



1 September 2006

Dear Option Holder,

The Directors of Black Range Minerals Limited ("**Company**") are pleased to advise you that on 1 September 2006 they announced to ASX that they had approved the introduction of a Share Purchase Plan (**Plan**) for the Company and that the Company intended to make an offer to all eligible shareholders to acquire either \$2,000, \$3,000, \$4,000 or \$5,000 worth of shares in the Company under the Plan.

The issue price for the shares under the Plan will be 4.8 cents per share.

If you wish to participate in this offer under the Plan, you must be a shareholder of the Company as at **13 September 2006 (Record Date)**. If you are not already a shareholder and wish to participate in the offer under the Plan, you must exercise your options on or before the Record Date.

For further information, contact the Company Secretary, Tim Flavel, or the Office Manager, Toni Jones on (08) 9481 4920.

Yours faithfully

Mike Haynes
Director