



Quarterly Activities Report September 2012

ASX ANNOUNCEMENT

31 October 2012

Highlights

- Considerable progress made on plans to conduct further mine development evaluation work at the Hansen Uranium Deposit, including preparation to conduct on-site trials of underground borehole mining
- Continued to progress work to prepare mine permit applications
- Entered into an agreement to establish a joint venture to commercialise proprietary Ablation technology – providing the Company access to a cost effective method to physically upgrade ore from the Hansen Deposit by as much as 10 times
- Advanced the assessment of acquisition of additional uranium assets that provide low-cost, near-term production opportunities

Hansen/Taylor Ranch Uranium Project

Black Range Minerals Limited (ASX:BLR; the "Company") controls 100% of the Hansen/Taylor Ranch Uranium Project in Colorado, USA ("Project"), which hosts Indicated and Inferred Mineral Resources of 90.1Mlbs of U_3O_8 at a robust grade of 600ppm (0.06%) U_3O_8 .

A scoping study, completed in the first half of 2012, indicated that an initial mining operation can potentially be developed at the Hansen Uranium Deposit at a capital cost of less than \$80million to produce circa 2 million pounds of U_3O_8 per annum at an operating cost of approximately \$30/lb U_3O_8 .

The Company is now advancing the Project to production; targeting receipt of all mining permits by 2015 and commencement of production in 2016.

Mine Permitting Progress

During the quarter the Company continued preparation work for its mine permit application. Work included:

- Consultation with the Colorado Department of Public Health and Environment and the Colorado Division of Reclamation Mining and Safety regarding proposed operational methodologies and associated permit requirements
- Development of a preliminary hydrological model

- Acquisition of quarterly baseline groundwater and surface water samples
- Preparation of applications for installation of an air and meteorological monitoring station
- Final reclamation of previous drill pads

Considerable progress was made on determining permitting requirements to conduct on-site trials of underground borehole mining at the Hansen/Taylor Ranch Project. The Company is targeting receipt of all permits required to conduct these trials in the second half of 2013.

Community Engagement

The Company has established an office in Cañon City, the closest major town to the Project, to facilitate public outreach and project information dissemination. Rod Grebb, the Company's Vice President of Regulatory Affairs, is now based in this office. Numerous local stakeholders have been visiting the Project and they are appreciating the substantial benefits a mining operation would bring to the local community.

Ablation Joint Venture

Ablation is a low-cost, efficient and robust technology that, without the use of chemicals, mechanically separates uranium mineralisation that has precipitated as coatings on individual grains of sandstone host rocks; producing a high-grade, high-value concentrate. This technology has been developed, at a pilot-scale (as pictured), by Wyoming-based company Ablation Technologies LLC.

During the first half of 2012 the Company undertook considerable testing of ore from the Hansen Deposit. Recoveries of 90-95% of the uranium mineralisation were consistently achieved in an upgraded product that amounted to ~10% of the original sample mass. With such encouraging results the Company entered into an agreement with Ablation Technologies LLC to establish a 50/50 Joint Venture to commercialise the Ablation process. Establishment of this Joint Venture is nearing completion.

Plans are now well advanced to construct an initial commercial scale Ablation unit that will have nominal capacity to process 20 tonnes of ore per hour. This will essentially involve the duplication of technology that has proven to be successful in the pilot-scale plant. Major technology re-design for an up-sized plant is not required. Completion of this initial commercial scale unit is targeted for mid 2013.



Pilot-scale Ablation unit capable of processing ~0.5 tonnes of ore per hour



Applications for Ablation

Within the USA and around the world, there are a large number of "stranded" sandstone hosted uranium deposits which (i) do not have, on their own, the critical mass to warrant the capital cost of constructing an on-site uranium mill, and/or (ii) are located too far from an existing mill facility to economically transport run of mine ore long distances for conventional processing.

Ablation provides an opportunity to unlock value from these stranded deposits, because a high-grade, high-value concentrate can be produced that can be economically transported longer distances. Furthermore, if that concentrate is processed in a conventional mill, operational costs (particularly processing and tailings disposal costs) can be reduced significantly because a substantially reduced mass needs to be processed to recover the same quantity of mineralisation.

The Company has identified numerous opportunities where Ablation could potentially be applied cost effectively. Such projects present the Company the opportunity to achieve production and cash-flow in the near term. As such it is pursuing the acquisition of several strategic opportunities.

Corporate

On 24 September the Company announced the death of its Managing Director, Mr Tony Simpson. Tony joined the Company in December 2011 and brought a huge amount of drive and energy to the Company. Tony assembled an experienced team of professionals to advance the Company's Hansen/Taylor Ranch Project through the development phase. Tony's presence will be sorely missed, however he leaves a great foundation that others can capitalise on.

The Company recently announced that Mr. Mike Haynes had agreed to resume the role of Managing Director. Mr Haynes is a qualified geologist/geophysicist with more than 19 years experience in the resources sector. For the past eight years Mr Haynes has been actively involved in the financing and corporate development of resource companies.

Mr Haynes has been a Director of Black Range Minerals Limited since 2005 and held the position of Managing Director until the appointment of Tony Simpson in December 2011. During this period he was instrumental in the Company's acquisition of a 100% interest in the Hansen/Taylor Ranch Uranium Project.

Concurrent with the appointment of Mr Haynes, the Company announced that Mr Michael Drew, CFO and Interim CEO, had resigned.

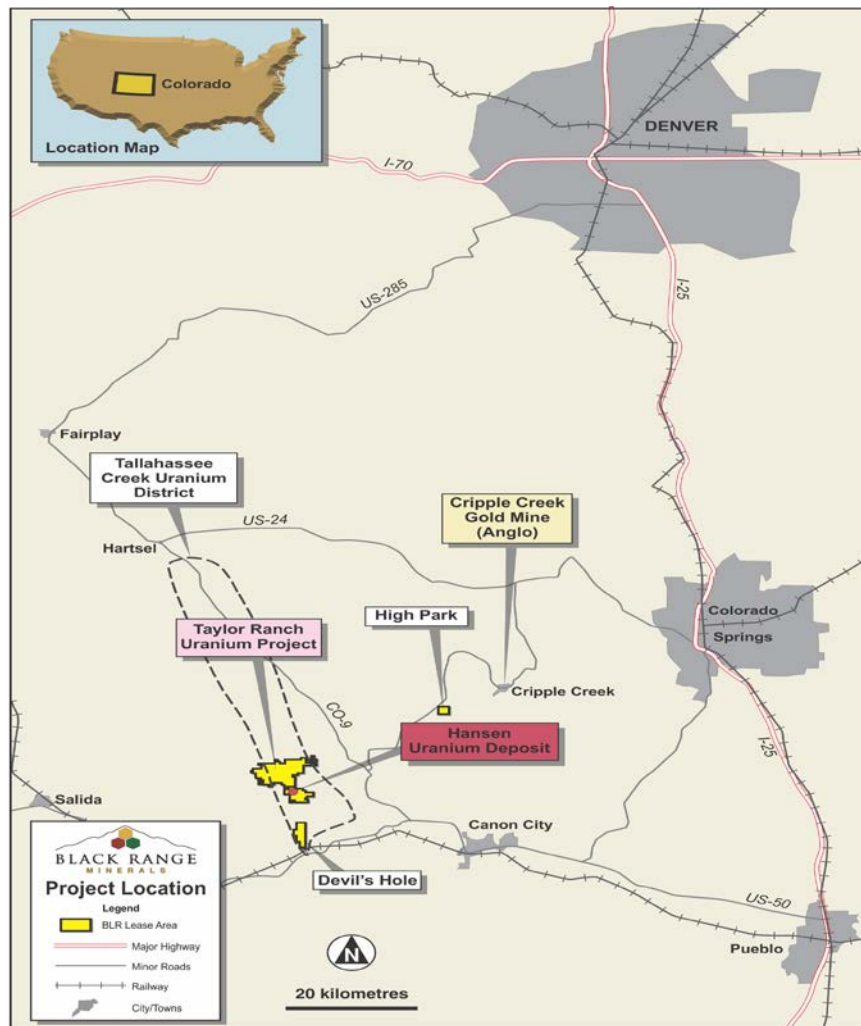
For further information please contact:

Mike Haynes
Managing Director
PH +61 419 961 895 or +1 307 321 1552
mhaynes@blackrangeminerals.com



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 Mr Rex Bryan who is a member of the American Institute of Professional Geologists. The American Institute of Professional Geologists is a "Recognised Overseas Professional Organisation". 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.



Location of Black Range Minerals Limited's Hansen/Taylor Ranch Uranium Project in Colorado, USA



Black Range Minerals Limited's resources at the Hansen/Taylor Ranch Uranium Project comprises:

JORC Classification – Mineral Resources	Million Tonnes	Grade (ppm)	Million Pounds U ₃ O ₈
At 250ppm U₃O₈ (0.025%) cut-off			
Indicated	28.93	620	39.75
Inferred	40.06	580	51.18
Total	68.99	600	90.92
At 750ppm U₃O₈ (0.075%) cut-off			
Indicated	7.71	1210	20.52
Inferred	8.86	1190	23.33
Total	15.58	1200	43.85

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