



ASX Release

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**BLACK RANGE MINERALS
LIMITED**
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Issued Capital:
604.2 million shares
100.3 million options

Australian Stock Exchange
Symbol: BLR & BLRO

LETTER OF INTENT ENTERED INTO WITH URANIUM ONE TO JOINTLY DEVELOP USA URANIUM PROJECT

- **Black Range Minerals Limited (“Black Range”) and Uranium One Inc. (“Uranium One”) have entered into a letter of intent in respect of the potential joint development of their adjoining uranium projects in the Tallahassee Creek District of Colorado, USA**
- **Projects for joint development are Black Range’s Taylor Ranch Uranium Project and Uranium One’s adjacent Hansen Uranium Project**

Black Range Minerals Limited (ASX:BLR; “Black Range” and the “Company”) is very pleased to advise that it has entered into a letter of intent with Uranium One Inc. (TSX:UUU; “Uranium One”), to jointly pursue the development of their adjoining uranium projects in the Tallahassee Creek District of Colorado, USA.

Agreement with Uranium One

Uranium One currently holds an option to acquire a 39.2% interest in the Hansen Uranium Project. This project is located immediately south of, and adjacent to, Black Range’s Taylor Ranch Uranium Project (see Figure 1). The owners of the surface rights to the Hansen Project currently hold a 51% interest in the mineral rights in the same area. These landholders recently declared their 51% mineral interest in the project is for sale.

Pursuant to the letter of intent, Black Range and Uranium One have agreed to jointly pursue the acquisition of this 51% mineral interest. Provided such 51% interest is acquired by December 19, 2011, the two companies will consolidate their assets in the Tallahassee Creek district and establish a joint venture.

It is intended that Uranium One shall initially hold a 60% participating interest in the joint venture and Black Range shall hold an initial 40% participating interest. Any consideration for the acquisition of the 51% mineral interest in the Hansen Project would be payable by the two parties in the same proportions.

Projects

Black Range currently holds a 100% interest in the Taylor Ranch Uranium Project. Over the past two years the Company has delineated a series of deposits over a five kilometre long trend that hosts more than 50 million pounds of high-grade U₃O₈. The North Hansen, Boyer, NW Taylor and Noah uranium deposits are all located within this mineralized trend, together with the high grade uranium mineralization that was reported from recent drilling within the 800 metre long corridor between the Boyer and North Hansen deposits.

The Hansen Project hosts a series of uranium deposits within the same mineralized trend that hosts the deposits within the Taylor Ranch Project, and includes the North Hansen, Hansen and Picnic Tree uranium deposits. The Hansen Uranium Deposit is the largest of all of the uranium deposits within the mineralized trend (including those in the Taylor Ranch Project).

The Hansen Uranium Deposit was discovered in 1977. It immediately became the focus of a concerted exploration programme by previous owners that led to the definition of approximately 30 million pounds of mineable U_3O_8 at a grade of circa 0.08% U_3O_8 . A previous owner completed a positive bankable feasibility study on the Hansen deposit in the early 1980's and all permits were in place to commence open cut and underground mining and to construct an on-site processing facility. The global uranium price collapsed prior to commencement of construction, so development has never taken place.

Benefits to Black Range

Black Range believes numerous benefits will arise if the joint venture with Uranium One is established.

By consolidating the ownership of key mineral rights within the Tallahassee Creek district the owners of the project will hold combined mineralization in excess of 100 million pounds of U_3O_8 . A large proportion of the Hansen Project has been drilled out by previous owners to sufficient detail for it to be included in a bankable feasibility study. This mineralization base should have the grade and "critical mass" required to attract the capital that will be required to develop the project in future. Any such development could be optimized for the area, which should ultimately result in reduced operating costs.

Black Range's Near Term Focus

In the near term Black Range will focus on working with Uranium One to secure the 51% interest in the Hansen project that is currently for sale. Once this is acquired the Company will work with Uranium One to negotiate a definitive joint venture agreement and determine a suitable forward work programme for the project as a whole.

Black Range is very well financed, with approximately \$10.0 million cash at bank. Black Range is committed to seeing the Taylor Ranch and Hansen Uranium Projects brought into production as soon as possible. The Company also continues to evaluate numerous other growth opportunities during an opportunistic period where numerous quality assets are substantially undervalued and securing funding from conventional sources is becoming increasingly difficult.

Mike Haynes
Managing Director

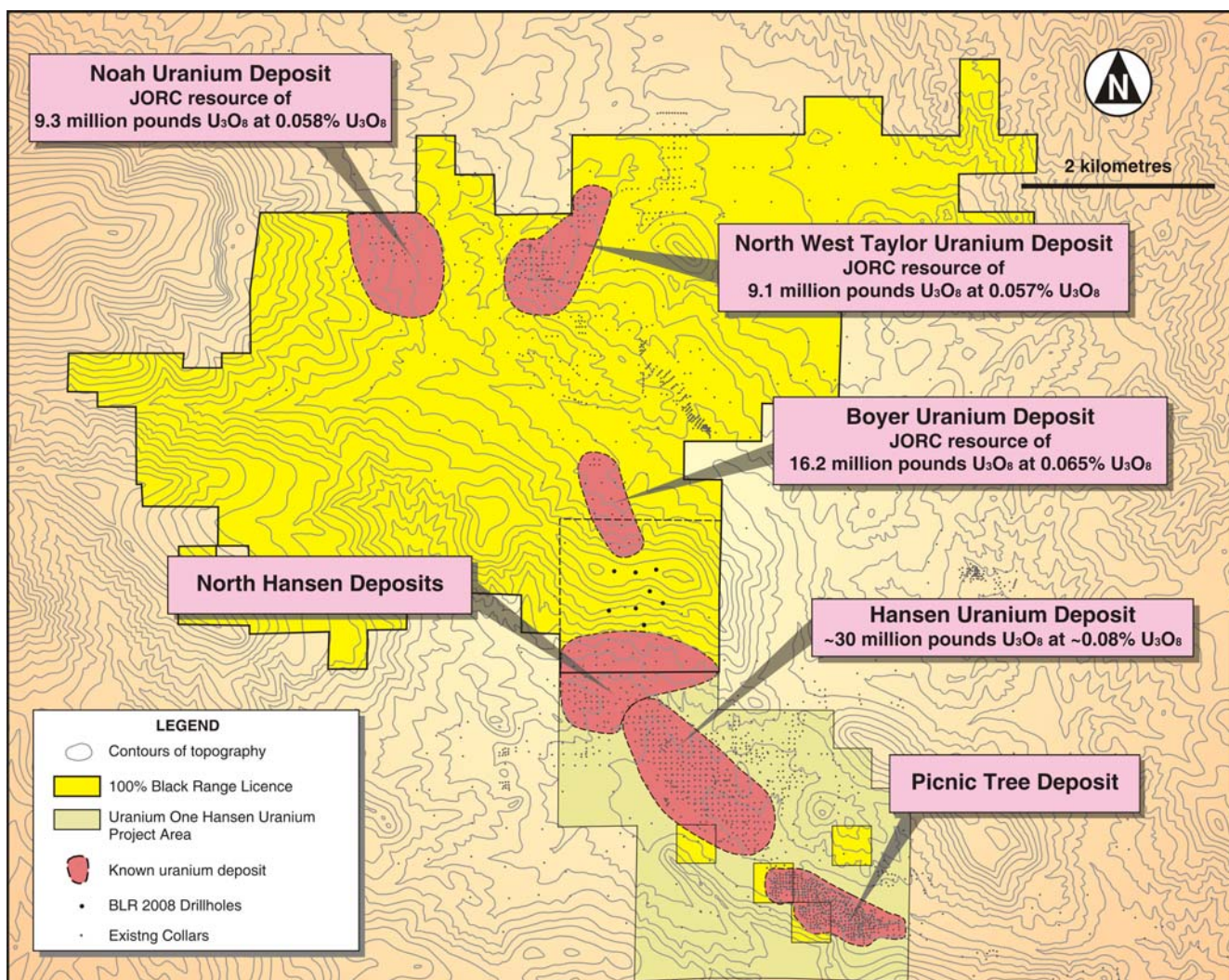


Figure 1. Location of uranium deposits within Black Range's Taylor Ranch Uranium Project and Uranium One's adjacent Hansen Uranium Project.

The information in this report that relating to Mineral Resources at the Taylor Ranch Uranium Project 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 "Australian 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 "Australian 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.