

BLACK RANGE MINERALS LIMITED
ABN 86 009 079 047

PROSPECTUS

For:

- 1. a placement of 39,000,000 Shares at 1 cent each to raise \$390,000 to parties introduced by Turon Gold (PLACEMENT).**
- 2. an issue and allotment of 50,000,000 Shares to the shareholders of Turon Gold (TURON OFFER).**
- 3. a placement of 100 Shares at 1 cent each to raise \$1 (FURTHER PLACEMENT).**

THE OFFER IS NOT UNDERWRITTEN

**THE TURON OFFER IS CONDITIONAL UPON SHAREHOLDERS APPROVING THE ISSUE
AND ALLOTMENT AT A GENERAL MEETING.
PLEASE REFER TO SECTION 1.10 FOR FURTHER DETAILS.**

IMPORTANT INFORMATION

This is an important document that should be read in its entirety.
If you do not understand it you should consult your professional advisor without delay.

It is proposed that Placement will close at 5.00 pm (Perth time) on 13 July 2005.
The Turon Offer will close within 7 days of shareholder approval, if approved, or lapse.
The Further Placement will close 1 day after completion of the Turon Offer.

The Directors reserve the right to close the issue earlier or to extend this date without notice.

CORPORATE DIRECTORY

Directors

David Steinepreis
Matthew Wood
Michael Haynes

Company Secretary

Gary Steinepreis

Registered Office

Level 1
33 Ord Street
West Perth WA 6005
Telephone: (08) 9420 9300
Facsimile: (08) 9481 2690

Share Registry*

Computershare Investor Services Pty Ltd
Level 2, Reserve Bank Building
45 St Georges Terrace
PERTH WA 6000

Stock Exchange

The Company's securities are quoted on the official list of Australian Stock Exchange Ltd, the home branch being Perth.

ASX Code:
BLR

* Name included for information purposes only.

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Important Notes and Statements

This Prospectus is dated 6 July 2005. A copy of this Prospectus was lodged with the ASIC on 6 July 2005. Neither the ASIC nor the ASX take any responsibility for the contents of this Prospectus. No Shares will be issued or granted on the basis of this Prospectus later than 13 months after the date of issue of this Prospectus. Shares issued and granted pursuant to this Prospectus will be issued on the terms and conditions set out in this Prospectus.

The Company will apply for the Shares offered pursuant to this Prospectus to be listed on ASX.

This Prospectus does not constitute an offer or invitation in any place in which, or to any person to whom it would not be lawful to make such an offer or invitation. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws where the Prospectus is sent electronically. The offers pursuant to the Prospectus are only available to persons receiving an electronic version within Australia.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. Shares will only be issued upon receipt of an Application Form issued together with the Prospectus. Any person may obtain a hard copy of this Prospectus free of charge by contacting the Company.

Summary of Important Dates

| | |
|---|--|
| Prospectus lodged at ASIC | 6 July 2005 |
| Closing date for acceptance and receipt of applications under the Placement * | 13 July 2005 |
| Closing date for acceptance and receipt of applications under the Turon Offer | Within 7 days of shareholder approval |
| Closing date for acceptance and receipt of applications under the Further Placement | 1 day after completion of Turon Offer |
| Last day for despatch of holding statements * | Within 5 Business Days of Closing Date of each Offer |

*These dates are indicative only. The Directors reserve the right to vary the key dates without prior notice.

Key Definitions

Throughout this Prospectus, for ease of reading, various words and phrases have been defined rather than used in full on each occasion and are set out in Section 6 of this Prospectus.

Section 1 DETAILS OF THE OFFERS

1.1 Summary of the Status of the Company

On 22 September 2004, the shareholders approved the recapitalisation of the Company that was proposed by Ascent Capital and the Company was released from external administration on 22 September 2004. On 7 December 2004, the Company's securities were reinstated to trading on the ASX following the completion of a capital raising.

The Company has continued its objective to expand the exploration activities of the Company.

On 27 June 2005, the Company announced that it had entered into a conditional agreement with the shareholders of Turon Gold Pty Ltd (**Turon Gold**) to purchase 100% of the issued capital of Turon Gold. The consideration for the acquisition is 50,000,000 ordinary shares in Black Range and is subject to the approval of the shareholders of Black Range. These ordinary shares will be subject to a six month voluntary escrow from completion. The Company also announced its intention to complete the Placement.

Turon Gold owns 100% of the advanced Grasmere Base Metal Project, which is strategically located 100km to the east of Broken Hill in western New South Wales.

1.2 Issue

This Prospectus contains three offers:

1. 39,000,000 Shares at an issue price of 1 cents each to raise \$390,000 by way of a placement to parties introduced by Turon Gold (**Placement**).
2. an issue and allotment of 50,000,000 Shares to the shareholders of Turon Gold (**Turon Offer**).
3. 100 Shares at an issue price of 1 cent each to raise \$1 by way of a placement (**Further Placement**)

Shares offered by this Prospectus will, when issued, rank equally in all respects with the existing Shares on issue.

Each of the Offers under this Prospectus are independent of each other and may proceed notwithstanding that any other Offer does not proceed.

The offer and issue of Shares under the Turon Offer satisfies the Company's obligation to issue Shares as consideration for the acquisition under the Share Purchase Agreement. Details of the Share Purchase Agreement are contained in Section 4.9 of this Prospectus.

1.3 Opening and Closing Dates

The Offers pursuant to the:

1. Placement will open for receipt of acceptances on 6 July 2005 and will close at 5.00pm WST on 13 July 2005, or such other date as the Directors, in their absolute discretion, may determine.
2. Turon Offer will open for receipt of acceptances on 6 July 2005 and will close within 7 days of shareholder approval. If shareholder approval is not obtained the Turon Offer will lapse.
3. Further Placement will open for receipt of acceptances on 6 July 2005 and will close 1 day after completion of the Turon Offer, or such other date as the Directors, in their absolute discretion, may determine; and

1.4 Brokerage and Commission

With respect to the Placement, the Company may pay a fee of up to 5% (plus GST) of the amount subscribed (and accepted by the Company) to any holders of a financial services licences in respect of Application Forms bearing the stamp of such dealers. No fees are payable with respect to the Turon Offer. No fees are payable with respect to the Further Placement.

No brokerage or stamp duty will be payable by investors.

1.5 Applications

An application for securities can only be made on the relevant Application Forms which accompanies a paper copy of this Prospectus and lodged in person or by post:

By Hand Delivery:

Black Range Minerals Limited
Level 1, 33 Ord Street
WEST PERTH WA 6005

By Post:

Black Range Minerals Limited
PO Box 637
West Perth WA 6872

Application Forms must be completed in accordance with the instructions set out on the back of the Application Form.

Applications must be received by 5.00 pm WST on the Closing Date of each offer.

If an Application Form is not completed correctly or if the accompanying payment is for the wrong amount, it may still be accepted. Any decision of the Directors as to whether to accept an Application Form, and how to construe, amend or complete it, shall be final. An Application Form will not however, be treated as having offered to subscribe for more securities than is indicated by the amount of the accompanying cheque.

1.6 Allotment of Shares and Minimum Subscription

The minimum subscription for the Placement is 39,000,000 Shares to raise \$390,000. The minimum subscription for the Further Placement is 100 Shares to raise \$1. The Turon Offer gives effect to the acquisition of Turon Gold.

No Shares will be allotted or issued until the minimum subscription has been received. If the minimum subscription is not achieved within 4 months after the date of issue of this Prospectus, the Company will either repay the Application monies to the Applicants or issue a supplementary prospectus or replacement prospectus and allow Applicants one month to withdraw their Application and be repaid their Application monies.

Shares issued pursuant to the Offers will be allotted within 5 Business Days after their respective Closing Dates.

Where the number of Shares granted is less than the number applied for, or where no allotment is made, surplus Application monies will be refunded without any interest to the Applicant as soon as practicable after the Closing Date.

Pending the issue and allotment of the Shares or payment of refunds pursuant to this Prospectus, all Application monies will be held by the Company in trust for the Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on such bank account and each Applicant waives the right to claim any such interest.

1.7 ASX Listing

The Company will make application to ASX within 7 days following the date of this Prospectus for official quotation of the Shares.

If approval is not granted by ASX within 3 months after the date of this Prospectus, the Company will not grant or allot any Shares and will repay all Application monies (where applicable) as soon as practicable, without interest.

A decision by ASX to grant official quotation of the Shares is not to be taken in any way as an indication of ASX's view as to the merits of the Company, or the Shares now offered for subscription.

1.8 Overseas Investors

This Prospectus does not, and is not intended to, constitute an offer in any place or jurisdiction, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities law. No action has been taken to register or qualify these securities or otherwise permit a public offering of the securities the subject of this Prospectus in any jurisdiction outside Australia.

It is the responsibility of Applicants outside Australia to obtain all necessary approvals for the allotment and issue of securities pursuant to this Prospectus. The return of a completed Application Form will be taken by the Company to constitute a representation and warranty by the Applicant that all relevant approvals have been obtained.

1.9 Purpose of the Offers and Use of Funds

The Purpose of the Offers are for the Placement and Further Placement to raise working capital and the Turon Offer to complete the acquisition of Turon Gold.

It is proposed that the funds raised by the Placement and Further Placement, after payment of costs of the Issue, will be used primarily by the Company to address the following activities:

- Initial exploration work for the Grasmere Project - \$200,000
- Capital to be used to acquire new projects, if and when identified - \$50,000
- General Working Capital - \$110,001.

The Directors will allocate the funds in such priority and proportions as is in the best interests of the Company.

1.10 Conditionality of the Turon Offer

Shareholders must be aware that the Turon Offer is conditional upon the approval of shareholders at a General Meeting proposed to be convened as soon as possible. If approval is not received for the Turon Offer, the offer will not proceed.

The business of the General Meeting is to consider the acquisition of Turon Gold, the ratification of the Placement Offer and the re-election of Matthew Wood and Michael Haynes as Directors.

In this regard, the Company proposes to complete the Placement prior to the issue of Shares under the Turon Offer. If the Turon Offer does not proceed, then the Company will not acquire Turon and the underlying Grasmere Project and the funds allocated to this project in Section 1.9 will be allocated to general working capital.

1.11 CHESS

The Company will apply to participate in the Clearing House Electronic Subregister System (**CHESS**). CHESS is operated by ASX Settlement and Transfer Corporation Pty Ltd (**ASTC**), a wholly owned subsidiary of ASX, in accordance with the Listing Rules and the ASTC Settlement Rules.

Under CHESS, the Company will not issue certificates to investors. Instead, shareholders will receive a statement of their holdings in the Company. If an investor is broker sponsored, ASTC will send a CHESS statement.

1.12 Risk factors

Prospective investors should be aware that subscribing for Securities offered by this Prospectus involves a number of risks. These risks are set out in Section 3 of this Prospectus and investors are urged to consider those risks carefully (and if necessary, consult their professional adviser) before deciding whether to invest.

The risk factors set out in Section 3, and other general risks applicable to all investments in listed securities not specifically referred to, may in the future affect the value of the Securities. Accordingly, an investment in the Company should be considered speculative.

Section 2 EFFECT OF THE OFFER ON THE COMPANY

2.1 Principal Effect

The principal effect of the Issue will be to:

- (a) increase the cash reserves by approximately \$360,001 immediately after completion of the Issue after deducting the estimated expenses of the Issue including brokerage of approximately \$30,000; and
- (b) increase the number of Shares on issue from 260,317,819 Shares as at the date of this Prospectus, to 349,317,919 Shares, on the basis that the Placement, Further Placement and Turon Offer are completed. In the event that the Further Placement and Turon Offer are not completed the Shares on issue will increase to 299,317,819.

Set out in Section 2.2 is an unaudited proforma statement of financial position as at 30 June 2005 incorporating the effect of the Issue.

2.2 Proforma Statement of Financial Position

BLACK RANGE MINERALS LIMITED Statement of Financial Position as at 30 June 2005

| | Notes | Actual Unaudited | Proforma |
|----------------------------------|-------|------------------|--------------|
| CURRENT ASSETS | | | |
| Cash assets | 1 | 655,250 | 1,015,251 |
| Receivables | | 27,000 | 27,000 |
| TOTAL CURRENT ASSETS | | 682,250 | 1,042,251 |
| NON CURRENT ASSETS | | | |
| Investment in subsidiary | | - | 500,000 |
| TOTAL NON-CURRENT ASSETS | | - | 500,000 |
| TOTAL ASSETS | | 682,250 | 1,542,251 |
| CURRENT LIABILITIES | | | |
| Payables | | 7,250 | 7,250 |
| TOTAL CURRENT LIABILITIES | | 7,250 | 7,250 |
| NET ASSETS | | 675,000 | 1,535,001 |
| EQUITY | | | |
| Contributed equity | 2 | 28,990,144 | 29,850,145 |
| Accumulated losses | | (28,315,144) | (28,315,144) |
| TOTAL EQUITY | | 675,000 | 1,535,001 |

- 1 The movement in the cash assets is reconciled as follows:

| | |
|--|------------------|
| Cash assets: | \$ |
| Opening balance | 655,250 |
| Placement of 39 million Shares at 1 cent | 390,000 |
| Placement of 100 Shares at 1 cent | 1 |
| Less: Cost of Issue | (30,000) |
| Closing balance | <u>1,015,251</u> |

2. The movement in the contributed equity is reconciled as follows:

| | |
|--|-------------------|
| Contributed equity: | \$ |
| Opening balance | 28,990,144 |
| Placement of 39 million Shares at 1 cent | 390,000 |
| Placement of 100 Shares at 1 cent | 1 |
| Issue and allotment of 50 million Shares to acquire Turon Gold | 500,000 |
| Less: Cost of Issue | (30,000) |
| Closing balance | <u>29,850,145</u> |

2.3 Capital Structure of the Company

The capital structure of the Company following completion of the Issue is summarised below:

| | Shares Number | \$'s |
|--|---------------------------|--------------------------|
| Shares on Issue at the date of this Prospectus | 260,317,819 | 28,990,144 |
| Placement of 39,000,000 Shares at 1 cent per Share | 39,000,000 | 390,000 |
| Placement of 100 Shares at 1 cent per Share | 100 | 1 |
| Issue and allotment of 50,000,000 Shares to acquire Turon Gold at a deemed issue price of 1 cent per Share | 50,000,000 | 500,000 |
| Cost of Issue | - | (30,000) |
| | <u>349,317,919</u> | <u>29,850,145</u> |

Existing Options on issue

| Number | Price | Exercise |
|---------------|--------------|-----------------|
| 35,000,000 | 1 cent | 31/12/2007 |
| 50,000 | \$5.50 | 14/09/2005 |
| 125,000 | 20 cents | 29/10/2007 |

Section 3 RISK FACTORS

This Section identifies the areas the Directors regard as the major risks associated with an investment in the Company. Investors should be aware that an investment in the Company involves many risks which may be much higher than the risks associated with an investment in other companies. The Company is a mining exploration company and the risks are therefore very substantial. The securities offered by the Prospectus should be considered highly speculative. The securities offered by this Prospectus carry no guarantee whatsoever with respect to return on capital investment, payment of dividends or the future value of the securities. Intending subscribers should read the whole of this Prospectus in order to fully appreciate such matters and the manner in which the Company intends to operate before any decision is made to subscribe for securities. Investors should carefully consider these factors in light of personal circumstances (including financial and taxation issues) and seek professional advice from an accountant, stockbroker, lawyer or other professional adviser before deciding whether to invest.

There are numerous widespread risks associated with investing in any form of business and with investing in the share market generally. There are also a range of specific risks noted below and elsewhere in this Prospectus which may materially affect the financial performance of the Company and the market price of the Shares.

Share Investment

Applicants should be aware that there are risks associated with any share investment. The prices at which the Company's Shares trade may be above or below the issue price for the Shares under this Prospectus. The trading price of the Shares is likely to be highly volatile and could be subject to wide fluctuations in response to factors such as actual or anticipated variations in the Company's operating results or new services by the Company or its competitors.

The securities allotted under this Prospectus carry no guarantee whatsoever in respect of profitability, dividends, return of capital, or the price at which the Shares may trade on the ASX.

Economic Conditions

Economic conditions, both domestic and global, may affect the performance of the Company. Factors such as currency fluctuation, inflation, interest rates, supply and demand and industrial disruption have an impact on operating costs, commodity prices, including copper, gold and uranium prices, and share market prices. The Company's future possible revenue and share price can be affected by these factors all of which are beyond the control of the Company and the Directors. In addition, the Company's ability to raise additional capital, should it be required, may be affected.

Operational Risk

By its nature, the business of exploration, mineral development and production which the Directors intend the Company to undertake, contains risks. Prosperity depends on the successful exploration and/or acquisition of reserves, design and construction of efficient processing facilities, competent operation and management and efficient financial management. For its part, exploration (particularly for copper, nickel and cobalt) is a

speculative endeavour, while mining operations can be hampered by force majeure circumstances and cost overruns for unforeseen events.

Native Title

The Native Title Act 1993 (Commonwealth) may affect the Company's ability to gain access to prospective exploration areas or obtain production titles. Compensatory obligations may be necessary in settling native title claims lodged over the Company's tenements.

Environmental Risks

Exploration programmes impact on the environment. These impacts are minimised by the Company's application of best practice principles.

Government Policy

Industry profitability can be affected by changes in government policy relating to mineral exploration and production which are beyond the control of the Company.

Commodity Prices

The prices that the Company may obtain for mineral commodities may fluctuate due to market conditions.

No Profit to Date and Uncertainty of Future Profitability

The Company has incurred losses and it is therefore not possible to evaluate the future prospects based on past performance. The Directors anticipate making further losses in the foreseeable future.

Factors that will determine the Company's profitability are its ability to manage its costs, to execute its development and growth strategies, economic conditions in the markets the Company operates, competitive factors and regulatory developments. Accordingly, the extent of future profits, if any, and the time required to achieve a sustained profitability is uncertain. Moreover, the level of such profitability cannot be predicted and may vary significantly from quarter to quarter.

Investment Speculative

The list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The risk factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the securities offered under this Prospectus.

Therefore, the securities to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those securities.

Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for securities.

Section 4 ADDITIONAL INFORMATION

4.1 Legal Framework of this Prospectus

The Company is a “disclosing entity” under the Corporations Act and is subject to the regime of continuous disclosure and periodic reporting requirements. Specifically as a listed company, the Company is subject to the Listing Rules which require continuous disclosure to the market of any information possessed by the Company which a reasonable person would expect to have a material effect on the price or value of its shares.

4.2 Applicability of Corporations Act

As a “disclosing entity”, the Company has issued this Prospectus in accordance with section 713 of the Corporations Act applicable to prospectuses for an offer of securities which are quoted enhanced disclosure (“**ED**”) securities and the securities are in a class of securities that were quoted ED securities at all times in the 12 months before the issue of this Prospectus.

Having taken such precautions and having made such enquiries as are reasonable, the Company believes that it has complied with the provisions of the Listing Rules as in force from time to time which apply to disclosing entities, and which require the Company to notify ASIC of information available to the stock market conducted by ASX, throughout the 12 months before the issue of this Prospectus.

The ASX maintains files containing publicly disclosed information about all listed companies. The Company's file is available for inspection at ASX in Perth during normal working hours. In addition, copies of documents lodged by, or in relation to, the Company with ASIC may be obtained from, or inspected at, any regional office of ASIC.

At all times in the 12 months before the issue of this Prospectus, the Company was included in the official list of ASX and the Listing Rules applied to the Company in relation to the Shares to be issued under this Prospectus.

4.3 Information Available to Shareholders

The Company will provide a copy of each of the following documents, free of charge, to any investor who so requests during the application period under this Prospectus:

- (a) the Annual Financial Report for the Company for the period ending 30 June 2004;
- (b) the Half-Year Financial Report for the Company for the period ending 31 December 2004; and
- (c) the following documents used to notify ASX of information relating to the Company during the period after lodgement of the Annual Financial Report of the Company for the period ending 30 June 2004 and before the issue of this Prospectus:

| Date | Announcement |
|------------|--|
| 28/06/2005 | Final Director's Interest Notice x2 |
| 28/06/2005 | Initial Director's Interest Notice x2 |
| 28/06/2005 | Acquisition of Advanced High Grade Copper Project |
| 24/06/2005 | Trading Halt |
| 21/04/2005 | Third Quarter Activities Report |
| 07/04/2005 | Third Quarter Cashflow Report |
| 10/03/2005 | Half Year Accounts |
| 14/02/2005 | Change of Directors Interest Notice x 3 |
| 24/01/2005 | Second Quarter Activities Report |
| 24/01/2005 | Second Quarter Cashflow Report |
| 31/12/2005 | Results of General Meeting |
| 09/12/2004 | Becoming a substantial holder |
| 06/12/2004 | Change in substantial holding from SAR |
| 06/12/2004 | Full Terms and Conditions of 1 Cent Options |
| 06/12/2004 | Expenditure Budget |
| 06/12/2004 | Statement of Financial Position |
| 06/12/2004 | Top 20 shareholders and Distribution of Security Holders |
| 06/12/2004 | Pre-Reinstatement Disclosure |
| 06/12/2004 | Reinstatement to Official Quotation |
| 06/12/2004 | Company Update |
| 03/12/2004 | Change of Directors Interest Notice x 3 |
| 03/12/2004 | Becoming a substantial holder |
| 03/12/2004 | Becoming a substantial holder |
| 01/12/2004 | Prospectus Closed Fully Subscribed |
| 01/12/2004 | Half Yearly Report and Half Year Accounts - 31/12/2003 |

4.4 Rights Attaching to Shares

The Shares to be issued pursuant to this Prospectus will rank equally in all respects with existing Shares in the Company. Full details of the rights attaching to the Company's Shares are set out in its Constitution, a copy of which can be inspected at the Company's registered office.

The following is a summary of the rights that attach to the Company's existing Shares:

Voting Rights: At a general meeting every ordinary shareholder present in person or by representative has one vote on a show of hands. On a poll, every ordinary shareholder present in person or by proxy or attorney has one vote per share. Shareholders holding partly paid Shares have such number of votes on a poll equivalent to the proportion that the amount paid up thereon (excluding amounts credited) bears to the issue price of such share.

Dividend Rights: The Directors may authorise the payment by the Company to the shareholder of an interim dividend to be paid out of the profits of the Company provided that the Company in general meeting may only declare a dividend if the

Directors have recommended a dividend. The dividend cannot exceed the amount recommended by the Directors.

Rights on Winding Up: If the Company is wound up, the liquidator may, with the sanction of a special resolution, divide among the shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the shareholders or different classes of shareholders. Subject to any right or restrictions for the time being attached to any class or classes of shares (at present there are none), at meetings of shareholders. Upon a distribution of assets to shareholders, holders of restricted securities at the time of commencement of the winding up shall rank behind the holders of all other share capital.

Transfer of Shares: Subject to the Constitution, the Corporations Act and the Listing Rules, shares in the Company are freely tradeable. The Directors must decline to register any transfer where the Listing Rules require the Company to do so.

Issue of Further Shares: The allotment and issue of any additional shares is under the control of the Directors, subject to any restrictions on the allotment of Shares imposed by the Constitution, the Corporations Act or the Listing Rules.

Variation of rights: Holders of Shares who exercise Shares will be issued with fully paid ordinary Shares in the Company. At present, the Company only has fully paid ordinary Shares on issue; it has not issued partly paid ordinary Shares or any other class of Shares. The rights and privileges attaching to ordinary Shares can be altered by special resolution of the shareholders. A special resolution is a resolution passed by a majority of not less than 75% of those present and voting. Where the necessary majority for a special resolution is not obtained at a meeting, consent in writing if obtained from the holders of three-fourths of the shares concerned within two months of the meeting shall be as valid and effectual as a special resolution carried at the meeting.

4.5 Interest of Directors

- (a) Other than as set out below or elsewhere in this Prospectus, no Director (whether individually or in consequence of a Director's association with any company or firm or in any material contract entered into by the Company) has now, or has had, in the 2 year period ending on the date of this Prospectus, any interest in:
- the formation or promotion of the Company; or
 - property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Placement and Further Placement; or
 - the Placement and Further Placement.

Except as disclosed in this Prospectus, no amounts of any kind (whether in cash, Shares, options or otherwise) have been paid or agreed to be paid to any Director or to any company or firm with which a Director is associated to induce him to become, or to qualify as, a Director, or otherwise for services rendered by him or his company or

firm with which the Director is associated in connection with the formation or promotion of the Company or the Placement and Further Placement.

- (b) Turon Gold is being acquired from interests associated with Mr M Wood and Mr M Haynes and other third parties. Mr Wood and Mr Haynes have been appointed as directors of the Company as part of the proposed acquisition. The entitlement to Shares under the Turon Offer being allocated to Mr Wood and Mr Haynes are detailed below. The parties who will participate in the Placement are being introduced by Turon Gold.
- (c) Each Director's relevant interest in Shares and Options at the date of this Prospectus are:

| Director | Shares | Turon Offer ** | Options 31/12/07 |
|--|---------------|---------------------------|-----------------------------|
| Mr D Steinepreis (including Ascent Capital*) | 18,400,000 | | 5,000,000 |
| Mr M Wood | - | 22,471,910 | - |
| Mr M Haynes | - | 22,471,910 | - |

* Ascent Capital is a company which Mr Steinepreis has a 33.3% relevant interest.

** Mr Wood and Mr Haynes have a relevant interest in the acquisition of Turon Gold.

- (d) The Constitution of the Company provides that the Directors may be paid for their services as Directors, a sum not exceeding such fixed sum per annum as may be determined by the Company in general meeting, to be divided among the Directors and in default of agreement then in equal shares.
- (e) In the last two years, the following remuneration and consulting fees have been paid to the current Directors, companies associated with the Directors or their associates in their capacity as Directors, consultants or advisers:
 - (i) D Steinepreis \$40,000.
 - (ii) M Wood \$nil.
 - (iii) M Haynes \$nil.

There are currently no management contracts and remuneration is paid on a monthly basis. Ord Street Services, an entity associated with D Steinepreis, has also been paid for the provision of office accommodation in the amount of \$26,400 in the last two years.

- (f) Ascent Capital charged a fee of \$50,000 (plus GST) for work performed re-capitalising this Company in 2004.
- (g) Ascent Capital provided an interest free loan of \$205,000 to the Company. The loan has now been repaid in full.

4.6 Interests of Named Persons

Except as disclosed in this Prospectus, no expert, promoter or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of the Prospectus, nor any firm in which any of those persons is or was a partner nor any company in which any of those persons is or was associated with, has now, or has had, in the 2 year period ending on the date of this Prospectus, any interest in:

- the formation or promotion of the Company;
- property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Placement and Further Placement; or
- the Placement and Further Placement.

Except as disclosed in this Prospectus, no amounts of any kind (whether in cash, Shares, options or otherwise) have been paid or agreed to be paid to any expert, promoter or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of the Prospectus, or to any firm in which any of those persons is or was a partner or to any company in which any of those persons is or was associated with, for services rendered by that person in connection with the formation or promotion of the Company or the Placement and Further Placement.

4.7 Market Prices of Shares on ASX

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are quoted on ASX. The Shares were reinstated to trading on 7 December 2004 and have traded at a low of 1.2 cents on 21 June 2005 and a high of 3 cents on 9 December 2004. There are no listed options.

4.8 Expenses of the Issue

The estimated expenses of the Issue are \$30,000 which includes the estimated brokerage and commission fees.

4.9 Material Contract

Share Purchase Agreement

On 27 June 2005, a share purchase agreement was entered into by Matthew Gaden Western Wood & Belinda Lucy Wood <Wood Family A/C>, Bullseye Geoservices Pty Ltd as trustee for The Haynes Family Trust, Warrior Consulting Pty Ltd and Toni Jones (the **Vendors**), Matthew Wood, Michael Haynes (the **Directors**) and the Company (as **Purchaser**) for the purchase of all the issued share capital in Turon Gold Pty Ltd (**Share Purchase Agreement**).

In consideration for the transfer of the issued share capital in Turon Gold to the Company, the Company must issue to the Vendors 50,000,000 Shares which Shares are to be escrowed for a period of 6 months from the date of issue.

Completion is conditional upon certain conditions precedent being satisfied, including:

- the Company completing satisfactory due diligence investigations with respect to Turon Gold and its business, which condition has been satisfied;
- neither the Vendors nor the Company being prevented from completing under the Share Purchase Agreement by virtue of receiving any notice from any regulatory authority in relation to non-compliance with any relevant law;
- the Company obtaining all necessary shareholder approvals to enable it to lawfully enter into the Share Purchase Agreement, including for the issue of the Purchaser Shares;
- no material changes having occurred; and
- the Company not having become aware of any materially misleading statement or omission having been made by the Vendors or the Directors in relation to Turon Gold.

The Vendors and Directors are under the usual obligations in relation to the conduct of Turon Gold's business prior to completion. The Company has agreed to commit up to \$100,000 for exploration expenditure on the mining assets prior to completion. Each party has provided the commercial representations and warranties usual for a transaction of this nature. The Vendors and the Directors have jointly and severally indemnified the Company against, amongst other things, any direct or indirect loss or cost arising out of a breach of the Share Purchase Agreement. There is no maximum aggregate liability of a party as a result of breaches of warranties provided by them.

4.10 Privacy Disclosure Statement

The Company collects information about each Applicant from an Application Form for the purposes of processing the Application and, if the Application is successful, to administer the Applicant's security holding in the Company.

By submitting an Application Form, each Applicant agrees that the Company may use the information in the Application Form for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the share registry, the Company's related bodies corporate, agents, contractors and third party service providers, (including mailing houses), the ASX, ASIC and other regulatory authorities.

If an Applicant becomes a security holder of the Company, the Corporations Act requires the Company to include information about the security holder (name, address and details of the securities held) in its public register. This information must remain in the register even if that person ceases to be a security holder of the Company. Information contained in the Company's registers is also used to facilitate distribution payments and corporate communications (including the Company's financial results, annual reports and other information that the Company may wish to communicate to its security holders) and compliance by the Company with legal and regulatory requirements.

If you do not provide the information required on the Application Form, the Company may not be able to accept or process your Application.

4.11 Electronic Prospectus

Pursuant to Class Order 00/044, the ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an electronic Prospectus and electronic application form on the basis of a paper Prospectus lodged with the

ASIC, and the publication of notices referring to an electronic Prospectus or electronic application form, subject to compliance with certain conditions.

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please contact the Company on (08) 9420 9300 and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus or both. Alternatively, you may obtain a copy of the Prospectus from the website:

www.ascentcapital.com.au/asx/blrjuly.html

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement Prospectus or any of those documents were incomplete or altered.

Section 5 DIRECTORS' RESPONSIBILITY STATEMENT & CONSENT

Each Director has consented to the lodgement of this Prospectus with the ASIC and has not withdrawn that consent.

Dated: 6 July 2005

A handwritten signature in black ink, appearing to read 'D Steinepreis', with a long horizontal flourish extending to the right.

David Steinepreis
Director

Section 6 DEFINED TERMS

“Application Form” means the application forms accompanying this Prospectus and **“Applicant”** and **“Application”** have comparative meanings;

“Ascent Capital” means Ascent Capital Pty Ltd ABN 19 065 055 816;

“ASIC” means the Australian Securities & Investments Commission;

“ASX” means Australian Stock Exchange Limited;

“Business Day” means every day other than a Saturday, Sunday, New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day;

“Company” means Black Range Minerals Limited ABN 86 009 079 047;

“Corporations Act” means the Corporations Act 2001 (Cth);

“Directors” means the directors of the Company;

“Further Placement” means the placement of 100 Shares at 1 cent each to raise \$1 referred to in Section 1.12 of this Prospectus;

“Issue” means the issue of Shares offered by this Prospectus;

“Listing Rules” means the Listing Rules of ASX;

“Mineral Sharing Deed” means the deed dated 16 December 2002 between Black Range Metals (Syerston) Pty Ltd and Rimfire Pacific Minerals (Rimfire) NL whereby the Company can explore for nickel and cobalt on the subject tenements and Rimfire can explore for other minerals and the deed of assignment, assumption and consent mineral sharing deed dated on or about 2 March 2004.

“Offers” means the Placement and Turon Offer;

“Option” means an option to acquire one Share exercisable at 1 cent each on or before 31 December 2007;

“Placement” means the placement of 39,000,000 Shares at 1 cent each to raise \$390,000 referred to in Section 1.12 of this Prospectus;

“Prospectus” means this prospectus dated 6 July 2005;

“Share” means an ordinary fully paid share in the capital of the Company;

“Turon Gold” means Turon Gold Pty Ltd ABN 39 108 675 216;

“Turon Offer” means the offer to acquire Turon Gold by the issue and allotment of 50,000,000 Shares at a deemed issue price of 1 cent each;

“WST” means Australian Western Standard Time.