Black Range Minerals Limited

(**ABN 86 009 079 047**)

Half Year Report

31 December 2006

CORPORATE DIRECTORY

This half-year report covers the consolidated entity comprising Black Range Minerals Limited and its subsidiary (the group). The group's functional and presentation currency is AUD($).

A description of the Group's operations and its principal activities are included in the review of operations and activities in the directors' report on page 1. The directors' report does not form part of the financial report.

Directors

Mr Alan Scott (Chairman)
Mr Matthew Wood
Mr Michael Haynes (Managing Director)

Company Secretary

Mr Tim Flavel

Registered and Principal Office

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Australia
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Share Register

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Perth WA 6000 Australia
Telephone: 1300 557 010
International: (61 8) 9323 2000
Facsimile: (61 8) 9323 2033

Auditors

Ernst & Young
11 Mounts Bay Road
Perth WA 6000 Australia

Stock Exchange Listing

Black Range Minerals Limited shares and options are listed on the Australian Stock Exchange, the home branch being Perth
ASX Code: BLR / BLRO

Contents

DIRECTORS' REPORT

Your directors submit the financial report of the consolidated entity for the half year ended 31 December 2006.

Directors

The names of directors who held office during or since the end of the half year and until the date of this report are as below. Directors were in office for this entire period unless otherwise stated.

Mr Alan Scott (Chairman)

Mr Matthew Wood

Mr Michael Haynes (Managing Director)

Review of Operations

During the half year ended 31 December 2006, Black Range Minerals finalised the acquisition of the advanced, high-grade Taylor Ranch Uranium Project in Colorado, USA, successfully completed its inaugural drilling programme at the Eagle Uranium Project in Wyoming, USA and secured an option to purchase the historic high-grade Ferris-Haggerty Copper Deposit in southern Wyoming, USA. This portfolio of advanced projects, together with the Company's 100% owned Koonenberry Base Metal Project, sees the Company particularly well positioned to benefit from high commodity prices, and it will continue to aggressively advance these projects towards production.

Historic data compiled to date from the Taylor Ranch Uranium Project indicate that at least 550 holes have been drilled previously. This drilling confirms that the project hosts an extensively mineralised system that extends for more than 5 kilometres of strike. Based on calculations by previous explorers the Company has an initial exploration target estimate for the Taylor Ranch Uranium Project of 10-15 million pounds of U_3O_8. Tenor of mineralisation is high, with the resource at the Northwest Taylor Uranium Deposit, one part of this 5km long system, estimated to contain an exploration target of approximately 2-3 million pounds of U_3O_8 at a grade of approximately 0.2% U_3O_8.

An extensive drilling programme at the Taylor Ranch Uranium Project is scheduled to commence in March 2007 to confirm and extend historic results. Upgrades to JORC-compliant resource calculations for the project will be progressively announced as the drilling programme continues.

Black Range Minerals could conceivably be in production from the Taylor Ranch Uranium Project within the foreseeable future, with one of the USA's only four licensed uranium mills strategically located in Canon City, just 30km southeast of the Taylor Ranch Project. Suitable terms to utilise the mill would need to be negotiated.

The Company's inaugural drilling programme at the Eagle Uranium Project in Wyoming, USA, was successfully completed during October and November 2006, with 32 holes drilled for more than 3800 metres. Numerous targets were evaluated over the entire 2260 acre project. Drilling has confirmed that the Eagle Uranium Project hosts extensive shallow uranium mineralisation, with grades greater than 300ppm eU_3O_8 recorded in more than 60% of the holes drilled. The Company has commenced calculation of an inaugural JORC-compliant resource for the Eagle Uranium Project.

Approximately 110 holes have now been drilled at the Eagle Uranium Project and a further 115 holes have been drilled previously at the Company's adjacent Cyclone Rim Uranium Project. Based on results from these drill holes the Company's exploration target estimates are for approximately 2 million pounds of U_3O_8 are present at the Eagle Project and a further 3 million pounds of U_3O_8 at the Cyclone Rim Project. Considerable potential remains beyond these initial targets along strike and at depth. Both deposits are shallow and amenable to in-situ leaching and/or open-pit mining.

During September the Company secured an exclusive option to earn up to a 90% interest in the historic high-grade Ferris-Haggerty Copper Deposit, located in southern Wyoming, USA. This acquisition provides the Company with an exceptional near-term production opportunity, together with an outstanding exploration play.

The Ferris-Haggerty Copper Deposit was discovered in 1897 and was brought into production the following year. Two shafts and several adits were used to explore and develop the deposit to a depth of approximately 200 metres. The main orebody averages eight to ten metres in width, but is up to 20 metres wide in places. The orebody grades 6% to 8% copper and 3g/t to 4g/t gold. Mineralisation remains open at depth.

Historic mining focused almost exclusively on the upper portion of the orebody. Weathering resulted in depletion of copper in the shallowest portions of the orebody, substantially enriching the upper zones. Grades in this upper zone averaged over 20% copper.

Mined ore was transported by what was at the time, the world's longest aerial tramway, to a purpose-built mill and smelter complex located in the foothills of the Sierra Madre Mountain Range, some 25km away. At that time the Ferris-Haggerty Copper Deposit was the 27th largest copper mine in the world.

Mining operations ceased in 1908, when fire destroyed the mines' processing facilities and a drastic decline in copper prices precluded the viability of rebuilding the facilities. Records indicate that approximately 50,000 tonnes of ore were extracted at an average grade of 20% copper prior to the mines' closure. No mining or exploration has been undertaken at the project subsequently.

Historic records indicate that there are at least 1 million tonnes of unmined ore in the upper developed portions of the orebody, grading approximately 5-6% copper and 3-4g/t gold. There is also considerable exploration upside at depth and along strike.

The Company will undertake an underground drilling programme at the Ferris-Haggerty Deposit during the second and third quarters of 2006 and intends commencing a pre-feasibility study into the recommencement of mining shortly thereafter.

Although successful exploration by the Company has resulted in a 1000% increase in the resource base at its 100%-owned Koonenberry Base Metal Project in NSW, to date only 4 kilometres of the stratigraphic horizon that hosts the mineralisation has been explored. The Company's exploration licences contain more than 50 kilometres of this prospective stratigraphic horizon, which remains untested. While considerable potential remains to extend the mineralisation at the known Grasmere and Peveril Deposits with further exploration, the Company will fast-track exploration of this 50 kilometre long, highly prospective strike extension by conducting an airborne EM survey over the entire project. This survey is scheduled to commence in late February 2007 and will allow the rapid identification and direct detection of additional deposits similar to the Grasmere and Peveril Deposits.

On the new project front, negotiations are continuing to acquire several additional advanced uranium projects in the USA. These projects are all located in jurisdictions that are highly amenable to exploration and development of uranium.

In February 2007 the Company established a regional office in Denver, Colorado to facilitate the efficient advancement and development of its USA-based projects.

Having built a quality portfolio of advanced, high-grade projects in both the uranium and base metal sectors the Company is now particularly well positioned to prosper as it rapidly moves these projects towards production.

Auditor's Independence Declaration

Section 307C of the Corporations Act 2001 requires our auditors, Ernst & Young, to provide the directors of the company with an Independence Declaration in relation to the review of the half-year financial report. This Independence Declaration is set out on page 3 and forms part of this directors' report for the half-year ended 31 December 2006.

This report is signed in accordance with a resolution of the Board of Directors.

Mr Michael Haynes

Managing Director

Dated this 20th day of February 2007.

Auditor’s Independence Declaration to the Directors of Black Range Minerals Limited

In relation to our review of the financial report of Black Range Minerals Limited for the half-year ended 31 December 2006, to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements of the Corporations Act 2001 or any applicable code of professional conduct.

Ernst & Young

V W Tidy

Partner

Perth

20 February 2007

CONDENSED INCOME STATEMENT
FOR THE HALF YEAR ENDED 31 DECEMBER 2006

	Notes	Consolidated 2006 $	2005 $
Continuing Operations			
Revenue	3(a)	68,169	34,654
Other Income		-	170
Listing and share registry expenses		(77,605)	(68,767)
Accounting and audit fees		(28,049)	(7,500)
Legal fees		(38,176)	(7,108)
Consultants and Directors fees		(161,543)	(101,208)
Foreign exchange loss		(21,074)	-
Depreciation		(1,195)	(222)
Administrative expenditure	3(b)	(165,057)	(129,324)
Other expenses		(7,650)	-
Loss before income tax from continuing operations		(432,180)	(279,305)
Income tax expense		-	-
Loss after income tax from continuing operations		(432,180)	(279,305)
Net loss attributable to members of parent		(432,180)	(279,305)
Basic earnings per share (cents per share)		(0.09)	(0.07)
Diluted earnings per share (cents per share)		(0.09)	(0.07)

CONDENSED BALANCE SHEET
AS AT 31 DECEMBER 2006

	Notes	Consolidated As at 31 Dec 2006 $	As at 30 June 2006 $
Assets			
Current Assets			
Cash and cash equivalents	9	3,526,347	1,136,030
Trade and other receivables		282,158	85,003
Total Current Assets		3,808,505	1,221,033
Non-Current Assets			
Property, plant and equipment		7,502	8,697
Exploration expenditure		2,764,392	1,960,525
Total Non-Current Assets		2,771,894	1,969,222
Total Assets		6,580,399	3,190,255
Liabilities			
Current Liabilities			
Trade and other payables		109,778	251,974
Total Current Liabilities		109,778	251,974
Total Liabilities		109,778	251,974
Net Assets		6,470,621	2,938,281
Equity			
Issued capital	4	35,296,919	31,339,050
Reserves		554,805	548,154
Accumulated losses		(29,381,103)	(28,948,923)
Total Equity		6,470,621	2,938,281

CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2006

	Consolidated	
	As at 31 Dec 2006 $	As at 31 Dec 2005 $
Total equity at the beginning of the half-year	2,938,281	662,268
Net income and expense for the half-year recognised directly in equity	-	-
Loss for the half-year	(432,180)	(279,305)
Total income and expense for the half-year	(432,180)	(279,305)
Issue of shares during the half-year	4,108,999	2,078,000
Exercise of options during the half-year	8,990	233,000
Share based payments	7,650	-
Share issue costs	(161,119)	(70,400)
Total equity at 31 December	6,470,621	2,623,563

CONDENSED CASH FLOW STATEMENT
FOR THE HALF YEAR ENDED 31 DECEMBER 2006

	Note	Consolidated 2006 $	Consolidated 2005 $
Cash flows from operating activities			
Payments to suppliers and employees		(394,923)	(261,450)
Interest received		68,169	34,654
Net cash used in operating activities		(326,754)	(226,796)
Cash flows from investing activities			
Purchase of property, plant and equipment		-	(3,543)
Acquisition of subsidiary, net of cash acquired		-	1,954
Payments for refundable tenement expenditure guarantees		(250,960)	-
Payments for expenditure on exploration		(967,764)	(688,723)
Net cash used in investing activities		(1,218,724)	(690,312)
Cash flows from financing activities			
Proceeds from issue of shares		4,108,999	1,578,000
Proceeds from exercise of options		8,990	233,000
Cost associated with issue of shares		(161,119)	(70,400)
Net cash provided by financing activities		3,956,870	1,740,600
Net increase in cash and cash equivalents		2,411,392	823,492
Cash and cash equivalents at beginning of period		1,136,030	657,895
Net foreign exchange variances on cash		(21,075)	-
Cash and cash equivalents at end of period	9	3,526,347	1,481,387

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2006

1. CORPORATE INFORMATION

The financial report of Black Range Minerals Limited (the Company) for the half-year ended 31 December 2006 was authorised for issue in accordance with a resolution of the directors on 20th February 2007.

Black Range Minerals Limited is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Stock Exchange.

The nature of the operations and principal activities of the Group are described in the Directors report.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The half-year report does not include full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the consolidated entity as in the full financial report.

It is recommended that this financial report be read in conjunction with the annual financial report for the year ended 30 June 2006, of Black Range Minerals Limited, and any public announcements made by Black Range Minerals Limited and its controlled entities during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001.

(a) Basis of Preparation

The half-year consolidated financial statements are a general purpose financial report prepared in accordance with the requirements of the Corporations Act 2001, applicable accounting standards including AASB 134: Interim Financial Reporting, and other mandatory professional reporting requirements.

The half-year report has been prepared on a historical cost basis.

For the purpose of preparing the half-year report, the half-year has been treated as a discrete reporting period.

(b) Significant accounting policies

The half-year consolidated financial statements have been prepared using the same accounting policies as used in the annual financial statements for the year ended 30 June 2006, except for the adoption of amending standards mandatory for annual periods on or after 1 January 2006, as follows:

AASB Amend-ment	Affected Standard(s)	Nature of change to accounting policy	Application date of standard	Application date for Group
2004-3	AASB 1 *First-time adoption of AIFRS* AASB 101 *Presentation of Financial Statements* AASB 124 *Related Party Disclosures*	No change to accounting policy required. Therefore no impact.	1 January 2006	1 July 2006
2005-1	AASB 139 *Financial Instruments: Recognition and Measurement*	No change to accounting policy required. Therefore no impact.	1 January 2006	1 July 2006
2005-5	AASB 1 *First-time adoption of AIFRS* and AASB 139 *Financial Instruments: Recognition and Measurement*	No change to accounting policy required. Therefore no impact.	1 January 2006	1 July 2006

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2006

2005-6	AASB 3 *Business Combinations*	No change to accounting policy required. Therefore no impact.	1 January 2006	1 July 2006
2005-10	AASB 132 *Financial Instruments: Disclosure and Presentation*, AASB 101 *Presentation of Financial Statements*, AASB 114 *Segment Reporting*, AASB 117 *Leases*, AASB 133 *Earnings per Share*, AASB 139 *Financial Instruments: Recognition and Measurement*, AASB 1 *First-time adoption of AIFRS*, AASB 4 *Insurance Contracts*, AASB 1023 *General insurance Contracts* and AASB 1038 *Life Insurance Contracts*	No change to accounting policy required. Therefore no impact.	1 January 2007	1 January 2007
2005-3	AASB 119 *Employee Benefits*	No change to accounting policy required. Therefore no impact.	1 January 2006	1 January 2006
	UIG 4 *Determining whether an Arrangement contains a Lease*	No change to accounting policy required. Therefore no impact.	1 January 2006	1 January 2006
	UIG 5 *Rights to Interests in Decommissioning, Restoration and Environmental Rehabilitation Funds*	No change to accounting policy required. Therefore no impact.	1 January 2006	1 January 2006
	UIG 8 *Scope of AASB 2*	No change to accounting policy required. Therefore no impact.	1 May 2006	1 May 2006

The following amendments and new Standards are not applicable to the Group and therefore have no impact:

2005-4	AASB 139 *Financial Instruments: Recognition and Measurement*, AASB 132 *Financial Instruments: Disclosure and Presentation*, AASB 1 *First-time adoption of AIFRS*, AASB 1023 *General insurance Contracts* and AASB 1038 *Life Insurance Contracts*
2005-9	AASB 4 *Insurance Contracts*, AASB 1023 *General insurance Contracts*, AASB 139 *Financial Instruments: Recognition and Measurement* and AASB 132 *Financial Instruments: Disclosure and Presentation*
2006-1	AASB 121 *The Effects of Change in Foreign Currency Rates*
	UIG 6 *Liabilities Arising from Participating in a Specific Market – Waste Electrical and Electronic Equipment*
	UIG 7 *Applying the Restatement Approach under AASB 129 Financial Reporting in Hyperinflationary Economies*
	UIG 9 *Reassessment of Embedded Derivatives*

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2006

(c) Basis of consolidation

The consolidated financial report comprises the financial statements of Black Range Minerals Limited and its controlled entities ('the group').

A controlled entity is any entity controlled by Black Range Minerals Limited whereby Black Range Minerals Limited has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The financial statements of controlled entities are prepared for the same reporting period as the parent company, using consistent accounting policies. Accounting policies of controlled entities have been changed where necessary to ensure consistencies with those policies applied by the parent entity.

All inter-company balances and transactions between entities in the consolidated entity, including any unrealised profits or losses, have been eliminated on consolidation.

Where controlled entities have entered or left the consolidated entity during the year, their operating results have been included/excluded from the date control was obtained or until the date control ceased

3. REVENUES AND EXPENSES

	Consolidated	
The following revenue and expense items are relevant in explaining the financial performance for the half-year:	31 December 2006 $	31 December 2005 $
(a) Revenue		
Interest income	68,169	34,654
(b) Administration Expenses		
Advertising and promotions	6,500	-
Subscriptions	2,540	3,800
Bank fees	1,635	222
Computer expenses	4,275	19,126
Conferences and seminars	2,000	-
General office expenses	4,666	5,399
Insurance	26,269	300
Printing and Stationery	18,632	11,058
Postage	11,972	9,789
Serviced office	48,000	44,600
Telephone	4,819	3,214
Travel and accommodation	28,978	15,044
Other	4,771	16,772
	165,057	129,324

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2006

4. ISSUED CAPITAL

	Consolidated	
	31 December 2006 $	30 June 2006 $
Ordinary shares		
Issued and fully paid	35,296,919	31,339,050

Fully paid ordinary shares carry one vote per share and the right to dividends.

Movements in ordinary shares on issue	No.	$
At 1 July 2006	438,394,524	31,339,050
Issued on 7 July 2006 for cash on exercise of options	69,071	3,455
Issued on 1 September 2006 for cash on exercise of options	6,250	314
Issued on 13 September 2006 for cash on exercise of options	118,973	5,950
Issued on 13 September for cash by of a placement	55,000,002	2,640,000
Issued on 3 October 2006 for cash on exercise of options	1,486	74
Issued on 12 October 2006 for cash by way of a share purchase plan	30,604,070	1,468,995
Issued on 17 November 2006 for cash on exercise of options	4,000	200
Less: costs associated with the issue of shares	-	(161,119)
At 31 December 2006	524,198,376	35,296,919

5. DIVIDENDS

No dividends have been paid or provided for during the half year (2005: $Nil).

6. SEGMENT REPORTING

The consolidated entity operates in two geographical segments – Australia and the United States of America (USA), and within one industry classification - exploration and mining of minerals. No revenue was generated and there was no contribution to the half year results by the company from the USA (2005: $nil).

7. CONTINGENT ASSETS AND LIABILITIES

There has been no change in contingent liabilities or contingent assets since the last annual reporting date.

8. EVENTS SUBSEQUENT TO REPORTING DATE

There have been no significant events subsequent to reporting date.

9. ADDITIONAL INFORMATION

Reconciliation of Cash

For the purposes of the Condensed Cash Flow Statement, cash and cash equivalents comprise the following as at 31 December 2006:

	31 December 2006 $	31 December 2005 $
Cash at bank and in hand	3,526,347	1,481,387

Directors' Declaration

In accordance with a resolution of the Board of Directors of Black Range Minerals Limited, I state that:

1. In the directors' opinion the financial statements and notes, as set out on pages 4 to 11, of the consolidated entity are in accordance with the *Corporations Act 2001,* including:

    a. complying with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001; and

    b. giving a true and fair view of the consolidated entity's financial position as at 31 December 2006 and of its performance for the half-year ended on that date of the consolidated entity.

2. There are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

On behalf of the Board

Michael Haynes

Managing Director

Dated this 20th day of February 2007.

Independent review report to members of Black Range Minerals Limited

Scope

The financial report and directors' responsibility

The financial report comprises the balance sheet, income statement, cash flow statement, statement of changes in equity and accompanying notes to the financial statements for the consolidated entity comprising both Black Range Minerals Limited (the company) and the entities it controlled during the six months, and the directors' declaration for the company, for the half-year ended 31 December 2006.

The directors of the company are responsible for preparing a financial report that gives a true and fair view of the financial position and performance of the consolidated entity, and that complies with Accounting Standard AASB 134 "Interim Financial Reporting", in accordance with the *Corporations Act 2001*. This includes responsibility for the maintenance of adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and for the accounting policies and accounting estimates inherent in the financial report.

Review approach

We conducted an independent review of the financial report in order to make a statement about it to the members of the company, and in order for the company to lodge the financial report with the Australian Stock Exchange and the Australian Securities and Investments Commission.

Our review was conducted in accordance with Australian Auditing Standards applicable to review engagements, in order to state whether, on the basis of the procedures described, anything has come to our attention that would indicate that the financial report is not presented fairly in accordance with the *Corporations Act 2001*, Accounting Standard AASB 134 "Interim Financial Reporting" and other mandatory financial reporting requirements in Australia, so as to present a view which is consistent with our understanding of the consolidated entity's financial position, and of its performance as represented by the results of its operations and cash flows.

A review is limited primarily to inquiries of company personnel and analytical procedures applied to the financial data. These procedures do not provide all the evidence that would be required in an audit, thus the level of assurance is less than given in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Independence

We are independent of the company, and have met the independence requirements of Australian professional ethical pronouncements and the *Corporations Act 2001*. We have given to the directors of the company a written Auditor's Independence Declaration, a copy of which is included in the Directors' Report.

Statement

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the financial report of the consolidated entity, comprising Black Range Minerals Limited and the entities it controlled during the half-year is not in accordance with:

(a) the *Corporations Act 2001*, including:

  (i) giving a true and fair view of the financial position of the consolidated entity at 31 December 2006 and of its performance for the half-year ended on that date; and

  (ii) complying with Accounting Standard AASB 134 "Interim Financial Reporting" and the *Corporations Regulations 2001*; and

(b) other mandatory financial reporting requirements in Australia.

Ernst & Young

V W Tidy

Partner

Perth

__ March 2007