



## ASX Release

31 January 2011

### 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  
106.6 million options

Australian Stock Exchange  
Symbol: BLR & BLRO

## QUARTERLY ACTIVITIES REPORT DECEMBER 2010

### TAYLOR RANCH URANIUM PROJECT, COLORADO, USA

#### Permitting

During the December quarter the Company successfully amended the permit that allows it to conduct exploration at the Taylor Ranch Uranium Project, so that this permit now also incorporates the adjacent Hansen Uranium Deposit. This permit is valid until 2018.

The Company is now well positioned to undertake additional data collection at the Hansen Deposit as part of further feasibility studies. The intention is to commence these field studies shortly after finalising the acquisition of the remaining 51% interest in the Hansen Deposit that it doesn't currently control (see below).

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

During the quarter the Company made considerable progress towards finalising definitive agreements with STB Minerals LLC ("STB"), that will provide Black Range an exclusive option to acquire the remaining 51% interest in the ~30 million pound Hansen Uranium Deposit<sup>1</sup> in Colorado, USA. The Company anticipates finalising definitive agreements in the near term.

The Company already holds an exclusive option to acquire a 49% interest in the Hansen Deposit. In May 2010 the Company executed a Letter of Intent to acquire STB's 51% interest in the Hansen Uranium Deposit, so it 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. Mineralisation 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).

Pre-feasibility studies into the development of the combined Taylor Ranch/Hansen Uranium Project will commence once definitive agreements are executed with STB.

## **JONESVILLE COAL PROJECT, ALASKA**

During the quarter the Company continued the statutory process to renew its mining permit covering the Jonesville Coal Project in Alaska. If approved, this permit will allow trial mining activities to be undertaken on the Company's granted leases. It does not pertain to the leases themselves, which remain in good standing. The Company anticipates this permit will be renewed during the first quarter of 2011.

The Company continues to assess opportunities to realise value from this project.

## **NEW PROJECTS AND CORPORATE OPPORTUNITIES**

The Company assessed numerous opportunities to acquire additional uranium projects during the December quarter. It continues to pursue several of these opportunities.

## **CORPORATE**

At 30 December 2010 cash reserves were approximately \$5.0 million. In addition the Company held shares in an ASX listed entity valued at approximately \$200,000.

**Mike Haynes**  
**Managing Director**

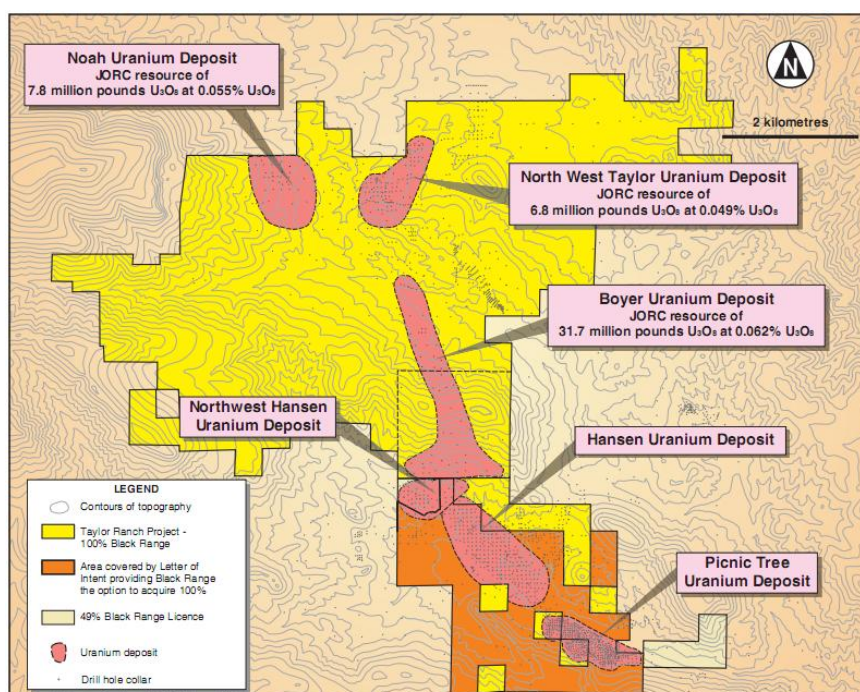
**Table 1.** JORC Code compliant resources for the Company's 100% owned properties at the Taylor Ranch Uranium Project at different cut-off grades.

Using a cut-off grade of 0.025% U<sub>3</sub>O<sub>8</sub>:

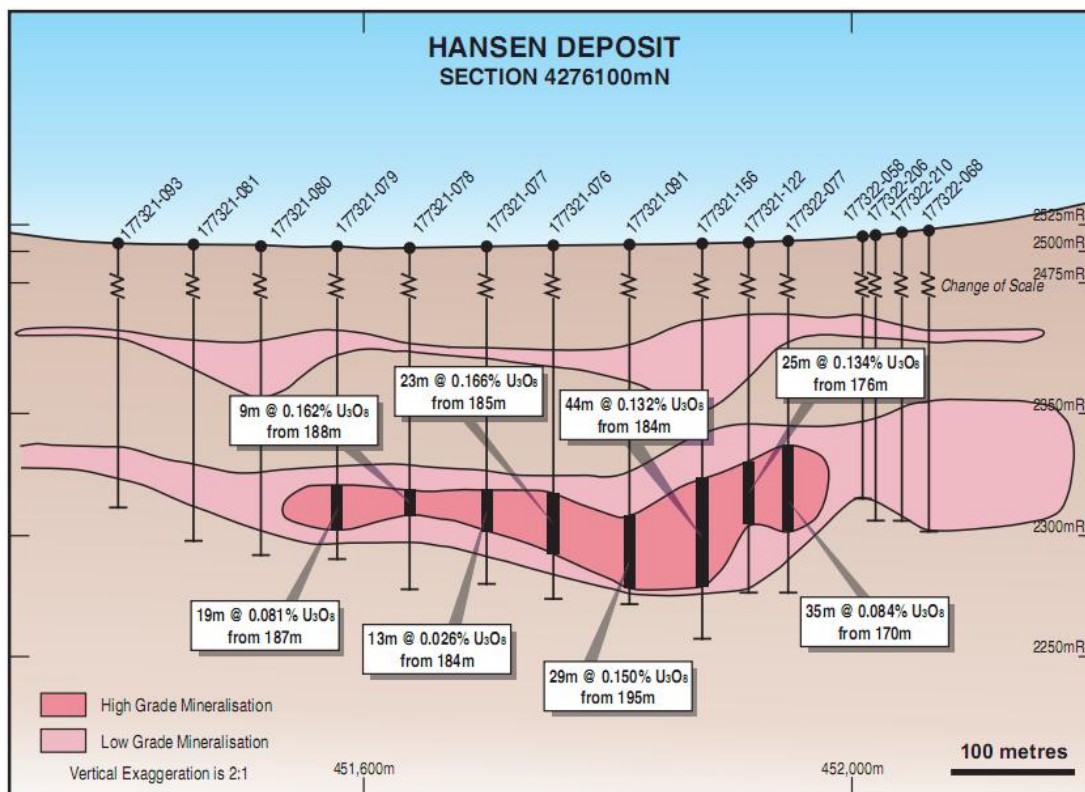
Category	Tonnes	Grade U <sub>3</sub> O <sub>8</sub> (%)	Pounds U <sub>3</sub> O <sub>8</sub>
Indicated	17,910,008	0.057	22,567,741
Inferred	29,897,723	0.057	37,652,173
<b>Total</b>	<b>47,807,731</b>	<b>0.057</b>	<b>60,219,914</b>

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%  $U_3O_8$  for circa 30 million pounds of  $U_3O_8$ . 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.*

*The information in this report that relates to Exploration Results is based on information compiled by Mr. Ben Vallerine, who is a member of The Australian Institute of Mining and Metallurgy. Mr Vallerine is the Exploration Manager, USA for Black Range Minerals Limited. Mr. Vallerine has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which 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. Vallerine consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*