

Southdown Joint Venture (SDJV) Southdown Magnetite Project

Information Sheet September 2022

The Southdown Project is a joint venture between Grange Resources (70%) and SRT Australia Pty Ltd (30%) – this partnership is known as the Southdown Joint Venture (SDJV).

Grange Resources Limited (Grange Resources) is Australia's most experienced magnetite producer with over 50 years of mining and production from its Savage River Mine in Tasmania.

SRT Australia Pty Ltd is jointly owned by Sojitz Corporation, a Japanese global trading company, and Kobe Steel, a major Japanese steel maker.



Project Overview

What is magnetite?

Magnetite is a valuable source of iron ore that occurs naturally on the earth's surface and is mainly used in making steel. Iron ore most commonly occurs in the form of haematite or magnetite.

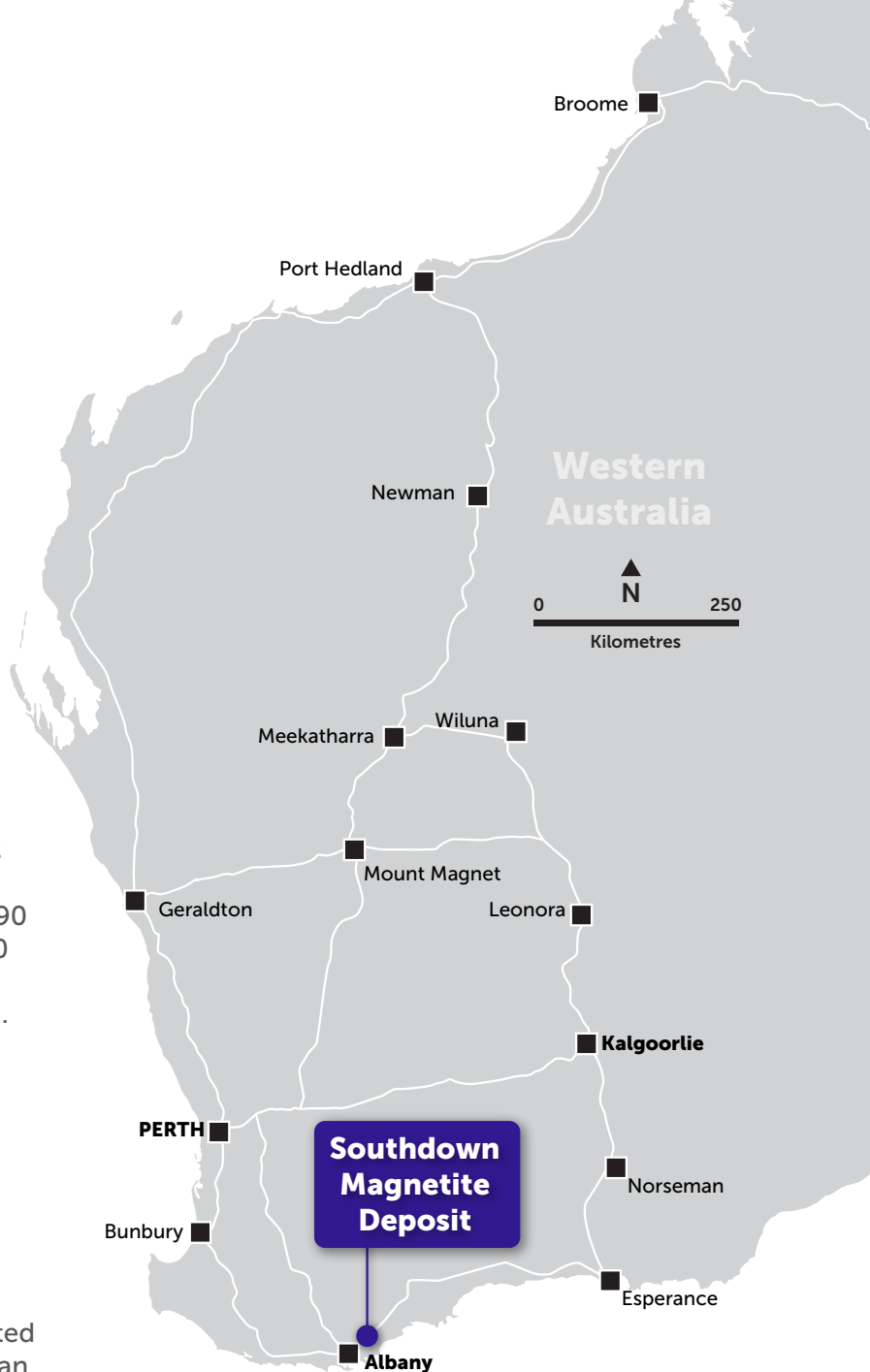
The high iron content and low impurity in magnetite concentrate offers a better quality product that is both more productive and efficient than haematite. Magnetite also has internal thermal energy meaning less energy is required during processing resulting in lower carbon emissions during steel making and better environmental outcomes.

Southdown Magnetite Project

The Southdown Magnetite Project involves the construction and operation of an open pit magnetite mine located approximately 90 kilometres east-northeast of Albany, and 10 kilometres south-west of Wellstead in the Great Southern region of Western Australia.

The Southdown magnetite deposit is approximately 12 kilometres in length with 6 kilometres of this included in the current study. It contains over 1.2 billion tonnes of high-quality mineral resources, including 388 million tonnes (Mt) of ore reserves.

The magnetite ore will be mined, crushed, ground, screened and magnetically separated to produce a magnetite concentrate. With an initial mine life of 28 years, it is anticipated that around 5 Mt of magnetite concentrate will be exported to international markets each year.



Key Components of the Project

The Southdown Magnetite Project is proposed to be a pit to port operation involving:



The construction and operation of an open cut magnetite mine and concentrator for producing magnetite concentrate at the mine site, near Wellstead.



A 110km underground slurry pipeline to transport the magnetite concentrate from the mine site to the Port of Albany.



Once the slurry reaches the Port, it will be dewatered and stored in a storage shed ready for shipping.



The recycled water from the dewatering process will be pumped back to the mine site in a second pipeline following the same alignment as the slurry pipeline.



When the concentrate is ready for shipping, it will be loaded on to a smaller transshipping vessel (TSV) via conveyors and a shiploader and transported by the TSV to be loaded onto larger vessels in King George Sound. This process is known as transshipping.



Water for the construction and operation of the mine is anticipated to be sourced from a mix of recycled wastewater from the Water Corporation's Wastewater Treatment Plant and groundwater from local borefields.



Electricity will be supplied via a transmission line from Collie to the mine site, using renewable energy as the power source.



Project Status

In addition to a Definitive Feasibility Study (DFS) completed in 2012, Grange completed an updated pre-feasibility Study (PFS) in February 2022, which proposed a scaled project development option based on a nominal production rate to 5 Million tonnes per annum (Mtpa) of magnetite concentrate, largely within the area that has already obtained environmental approvals for development. The results of the PFS were announced on the 22 March 2022 and can be viewed via the Grange webpage at grangeresources.com.au/announcement.

Grange will look to further optimise the project as it continues to progress into the Definitive Feasibility Study (DFS) which is planned to be completed by late 2022.

The Southdown Magnetite Project has been granted primary environmental approvals by the Western Australian government under the *Environmental Protection Act 1986* (EP Act) and by the federal government under the *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act). However, there are some modifications to the project that require further approvals.

Work is underway to obtain environmental approvals for the modified aspects of the project. A new environmental approval will also be sought for the transshipping component of the project by the Southern Ports Authority. It is anticipated that referrals will be submitted to the regulators in the second half of 2022.

Working with the Community

Grange is committed to the provision of mineral resources to support sustainable development, growth, and prosperity. Grange is developing an Environmental, Social and Governance framework (ESG) to demonstrate its commitment to sustainable development goals that make a real difference, outlined by the World Economic Forum.

A key commitment of Grange's ESG is to work with stakeholders and the community in the planning, implementation and operation of its projects as well as delivering community benefits including employing local people to work and service the mine, supporting local and regional economic development and investing in community initiatives.

Planning and preparation for the Southdown project has spanned a number of years, during which Grange has established a project office in Albany and has been working closely with key stakeholder organisations and community members.

Grange will continue to engage stakeholders and the community as the project progresses through the Albany Project Office, information sessions, landowner discussions, briefings and presentations and a range of focused communications.

Community Drop-in Information Sessions

Community members will be invited to attend drop-in information sessions at either Albany, Manypeaks or Wellstead to learn more about the project with venues and dates to be confirmed.

Each session will involve displays covering the different elements of the project and supported by project team members. People can visit the display of their choice and have conversations about their particular interest.

Project Timeline



Contact Information

To stay informed of upcoming engagement opportunities or learn more about the project, visit the Southdown Magnetite Project webpage at www.grangeresources.com.au/operations/southdown.

If you wish to speak with a member of the project team, please email info@grangeresources.com.au phone **08 9841 4255** or visit the Albany Project Office at **31 Albany Hwy, Albany, WA.**

We acknowledge the Noongar Menang people as traditional custodians of this region and recognise their continuing connection to land, water and culture. We pay our respects to Aboriginal communities and cultures, and to their Elders past, present and emerging.