



ASX Release

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**BLACK RANGE MINERALS
LIMITED**

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Issued Capital:
426.6 million shares

Australian Stock Exchange
Symbol: **BLR**

DECEMBER QUARTERLY REPORT 2005

HIGHLIGHTS

- The Company has successfully completed its initial drilling programme at the 100% owned Koonenberry Base Metal Project, located approximately 100km east of Broken Hill in western New South Wales.
- Drill hole GSRD029, drilled two kilometres to the west of the Grasmere Copper Deposit intersected **7m @ 5.51% Cu from 47 metres**. Not only is this an impressive copper intersection, but it validates the Company's view that copper mineralisation is present along an extensive geological contact that has been only lightly explored.
- The Company is committed to further exploration in the Koonenberry Belt, which has the potential to host a new base metal discovery and where minimal past exploration has been conducted. The Company has granted exploration licences over approximately 600 km², including up to 75 kilometres of interpreted mineralised trend.
- On 17 November the company was granted two exploration licences covering the historic Crookwell iron mine and historic base metal workings at Mulloon. Both licences are located in south east New South Wales and are highly prospective for base metal mineralisation.
- On 11 October the Company successfully completed the placement of 54 million new shares at an issue price of 2.2 cents per share to raise \$1.188 million.
- The Company continues to assess a number of acquisition opportunities both within Australia and world wide.
- Cash reserves at 31 December 2005 totalled \$1.481m.



KOONENBERRY BASE METAL PROJECT

The Company completed its initial drilling programme at the Koonenberry Base Metal Project located approximately 100 km east of Broken Hill in western New South Wales. The Company completed over 5,500 metres of reverse circulation and diamond drilling at the project. Copper mineralisation was intersected in a high proportion of drill holes.

The drilling programme has confirmed that the Grasmere Copper Deposit is part of a much larger mineralised system with significant copper mineralisation intersected over at least four kilometres of strike length. The high grade intersection in GSRD029 of **7 metres at 5.51% Copper from 47 metres** was drilled two kilometres to the west of the Grasmere Copper Deposit. Limited historic drilling on this section had failed to intersect any copper mineralisation.

Drill hole GSRD038 was drilled a further one kilometre west and intersected **2 metres at 2.07% Copper from 196m**. This confirms the large lateral extent of high grade copper mineralisation. Mineralisation remains open along strike and at depth.

A Phase 2 drilling programme is currently being designed to further test the lateral and depth extent of this mineralisation. The drilling will also tighten the drill spacing in the areas of known mineralisation.

The Company has identified a large gravity anomaly under shallow sand cover associated with extensions to the known mineralised trend. The gravity anomaly is to the west of the current drill pattern and an infill gravity survey has been planned for late February to assess its potential as a drill target.

NEW PROJECTS

Crookwell Base Metal Project, NSW

On November 17, 2005 the Company was granted an exploration licence covering the historic Crookwell iron mine in south east New South Wales.



This application covers 113km² of ground that is highly prospective for base metal mineralisation.

This project lies 50 kilometres to the north of, and includes the same sequence of rocks that host the former Woodlawn massive sulphide deposit (18Mt at 2% Cu, 2.6% Pb, 4.2% Zn, 95g/t Ag and 1.8g/t Au)

More than 500,000 tonnes of oxidised (weathered) massive sulphide in the form of haematite was extracted from the Crookwell deposit during World War II. Sub-economic grades of copper, lead and zinc are recorded in many samples taken from the Crookwell iron mine. Large base metal sulphide deposits commonly have a weathered and leached haematite cap containing subeconomic base metal grades similar to those previously recognised at the Crookwell iron mine.

The company has commenced initial reconnaissance exploration over the licence with the view to undertaking appropriate geo-technical studies to identify early drill targets.

Mulloon Base Metal Project, NSW

On 17 November, 2005 the Company was granted an exploration licence covering historic workings at Mulloon in south east New South Wales. This application covers 163km² of ground that is highly prospective for base metal mineralisation.

This project lies 20 kilometres to the south of, and includes the same sequence of rocks that host the former Woodlawn massive sulphide deposit (18Mt at 2% Cu, 2.6% Pb, 4.2% Zn, 95g/t Ag and 1.8g/t Au). Only 25 holes have been drilled at the project, almost all of which are less than 100 metres deep. Encouraging results from drilling include 3 metres at 2.0% Cu at a depth of 90m, 0.3 metres at 1.8% Cu, 13.4% Pb and 17.5% Zn from 23.7 metres and 0.3 metres at 2.7% Cu, 4.5% Pb and 18.3% Zn from 22.1 metres.

The company has commenced initial reconnaissance exploration over the licence with the view to undertaking appropriate geo-technical studies to identify early drill targets.

Other Projects

The Company continues to assess a number of acquisition opportunities both within Australia and worldwide.



CORPORATE

Cash reserves at 31 December 2005 totalled \$1.481m

On 11 October the Company successfully completed the placement of 54 million new shares at an issue price of 2.2 cents per share to raise \$1.188 million.

Michael Haynes
Director

Information in this report relating to ore reserves, mineral resources or mineralisation conforms reporting requirements of the "Australian Institute of Mining and Metallurgy's Code for Reporting of Identified Mineral Resources and Ore Reserves" and is based on and accurately reflects information compiled by Mr Bill Oliver who is a consultant to Black Range Minerals Limited and who is a Competent Person as defined by the code. Mr Oliver is a member of the Australian Institute of Mining and Metallurgy and consents to the release of the information dealing with these matters in the form in which it is reported.