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ASX: GRR

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GRANGE DISPOSES OF MAJORITY SHARE OF MURCHISON COPPER MINES PTY LTD (“MCM”)

Grange Resources Limited (“Grange”), Australia’s leading magnetite producer, is pleased to announce it has sold its 79.3% share of MCM to Horseshoe Metals Limited (Horseshoe Metals).

As a result of the sale the Grange group will receive 3,922,313 ordinary shares and 1,307,438 twenty cent options (expiring 30 June 2012) in Horseshoe Metals. In addition Horseshoe Metals will repay Grange approximately \$0.9 million, being debts owed to Grange by MCM. Horseshoe Metals will also put up the necessary bonds for the tenements, releasing \$ 1.1 million worth of bonds back to Grange.

Horseshoe Metals has received approval for an ASX listing following the issue of a prospectus and successfully raising \$7 million and is expected to commence trading by the end of July 2010.

Grange Managing Director, Mr Russell Clark, said that the sale of Grange’s share in MCM concludes a long relationship with the mining operation.

“This allows Grange to focus on its core business of producing premium magnetite pellets and developing the world class magnetite project at Southdown, near Albany in Western Australia,” said Mr Clark.

“The sale sees approximately \$2.0 million of cash coming back into Grange as well as a shareholding in a well funded junior explorer providing Grange the opportunity for upside if exploration programs are successful in what is a highly prospective region of Western Australia,” said Mr Clark.

-ENDS-

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