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Caltowie Project reveals strong Iron Ore potential

- **Several large magnetic anomalies within 5km of a major railway line**
- **Conceptual targets of up to 200 million tonnes at 60%+ Fe**
- **Includes the site of BHP's first iron ore mine which produced 70,000t at 61% Fe**
- **Copper Range has the right to earn up to 90% of the project from its current 50%**
- **The Caltowie project complements the Company's 100% owned Holowilena banded ironstone (38%-48% Fe) target near Hawker, South Australia**
- **Adelaide Fold Belt has the potential to be Australia's next iron ore field**

Australian exploration company Copper Range Limited (Copper Range) (ASX: CRJ) is pleased to report that a review of its Caltowie tenement in the Adelaide Fold Belt in South Australia has highlighted strong iron ore potential within the tenement area.

The review concluded that there is considerable potential to identify large resources of high grade iron ore in the Caltowie area. Aeromagnetic surveys conducted by Conzinc Riotinto of Australia Ltd (CRA) in 1979 clearly identify three strong magnetic anomalies within the Caltowie tenement in addition to the lower strength anomaly associated with the Hicks Ironstone Quarry.

Small-scale iron ore mining has been carried out for many years in the Flinders Ranges at the northern limit of the Adelaide Fold Belt. The region holds many occurrences of banded ironstones and massive high-grade metasomatic iron outcrops. However, the region has been largely ignored until very recently and is thus under explored. The region has the advantages of existing infrastructure and ease of access for exploration. Unlike the northern Eyre Peninsula, the Adelaide Fold Belt is not impacted by the restrictions associated with missile testing within the Woomera prohibited area.

Hicks Quarry prospect

In-house modelling of the magnetic anomaly associated with a high grade open cut mine near the western boundary of the **Caltowie** tenement (EL3242) suggests the tenement could host a **conceptual target of around 200 million tonnes at 60%+ Fe**.

The open cut, known as the Hicks Quarry, was worked by Broken Hill Proprietary Ltd (BHP) between 1896 and 1902 as a source of iron flux for the Port Pirie smelter, and approximately 70,000t of high grade ore was mined (at an estimated grade of 61% Fe) during this period. Since that time the quarry has been used as a waste dump by subsequent landholders.

The Caltowie deposit is located approximately 6km from the town of Gladstone in close proximity to the Sydney-Broken Hill-Port Pirie rail line, which passes 1km to the south of Hicks Quarry. See tenement location map in Figure 1.

The quarry, shown in Figure 2, is approximately 100m long by 25m deep and 20m wide. Exposures of massive ironstone are evident in two of the quarry walls and in a deep creek incision 300m to the south-east, which appears to be a sub-crop of the same body. A single sample of float assayed 64% Fe. (See also Figures 4 & 5, attached, for location map of Hicks Quarry).

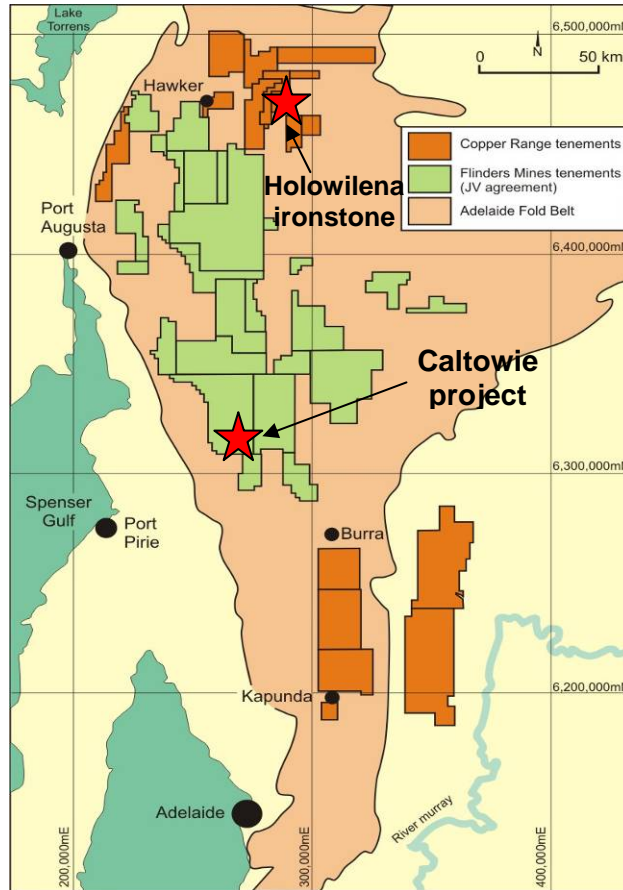


Figure 1: Caltowie location map

CRA explored the area in 1979 and identified two possible occurrences of ironstone from aeromagnetic data. These occurrences are approximately 600m and 1,000m north of the quarry. (The best of the currently available aeromagnetic data has a line spacing of 400m and a mean terrain clearance of 130m. There is also regional BMR aeromagnetic data, with a line spacing of 1600m and average terrain clearance of 152m.)

The ironstone consists of haematite, goethite and some magnetite, which is evidenced by a low level magnetic anomaly over Hick’s Quarry, and extensions to the north. Work conducted by CRA suggests that the magnetic anomaly covers an area of 800m by 1,060m.



Figure 2: Hicks Quarry exhibiting highly weathered ironstone (mined until 1902)



Figure 3: Ironstone sample from surface float found near Hicks Quarry

Further testing by XRD and/or mineralogical examination is required to confirm the view from visual assessment that the material consists mainly of haematite.

While the estimate of tonnage is highly conceptual it does suggest a very attractive target for evaluation, and the Company believes there appears to be a good possibility of delineating a significant resource in close proximity to transport, labour, power and possible port facilities. While this view is supported by previous mining history, assays, magnetic imagery and modelling data, as well as geological support based on the structural and stratigraphic setting and identified outcrops it is emphasised that future exploration may significantly change the prospectivity of the target.

Other magnetic anomalies

Processed data from CRA's aeromagnetic surveys is shown in Figure 6 indicating additional targets within the region in bodies "A-C". Whilst these targets do not outcrop they have a significant magnetic signature. Bodies "B" and "C" are predicted to be very large, but deep. However, body "A" near Caltowie is both potentially large and from the modelling appears to be near surface. Estimates from the modelling suggest that this body may contain 200 million cubic metres of magnetic rock of which an unknown percentage may be iron ore.

In 1977 Craton Resources NL drilled two shallow holes to depths of 49m and 169m respectively within the area of body "A". The deeper hole encountered strong haematite alteration between 102m and 169m. The shallower hole, near to where the body is thought to be close to the surface, intersected massive haematitic ironstone from 24m to 43m. This hole was terminated at 49m due to collapsing gravels. Neither hole resolved the source of the magnetic anomaly.

The Caltowie tenement (EL3242) is owned by Flinders Mines Ltd. In March 2007, Copper Range entered into a farm-in agreement, in which it can earn up to a 90% interest in all metal discoveries on Flinders Mines' Adelaide Fold Belt tenements. By virtue of its expenditure to date, Copper Range currently has a 50% interest in the metal rights.

The review of the Caltowie tenement recommended that ground magnetic surveys, gravity surveys and reverse circulation (RC) drilling should be undertaken to best identify and characterise the resources in the area. In addition, it has also recommended an evaluation of the copper potential within the tenement, and the adjacent tenement to the north, which host historic copper workings.

ENDS

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Competent person statement

Mr Michael Ware (FAusIMM), an employee of Copper Range Limited, compiled the technical aspects of this report. Mr Ware is a Fellow of The Australasian Institute of Mining and Metallurgy and has sufficient experience that is relevant to the style of mineralisation and the type of deposits under consideration and to the activity that is being reported on to qualify as a Competent Person as defined in the September 2004 edition of the "Australasian Code for Reporting of Mineral Resources and Ore Reserves". Mr Ware consents to the inclusion in this report of the matters in the form and context in which they appear.

Attachments

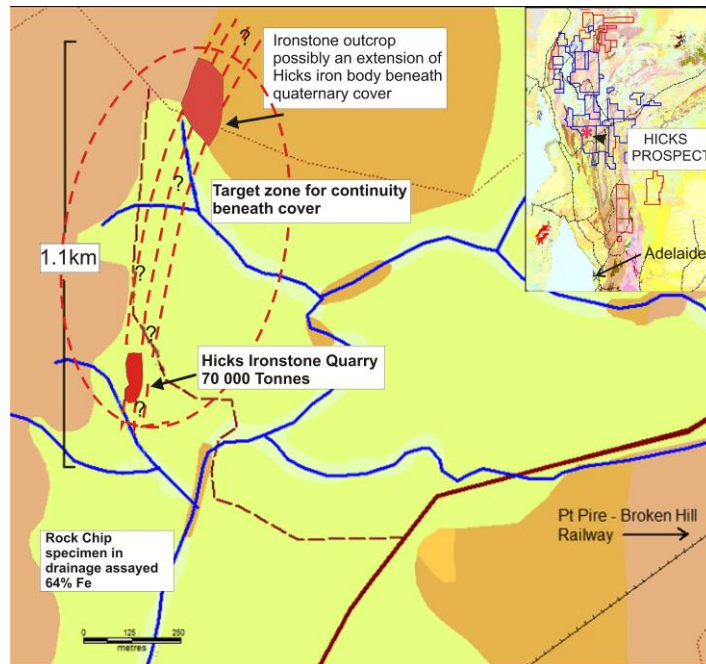


Figure 4: Hicks Quarry prospect

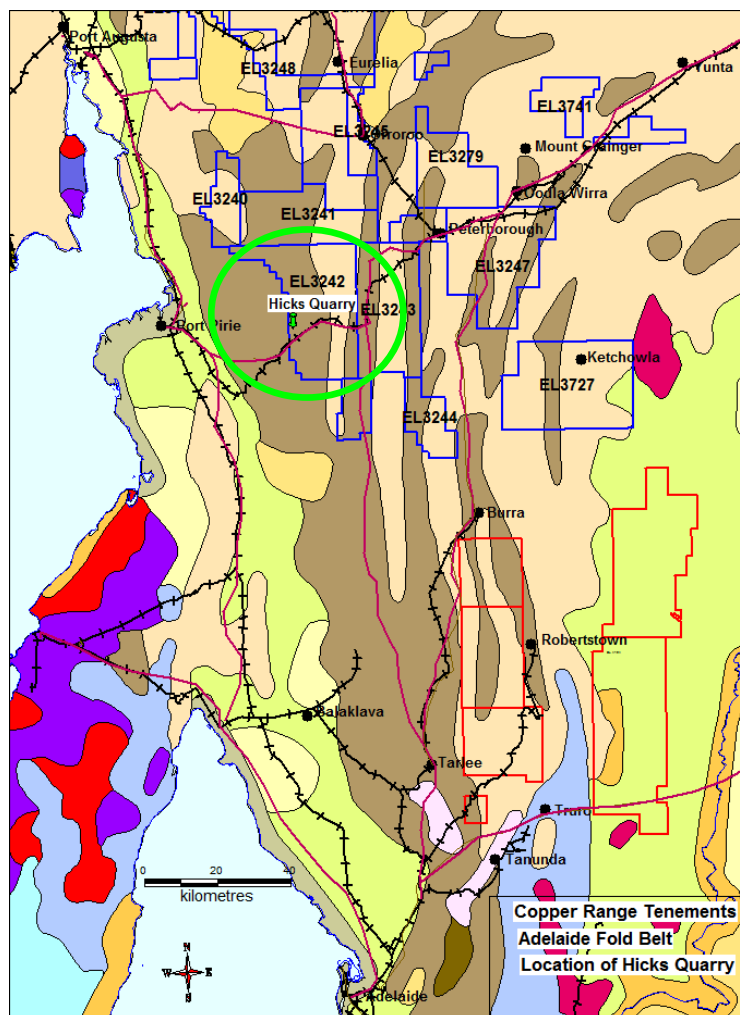


Figure 5: Caltowie iron deposit (Hicks Quarry)

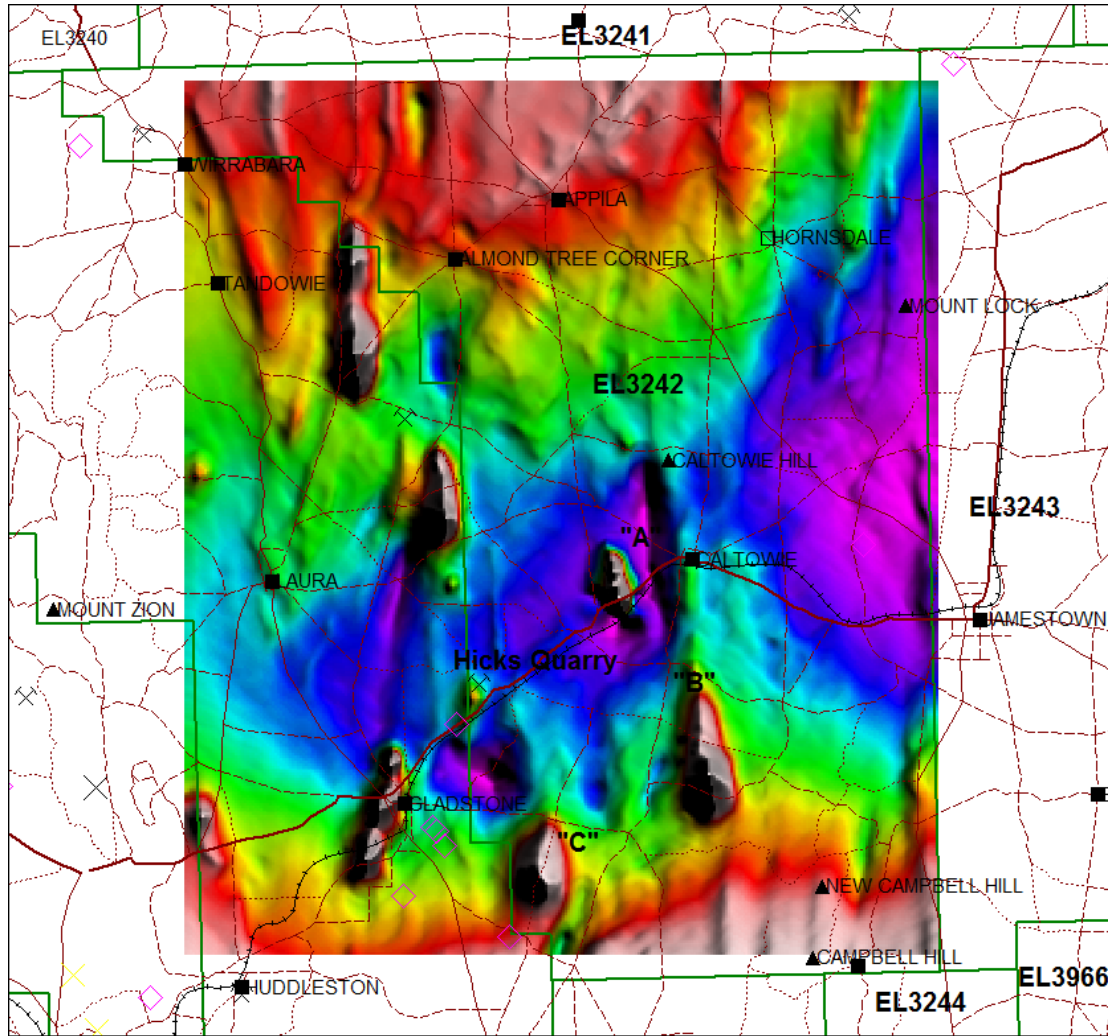


Figure 6: Aerial magnetic survey data showing a moderate magnetic anomaly associated with the Hicks Quarry and very large magnetic anomalies to the SSE and ESE and NE that have not been adequately investigated