

27 July 2010

**The Manager
Company Announcements Office
Australian Securities Exchange
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000**

Dear Sir,

QUARTERLY REPORT FOR THE PERIOD ENDED 30 JUNE 2010

WESTERN AUSTRALIA URANIUM EXPLORATION

1. YEELIRRIE URANIUM PROJECT, NORTHEASTERN GOLDFIELDS



The Yeelirrie Uranium Project is located in the North eastern Goldfields of Western Australia, some 650 kilometres to the northeast of Perth and is located largely within the Shire of Wiluna.

The project surrounds BHP Billiton's (BHPB) Yeelirrie uranium project, which is currently in the final stages of its Feasibility Study and is proceeding through the approvals process in Western Australia.

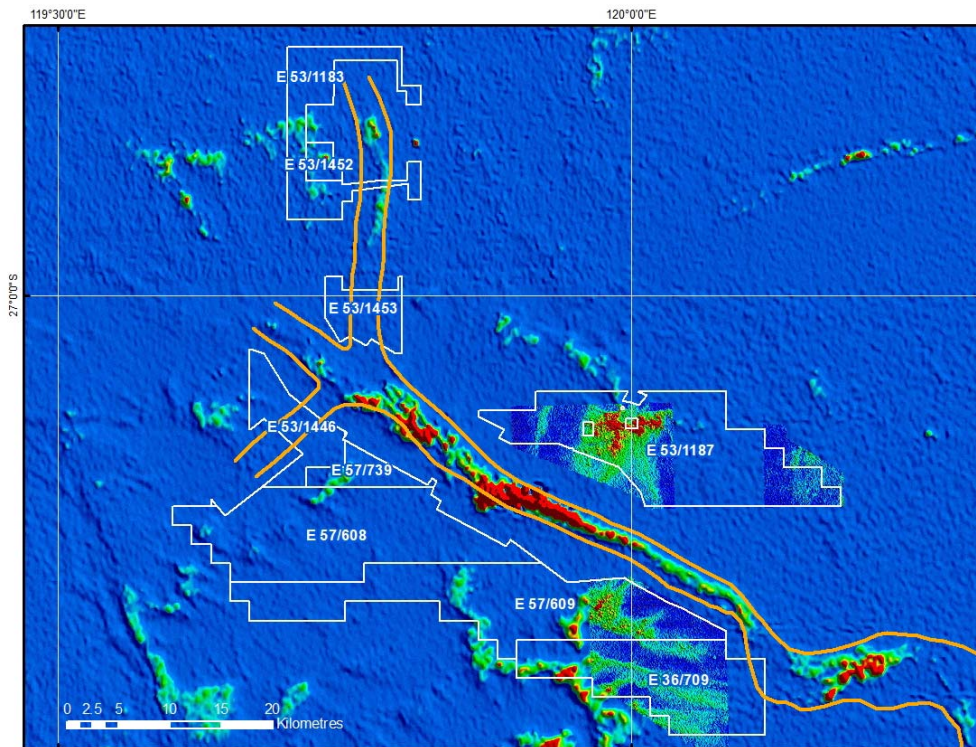
Blaze's ongoing exploration review of the project area has produced a number of highly prospective targets for further exploration testing. The field programme commenced during the quarter and included reconnaissance, geological mapping and sampling

1.1 YEELIRRIE EXPLORATION PROGRAMME

Blaze has initiated a systematic programme of exploration across the project area, with the aim of:

- Identifying areas of anomalous uranium mineralisation.
- Identifying priority target areas for field exploration, particularly drilling.

A detailed evaluation and field reconnaissance of Yeelirrie has highlighted a number of areas for priority exploration including:



U-channel radiometric data from the Yeelirrie Valley uranium project licences

1.1.1 Channel Targets

Blaze has tenement coverage of much of the area surrounding BHPB's tenure at Yeelirrie. Licences E 57/1446 & 1453 cover tributaries to the main mineralised channel, upstream from the mineralisation at 12 Mile Bore. Although there is little radiometric response, field checking has shown that sand and soil cover these channels. This provides the opportunity for buried calcrete-hosted carnotite mineralisation within these licence areas.

These two leases represent **high priority exploration targets** for buried mineralisation of a similar nature to BHPB's 12 Mile Bore deposit.

1.1.2 Drainage Targets

A review of the exploration dataset shows that radiometric values are elevated in a number of the more recent creek lines and drainages throughout the Yeelirrie Valley catchment. This is especially true within E 57/1187 on the northern side of the Yeelirrie palaeochannel. Radiometric data also shows anomalous uranium in the tributary channels to the south of 12 Mile Bore.

These targets will be better defined through remote sensing imagery, which may also highlight further targets of this type.

1.1.3 Granite Targets

The granites surrounding, and forming the basement of, the Yeelirrie Valley project area are anomalously radioactive. These are considered to be **an important source** of uranium for the calcrete-hosted carnotite deposits at 12 Mile Bore. In particular, a number of uranium-rich granites have been identified using the radiometric data.

Public records show that some of the granitic lithologies found at and around Yeelirrie are similar to those from alaskite-hosted uranium deposits in other parts of the world, notably

in Namibia. A major contrast between Namibia and Western Australia is that the more mature Namibian uranium fields are home to **both the calcrete hosted carnotite deposits, and to the granite (or alaskite) hosted uranium oxide deposits** in the hinterland. These include the world-class Rössing (Rio Tinto) deposit as well as the Rössing South (Extract Resources), Etango (Bannerman Resources), and Valencia (Forsys Metals Corp.) deposits.

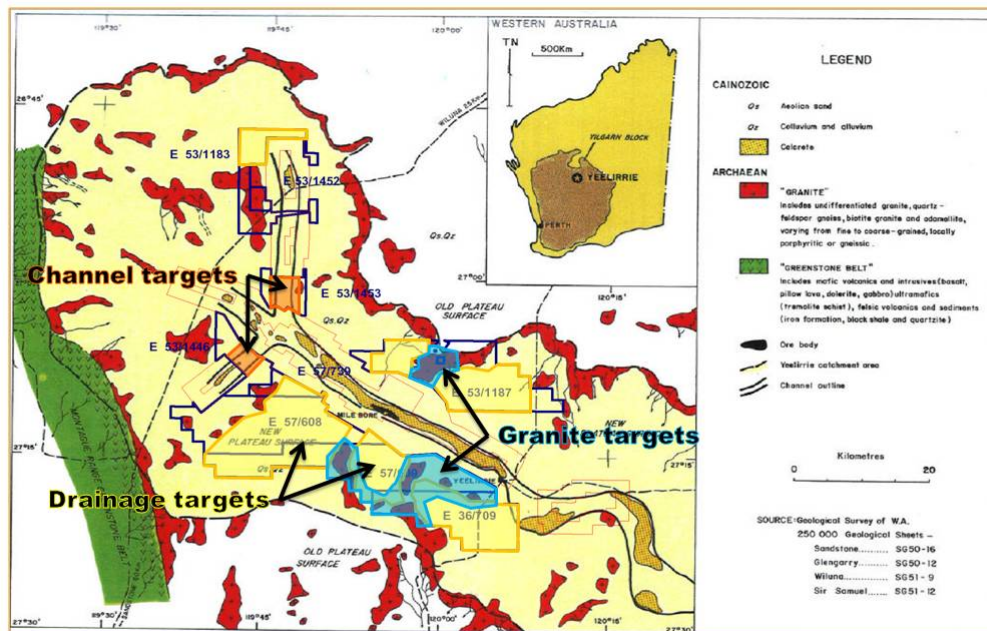
In Western Australia, uranium oxide deposits have not, to date, been discovered in proximity to the calcrete hosted deposits. In the Yeelirrie Valley a priority target will be alaskite-hosted uranium oxide mineralisation in the hinterland surrounding BHPB's Yeelirrie calcrete-hosted carnotite deposit.

Fresh samples of prospective granites at Yeelirrie will be acquired through drilling, in order to penetrate the uranium-depleted carapace of weathered material near surface.

1.1.4 Headwater Targets

Historically, various workers have noted the 'calcification' of the bedrock granite surrounding Yeelirrie. This may represent a medium for the concentration of uranium after its liberation from the fresh granite, prior to its mobilization into the valley groundwaters and calcretes.

The mechanics of this *in situ* concentration mechanism in the headwaters of the drainage system requires further investigation, with the calcified weathered granites to be identified in outcrop. It is expected that their distribution will lie in areas of outcropping granite around the margins of the valley.



Initial targets identified throughout the Yeelirrie Valley project area.

1.2 YEELIRRIE PROSPECTIVITY

The Yeelirrie Valley Uranium Project is highly prospective for uranium for the following reasons:

- The project is located immediately adjacent to BHPB's Yeelirrie uranium deposit, one of the largest undeveloped uranium deposits in the world.
- The project may contain lateral extensions to the calcrete-hosted carnotite mineralisation of Yeelirrie deposit.

- The project may contain other buried zones of calcrete-hosted carnotite mineralisation in other tributary drainages.
- Granite- or alaskite-hosted uranium oxide mineralisation may lie within the Yeelirrie Valley project area. Such mineralisation could be the source of the uranium in the Yeelirrie deposit.
- Outside of the Yeelirrie deposit, the Yeelirrie Valley has been the subject of only minimal exploration for uranium mineralisation.

Blaze has initiated exploration in the Yeelirrie valley with ongoing reconnaissance and mapping, radiometric sampling and a hyper-spectral survey, which has been utilised with great success by explorers in Namibia, currently underway. It is anticipated that drilling, of various targets, will commence later in the year

2. CONCLUSION

Initial exploration of the Yeelirrie Valley shows the project to overlie a well mineralised uranium catchment. The BLZ leases cover highly prospective regolith and stratigraphy, which shows indications of significant uranium mineralisation.

Blaze is presently developing a systematic exploration programme to test a number targets throughout the project area and looks forward to updating shareholders as its programme advances.

3. CAPITAL RAISING

As previously reported, the Company raised \$240,000 in the June quarter, and a further \$964,375 in July. These funds will enable the Company to actively explore the Yeelirrie uranium project and provide additional working capital.

Yours faithfully

David Zukerman
Company Secretary
Blaze International Ltd

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Or consult our website:

<http://www.blazelimited.com.au/>

Competent Persons Declaration

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Timothy Putt of Exploration and Mining Information Systems, who is a member of The Australasian Institute of Geoscientists and the Society of Economic Geologists. Mr. Putt has sufficient experience that is relevant to the various styles of mineralisation and types of deposit under consideration, and to the activity that they are undertaking to qualify as Competent Persons as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resource and Ore Reserves". Timothy Putt consents to the inclusion in the report of the matters based on his information in the form and context in which it appears

Forward-Looking Statements

This document may include forward-looking statements. Forward-looking statements include, but are not limited to, statements concerning Prime Minerals Limited's planned exploration programme and other statements that are not historical facts. When used in this document, the words such as "could," "plan," "estimate," "expect," "intend," "may", "potential," "should," and similar expressions are forward-looking statements. Although Prime Minerals Limited believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.