wells have been carefully chosen following ongoing mine design work. They are critical to streamlining the mine permit application and approval process.

Baseline environmental data will be collected from all of these new wells and integrated with, and be complementary to, data from the Company's ongoing surface and ground-water monitoring programs.

It is anticipated that it will take approximately four weeks to complete this drilling program.

## **About Black Range Minerals Limited**

Black Range is listed on the Australian Securities Exchange (ASX: BLR) and is focused on growth through acquisition, exploration and development of uranium projects. Its growth strategy is underpinned by its 100% interest in the high-grade Hansen/Taylor Ranch Uranium Project, located northwest of Cañon City, Colorado, USA, which has a JORC mineral resource estimate (Indicated and Inferred) of approximately 90.9 million pounds U<sub>3</sub>O<sub>8</sub> at a grade of 600ppm (0.06%) U<sub>3</sub>O<sub>8</sub>, making it one of the largest uranium projects within the USA. Black Range is seeking to secure permitting for the Project by 2016 and commence production shortly thereafter.

The mineral resource estimate for the Project is summarised in the table below:

<b>JORC Classification – Mineral Resources</b>	<b>Million Tonnes</b>	<b>Grade (ppm)</b>	<b>Million Pounds U<sub>3</sub>O<sub>8</sub></b>
<b>At 250ppm U<sub>3</sub>O<sub>8</sub> (0.025%) Cut off</b>			
Indicated	28.93	620	39.75
Inferred	40.06	580	51.18
Total	68.99	600	90.92
<b>At 750ppm U<sub>3</sub>O<sub>8</sub> (0.075%) Cut off</b>			
Indicated	7.71	1210	20.52
Inferred	8.86	1190	23.33
Total	15.58	1200	43.85

Mineral resources at the Project comprise a series of deposits, the largest and most advanced of which is the 39.4 million pound Hansen Deposit (the grade of mineralisation at this deposit is 640ppm (0.064%) U<sub>3</sub>O<sub>8</sub>). The Hansen Deposit was discovered in 1977 and fully permitted for mining in 1981. More than 1,000 holes were drilled and three feasibility studies completed. However, due to the collapse of the global benchmark uranium price, the Hansen Deposit was never brought to production. Black Range is targeting initial production from the Hansen Deposit as it is the largest and most technically advanced of all of the deposits within the Project.

In addition Black Range holds a 50% interest in a joint venture with Ablation Technologies LLC, whereby the two companies are jointly developing the Ablation methodology for application to mineral deposits, particularly uranium deposits. Ablation is a low cost method of concentrating uranium mineralisation by applying a physical, grain-size separation process, to ore slurries. No chemicals are added in the process, yet very high mineral recoveries can be achieved with considerable mass reduction, to separate a high-value, high-grade ore product from a coarse-grained barren "clean sand" product.

## **Competent Person's Statement**

*The information in this announcement that relates to Mineral Resources at BLR's Hansen/Taylor Ranch Uranium Project is based on information compiled by Mr Rex Bryan who is a member of the American Institute of Professional Geologists. Mr Rex Bryan compiled this information in his capacity as a Principal Geologist of Tetra Tech. Mr Rex 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 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Rex Bryan consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

## **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.*