



Australia's most experienced magnetite producer



Investor Presentation

28 May 2020

Company Highlights

- ✓ **Most EXPERIENCED magnetite producer**
Over 50 years of operational experience at Savage River
- ✓ **STRONG Safety Culture**
Achieved over 3 years LTI free at the end of March 2020
- ✓ **Shipped 2.2m tonnes of Iron Ore Products in 2019**
2.2 million tonnes of pellets and chips sold through the port.
- ✓ **LONG LIFE producer of PREMIUM iron ore pellets**
High quality ore reserves (~ 50% DTR) producing ~65%+ Fe BF pellets
- ✓ **STRONG balance sheet**
\$142 million cash, cash equivalents and liquid investments at end of 2019
- ✓ **PRESERVED balance sheet strength with disciplined cost control**
Deferred capital and maintenance projects to preserve free cashflow with targeted investment to ensure sustainability.
- ✓ **Advanced GROWTH Project**
Search for a quality equity partner in the Southdown Project continues



Vision & Values



We will produce high quality steel making raw materials economically and effectively.

Our operations will be efficient, flexible, and stakeholder focused.

At Grange we ALL will...

- ✓ Work safely.
- ✓ Lead & act with fairness, integrity, trust and respect.
- ✓ Be responsible & accountable for our actions.
- ✓ Utilise our resources efficiently and effectively.
- ✓ Engage with stakeholders and proactively manage our impact on their environment.
- ✓ Work together openly and transparently.
- ✓ Promote an environment in which our people can develop and prosper.

COVID-19 Status in Tasmania

COVID-19 in Tasmania

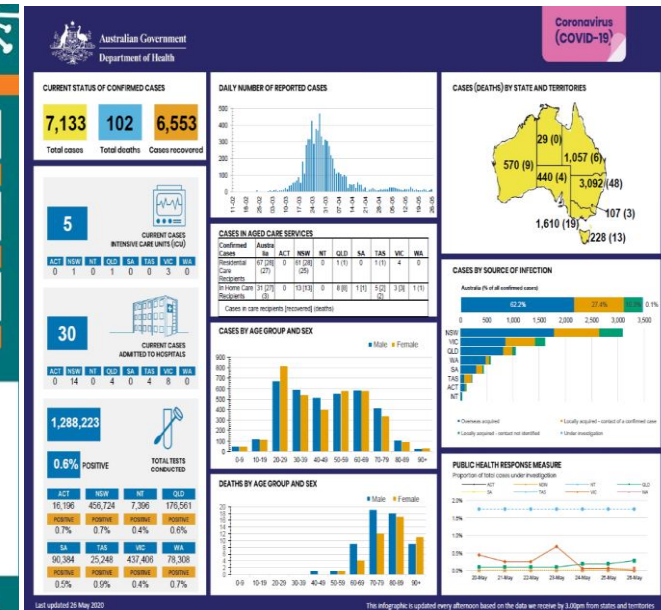
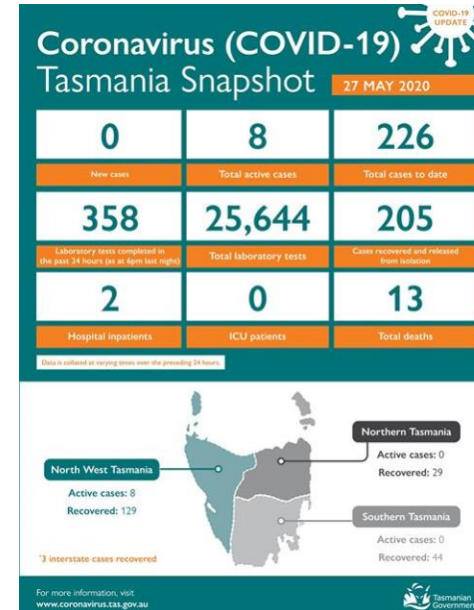
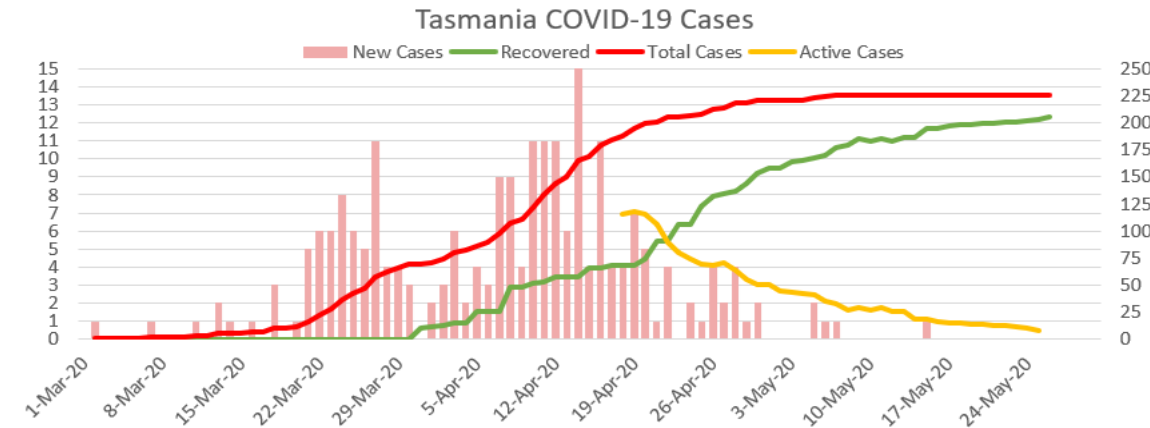
- 226 cases have been confirmed in Tasmania
- 205 have recovered | 8 cases active | no new cases in the last 11 days.
- Outbreak in the NW has been controlled – State Premier has provided outstanding direction and communication throughout the crisis in Tasmania
- Testing regime continues.
- Situation locally greatly improved

Grange's response

- Our primary concern continues to be for the health and wellbeing of our people.
- We have escalated our response to help protect our employees as we remain alert, not alarmed.
- A balanced approach has been maintained to ensure the appropriate response rather than a presumptive or panicked reaction.
- Communication has been cascading through the business daily and weekly to keep people informed of the situation and provide comfort and stability in the midst of the crisis.
- Grange have continued to operate at full production and complete schedules of maintenance and project work with our new controls in place.

Next Steps

- Government is outlining roadmap to remediate social and economic impacts, while dealing with the health crisis.
- Tasmania will assess and make its own moves due to vulnerable population.
- Grange has well developed work plans and controls in-place to support our continued operation.
- These have been well tested through the period of local outbreak, and we have had much positive feedback from the workforce into our management through this crisis.



COVID-19 Planning and Response

Pandemic Management Plan

- Team has developed appropriate and comprehensive plans and supporting resources to supplement our Crisis Management framework
- These encompass oversight of the crisis, response to any potential active cases onsite, management of remote work and audits and risk assessments tailored to suit pandemic specific situations.

Response Control Framework

- Our 4 Simple Steps have been implemented, communicated, and audited to ensure adequate controls are in place and maintained.
- In addition to safe work they support the mental good health and wellbeing of our people.

Implementation

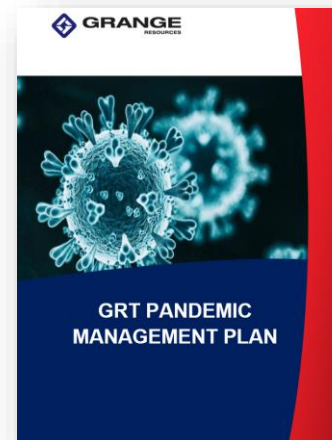
- We have changed the way we: meet together; transport people to work areas; travel to sites; enter sites; queue; greet each other; eat meals at the mess; have crib / lunch at work; do pre-shifts.
- Hot spots and interaction areas have been identified and additional controls implemented to reduce Close Contacts
- Continued to safely deliver on mining, concentrate and pellet production. Aside from some impact to mining movement through the local outbreak, all maintenance and project work has continued to plan.

Stop the Spread - 4 Simple Steps



Sanitise	Separate	Self-care	Support
<ul style="list-style-type: none"> Wash hands thoroughly with soap Use hand sanitiser Wash before eating, after using the bathroom Wash frequently Wipe down common surface areas Clean and disinfect touched surfaces frequently Cover your cough with your arm 	<ul style="list-style-type: none"> Keep your distance Stay 1.5m away 1 person per 4m² indoors Don't sit at marked spots Obey room occupancy limits Apply social distancing, not social dislocation Communicate regularly using technology Limit physical contact on site Give a wave or elbow, don't shake hands 	<ul style="list-style-type: none"> Monitor your health If you feel unwell at work, tell your supervisor immediately If you feel unwell at home, don't come to work, tell your supervisor Exercise and eat well – stay healthy Pre-screen before you travel to site On your break – Stay Home, Save Lives Don't get together in groups Protect your family at home 	<ul style="list-style-type: none"> Look out for each other Talk and communicate. Be patient and kind Be an example to your family and friends at home If you are concerned about anything, talk to your supervisor, contact officer or EAP Use the Helpline 64 300 333 What else do you think we could do?

Together, we will Stop the Spread



4S Simple Check List Attached to all Task Observations

Covid 19 Simple Steps Check

Inspector	Observed
Task/Code Number	Date
Shift	Time
Task Order #	Task Description

Safety Check List (Score 10 - 40)

Sanitisation: Hygiene
Personnel are demonstrating good hygiene practices and are aware of appropriate hand hygiene practices and hand sanitiser dispensers around the site.

Separation: Social Distancing
Personnel are complying with the 1.5m minimum social distancing requirements.

Self-Care: Personal Health
Personnel are aware of and complying with maximum room occupancy limits.

Support: Channels
Personnel are aware of the support channels available for communicating any concerns, stages or impediments relating to COVID-19 or if they need to call.

Connective Actions, Positive Feedback And General Comments

Category	Observed	Compliance	Comments	Score
1. Hand Hygiene				
2. Social Distancing				
3. Self-Care				
4. Support Channels				

Inspector: [Signature] Observed: [Signature]
Task/Code Number: [Text] Date: [Text]
Shift: [Text] Time: [Text]
Task Order #: [Text] Task Description: [Text]



This mandatory Self-Assessment for risk of coronavirus (COVID-19) applies to all persons and visitors wishing to enter any Grange Resources site in Tasmania

Have you travelled? Have you or anyone in your household been in, departed from, or transited overseas or interstate in the last 14 days?	YES	NO
Have you had Contact? Have you or anyone in your household been in contact with anyone known or suspected to have the COVID-19 illness or has travelled interstate or overseas in the last 14 days?	YES	NO
Do you know a Frontline Healthcare Worker? Have you had contact with a frontline healthcare worker or are you supporting a frontline healthcare worker?	YES	NO
Has this contact been with a Hospital or an Aged Care Facility?		
Have you or anyone in your household been to hospital? Have you or anyone in your household been a patient of the Northwest Regional Hospital or the Northwest Private Hospital and discharged from the 27-March?	YES	NO
Do you or anyone in your household feel unwell? Do you or anyone in your household have mild symptoms of respiratory illness (fever, cough and/or shortness of breath, sore throat, headaches and fatigue).	YES	NO

Grange's Process

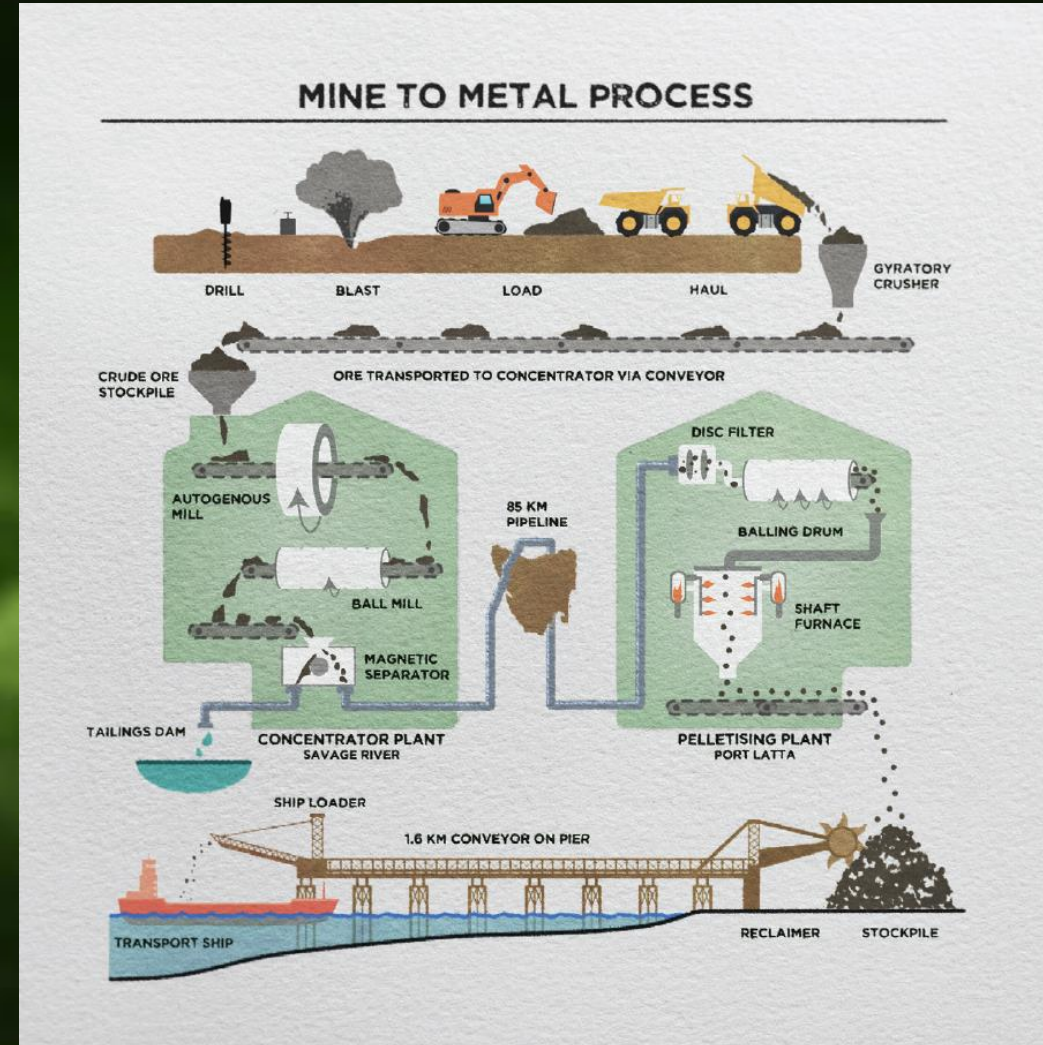
Savage River

- Magnetite iron ore is extracted from the open cut pit by conventional drilling, blasting, loading and hauling.
- Ore is then crushed to approximately 200mm and transported via a 1.6km overland conveyor belt to a stockpile.
- At the concentrator plant, the ore is processed through stages of autogenous mill grinding, ball mill grinding and magnetic separation.

The resulting concentrate is mixed with water to form a slurry which is pumped 85km through a pipeline to Port Latta. Transportation time is around 13 hours.

Port Latta

- The concentrate is de-watered and formed into small marble-sized balls then heated to over 1000 degrees Celsius for around four and a half hours in a furnace.
- The pellets are screened to remove excess material and are conveyed to a finished product stockpile to cool.
- They are transported along the 1.6km-long pier to be loaded on ships.
- Exported to steel-making operations at Port Kembla, NSW and the Asia-Pacific region.





- ✓ *Pellets have favourable physical and chemical properties.*



- ✓ *Reduction in waste - slag*

- ✓ *Higher yield of metallic iron due to higher Fe content*



- ✓ *Lower maintenance costs in the Blast Furnace*

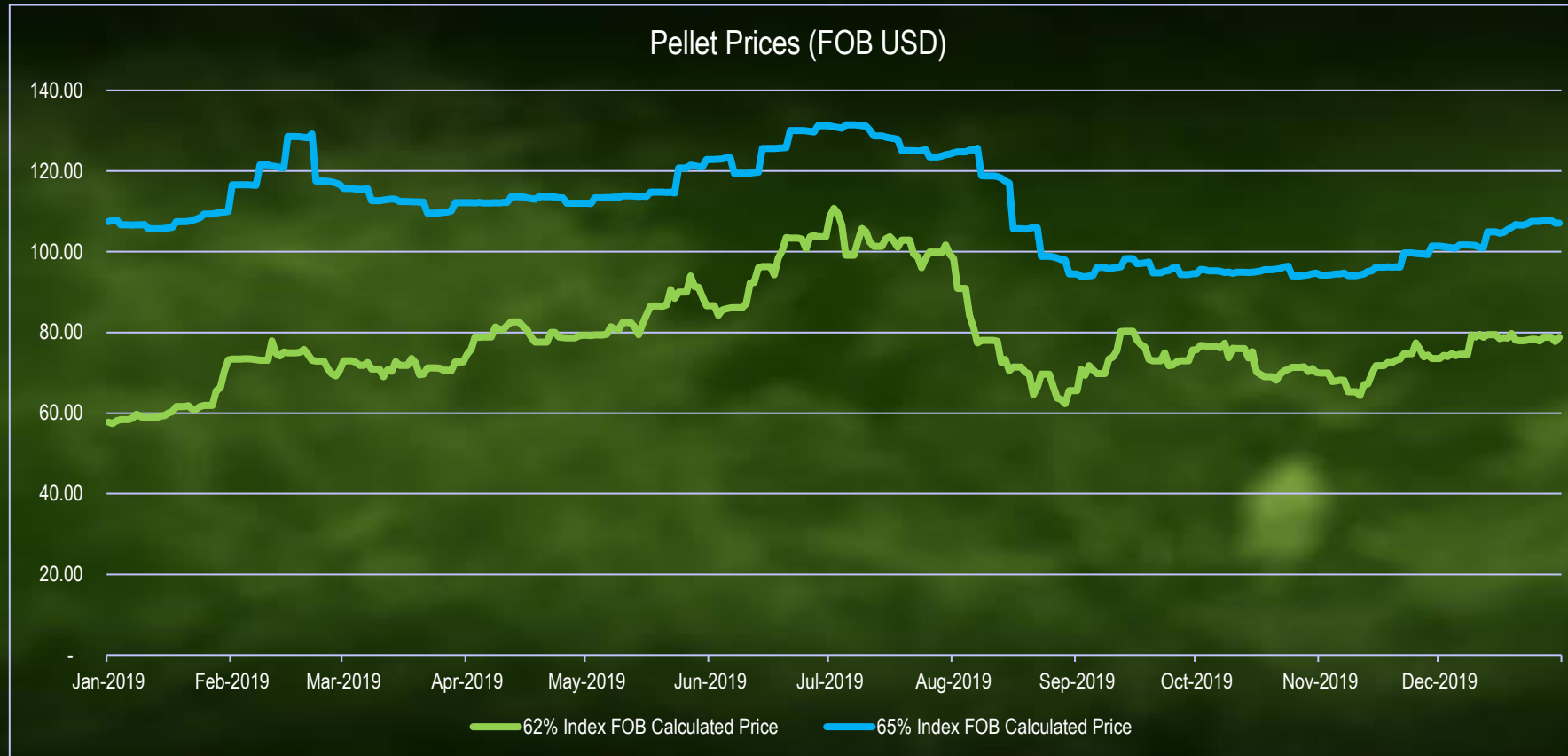


- ✓ *Reduced environmental impact with decrease in air emissions*



- ✓ *Reduction in energy consumption*

Pellet Premium







Sustained Pellet Premium

- ✓ High Fe Content
- ✓ Low Impurities
- ✓ Attracting Premium
- ✓ Delivering into term offtake agreements

Company Overview

Strategic Plan 2020

	Develop Sustainable LOMP	Integrate Innovation	Sustain Ageing Infrastructure	Build Capacity & Capability
Drivers	<ul style="list-style-type: none"> Uncertainty in the Life-of-Mine Plan is the foundation that underpins investment decisions to optimise business execution. Potential failure on the East Wall and instability in the mine introduces uncertainty into the production profile. A single source of ore supply and low stockpiles provides no capacity to absorb any delays in the mine. Extreme weather events have the potential to interrupt production 	<ul style="list-style-type: none"> Innovation is critical to improving safety, efficiency and reducing cost. Innovation tools are integrated into the business through our MOS and we are building capability with our people and systems. This needs to be considered at the transactional level and in the development of the plan. Application of new technology will support and improve operational outcomes. 	<ul style="list-style-type: none"> Our process is supported by mature and valuable infrastructure and assets. Maintenance has been deferred over periods of downturn. Assets require investment to restore or replace where appropriate. Cost Benefit Analysis will be used to support repair vs replacement decision. 	<ul style="list-style-type: none"> People are our most valuable asset We have a committed workforce with strong skills and experience base. There is increasing competition for human resources as the industry cycles. We are losing key technical staff and are at risk of losing our skills and experience base.
Focus Areas	<ul style="list-style-type: none"> Seek to mitigate increasing pressure on OPEX costs. Analyse Price and Exchange Rate sensitivity Develop contingency for extreme weather events. Understand and mitigate risk of Environmental approval delays on project development. Complete the studies to enable integration and optionality for Open Pit and Underground operation. 	<ul style="list-style-type: none"> Determine the potential to introduce automation into the operation Upgrade the equipment tracking system and optimise the mining cycle to reduce delay and increase efficiency. Review the opportunity for sources and supply of energy. Build production capability for potential expansion 	<ul style="list-style-type: none"> Manage and maintain mobile plant in the mine. Manage and maintain fixed plant. Continue offshore structural refurbishment. Sustain the light vehicle fleet to support safe and productive operation. Determine the ongoing maintenance requirements to sustain the Pipeline. 	<ul style="list-style-type: none"> Implement retention strategies to retain employees. Develop strategies to attract the required skills into the business. Improve the communication of our brand and operation in order to attract talent. Build specialised expertise when certainty around LOMP and NPUG direction is confirmed.
				

Strategic Areas of Focus

Maximising Mineral Asset Value

- Provide high quality ore from North Pit
- Continue investment in mine development
- Progress North Pit development on the west wall
- Obtain environmental approvals for Centre Pit
- Investigating the potential to access ore at depth in North Pit via underground mining method
- Applying technology to enhance and improve production performance
- Maintain key mining equipment
- Continue to develop projects to improve mining efficiency

Securing Strategic Partner for Southdown

- Secure partner to develop project
- Continue investigation of alternate models
- Maintain good standing

Optimising Capital Allocation Plan

- Target growth opportunities to complement existing business
- Innovative Projects
- Invest in improvements at Port Latta Plant



Company Assets

Australia's Most Experienced Magnetite Producer

Savage River (100%)



Focusing on the fundamentals

Southdown Project (70%)



Searching for an equity partner

Quality assets in Tasmania and Western Australia.

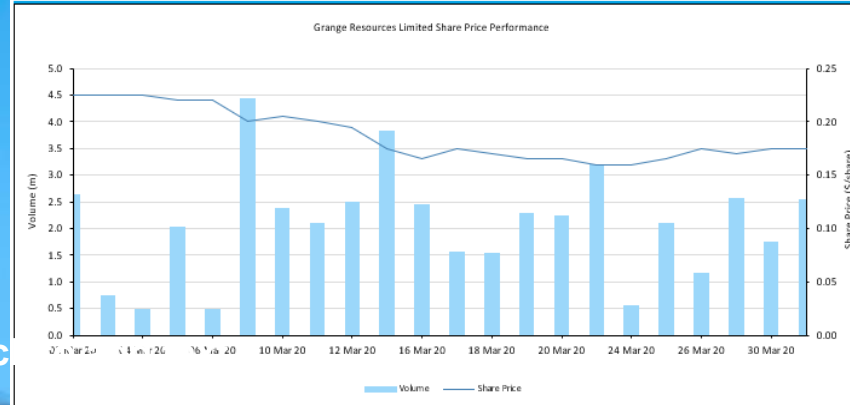
GRR Company Snapshot

Capital Structure (A\$)

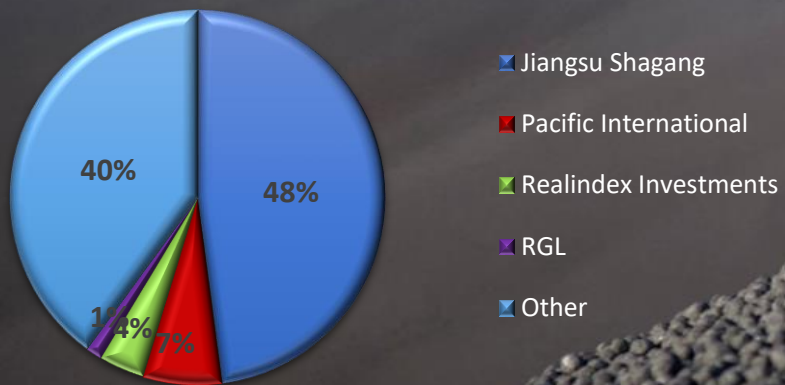
Ordinary Shares on issue	31 Mar 2020	1,157m
Share Price	31 Mar 2020	\$0.175
Market Capitalization	31 Mar 2020	\$203m
Cash, cash equivalents and liquid investments	31 Mar 2020	\$169m

Share Price and Volume

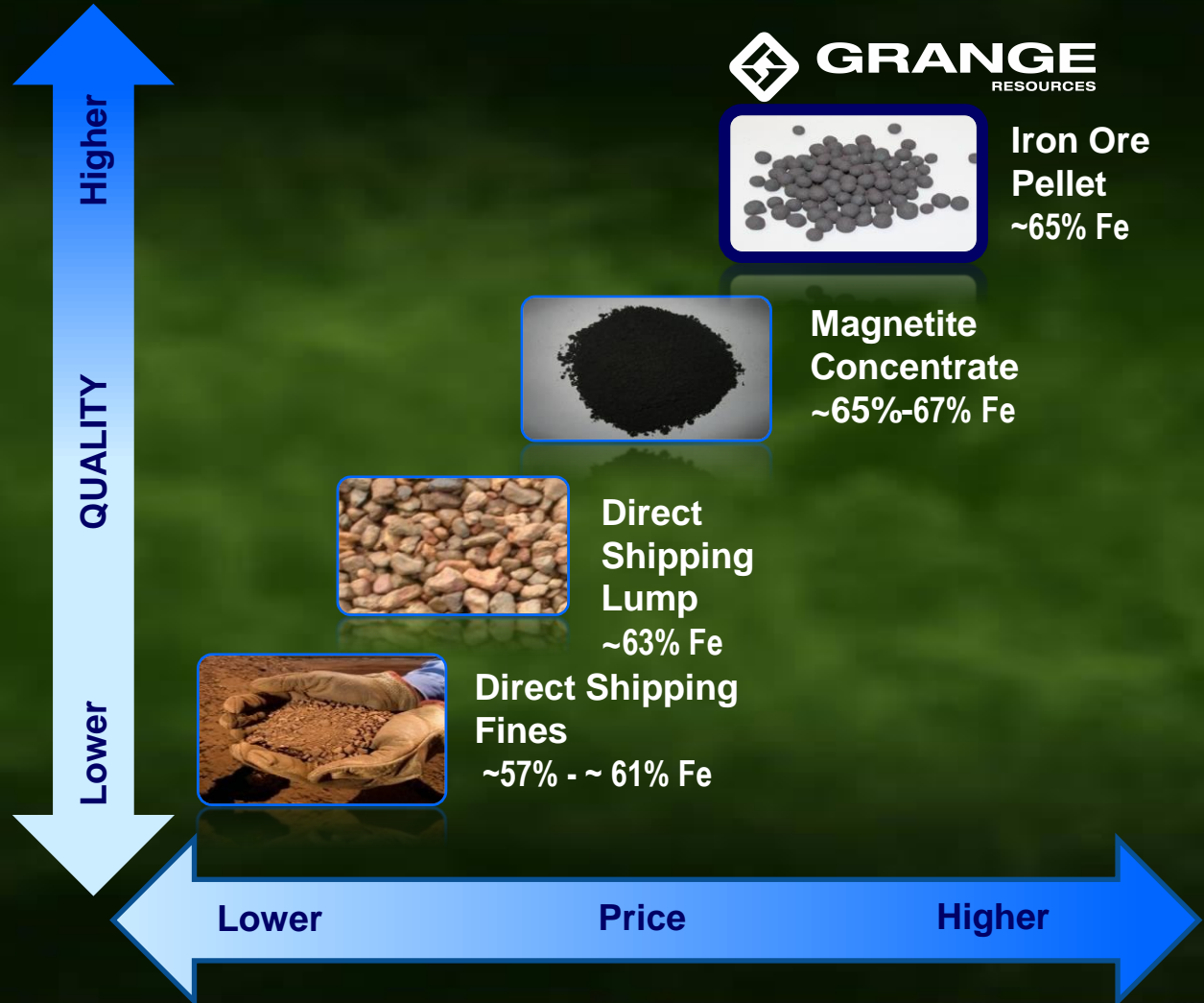
SHARE PRICE AND TRADING VOLUME (01 Mar 20 - 31 Mar 20)



Ownership Structure as at 3 Feb 2020



Iron Ore Products



Magnetite is a naturally occurring mineral, commonly refined into an iron ore concentrate and used for steel production.

Smelting magnetite to iron involves agglomeration or 'clumping together' of the magnetite concentrate, and thermal treatment to produce spherical shaped balls – pellets.

Magnetite concentrate has internal thermal energy meaning less energy is required, compared to haematite, in the pelletising process which in turn results in less carbon dioxide emissions.

Our magnetite concentrate is a refined product, and has high iron content and low impurities.

This has beneficial quality, productivity, efficiency and environmental outcomes for the steel maker.

The Benefit of Pellets

Pellets are often preferred over iron ore fines, sinter and lump due to their favourable physical and chemical properties supporting increased Blast Furnace productivity and efficiency.

Pellets are an enriched form of iron ore and provide significant benefits for the steel maker:

- ✓ **Reduction in energy consumption**
 - Less energy required for pellet reduction.
 - Provides good porosity, promoting good air flow in the Blast Furnace
- ✓ **Lower maintenance costs in the Blast Furnace**
 - Less accretion and fused lump formation reducing Blast Furnace refractory repair
- ✓ **Reduction in waste - slag**
 - Low levels of Silica, Sulphur and very low Phosphorous
 - Supports the production of high quality steel products
- ✓ **Higher yield of metallic iron due to higher Fe content**
 - More cost effective utilisation of the Blast Furnace
- ✓ **Reduced environmental impact with decrease in air emissions**



Tasmanian Operations Performance & Focus

Highlights for 2019 — Tasmania

- ✓ **Surpassed 1,000 consecutive days Lost Time Injury Free**
By year end 2019.
- ✓ **Achieved revised full year production target**
Despite the high rainfall and flooding hampering mining activity from previous year.
- ✓ **Continued investment in Mine Development**
The next stage of North Pit cutback continued on the west wall
- ✓ **Centre Pit Feasibility Study completed.**
Providing additional ore reserve for extended mine life
- ✓ **Pellet production of ~2.1m tonnes**
Sustained quality output
- ✓ **Progressed Prefeasibility into potential for underground mining**
Exploration Decline completed to 1.5km
Further drilling in progress, and Bulk Sample Drive planned for 2020
- ✓ **Total Ore Reserves have increased to 113.2MT at Savage River**
Mineral Resources now at 489.9MT



Dec 2019 Financial Position - Consolidated

Indicator	2019 AUD'000	2018 AUD'000	Difference AUD'000	Variance%	Comments
Current Assets	339,592	316,676	22,916	7%	↓ Cash, ↑ Shipping receivables, ↑ Inventories
Non-current Assets	348,285	291,939	56,346	19%	↑ PP&E ↑ Mine Properties & Dev ↑ Deferred Tax Assets
Total Assets	687,877	608,615	79,262	13%	
Current Liabilities	91,706	72,410	19,296	27%	↑ Creditors , ↑ Borrowings, ↑ Provisions
Non-current Liabilities	64,118	58,375	5,743	10%	↑ Provisions, ↓ Borrowings
Total Liabilities	155,824	130,785	25,039	19%	
Net Assets	532,053	477,830	54,223	11%	↑ Increase in Inventories, ↑ PP&E ↑ MP&D, ↑ Deferred Tax Asset

2019 Performance – Indicators

Indicator	Unit	2019 Actual	2018 Actual	Difference	Variance %	Comments
Concentrate	Tonnes '000	2,117	2,276	(159)	(7%)	↓ Revised full year production target achieved despite high rainfall and wall instability during the latter part of the prior year impacting mine production
Pellet	Tonnes '000	2,055	2,186	(131)	(6%)	↓ Pellet production line balanced with concentrate production
C1 Cash Operating Costs	AUD/t	114.26	98.10	(16.16)	(16%)	↓ Decreased concentrate production ↑ Increase in electricity prices and opportune maintenance works
Iron Ore Sales	Tonnes '000	2,192	2,374	(182)	(8%)	↓ Sales line balanced with production
Average Realized Price of Iron Ore Products*	AUD/t	158.33	149.76	8.57	6%	↑ Strengthening iron ore prices, in particular pellet premium
Average Realized Exchange Rate	AUD:USD	0.6944	0.7473	(0.0529)	(7%)	↓ AU Dollar weakening
Sales Revenue (Consolidated)*	AUD '000	347,068	355,473	(8,405)	(2%)	↓ Decreased sales volume ↑ Increase in iron ore prices

* FOB Price - includes freight costs on CFR shipments

May 2020

Slide 19

LOM Strategies — Maximising Mineral Assets

North Pit

- High quality, long life resources
- ~237MT @ 49%DTR
- Supporting long life operations

Centre Pit

- Modelling in progress to further develop ore
- ~122MT @ 48%DTR

South Deposit

- ~18MT @ 41%DTR
- Supporting LOM tailings infrastructure construction

Long Plains

- Developing resources of ~107MT @ 35%DTR
- Potential addition to mine life



North Pit Development



Key Projects

Exploration Decline

- ✓ Commenced decline in March 2019
- ✓ Over 1.50km developed
- ✓ Drilling program continues in 2020
- ✓ Bulk Sample Drive to develop through ore zone in 2020



Steel Pan Conveyor

- ✓ Installation at Pellet Plant
- ✓ Planned for Q4, 2020
- ✓ Reduces maintenance costs and improves pellet quality



Diamond Drilling

- ✓ Phase 1 & 2 complete
- ✓ Phase 3 in progress
- ✓ Resource and geotechnical models to be improved in 2020

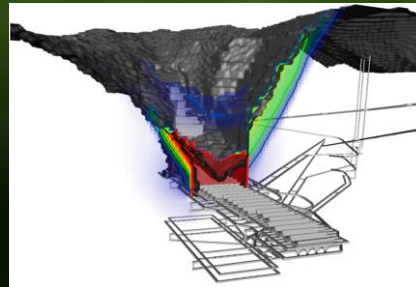


Furnace Refurbishment

- ✓ Investment continues in the restoration of the 5th furnace line
- ✓ Technology improvements being explored to improve pellet quality

Prefeasibility Study

- ✓ Assessing potential for underground mining methods
- ✓ Study to continue until 2021



Roll Screens

- ✓ \$3m in project plan to upgrade screens at Pellet Plant in 2020
- ✓ Will reduce energy use and improve pellet quality



Southdown Project Achievements & Strategies

2019 Project Overview – Southdown

- ✓ *The Project continues on **reduced expenditure** while Grange seeks an equity partner for a strategic share in the Project*
- ✓ ***Existing tenure and approvals have been maintained** .*
- ✓ ***Project security has been enhanced** by continuing to build land tenure and access, including:*
 - *Negotiations concluded on accessing Main Roads WA land for the proposed slurry and seawater desalination plant pipeline and related infrastructure alignments.*
 - *Progressing negotiations with the State and landowners for access to key infrastructure areas.*
- ✓ ***Progressed studies relating to project engineering and further environmental permitting, including:***
 - *Progression of the federal commonwealth environmental approval for mine, desalination and pipelines.*
 - *Groundwater exploration which identified deep water-bearing palaeo channels with potential to contribute to construction water supply, with modelling underway to assess potential.*
 - *Ongoing review of alternative development strategies.*

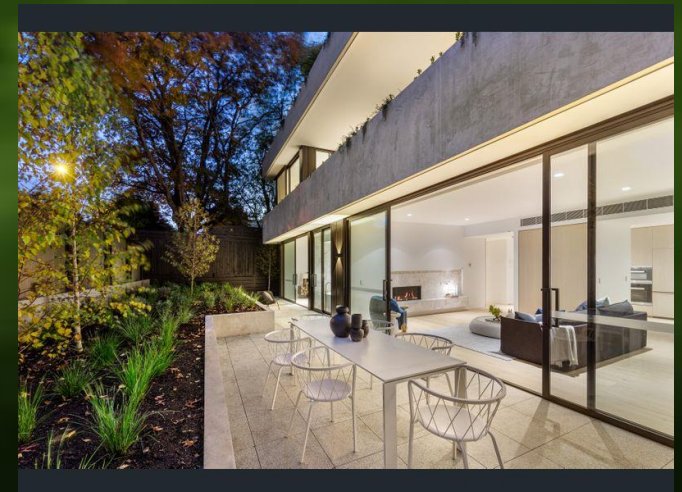


Grange ROC Property

Project Status & Focus

Grange ROC Property

- **Project 1 – Lumley Park, Prahran**
 - All 5 units at Lumley Park were successfully sold and settled.
- **Project 2 – Carter, Toorak**
 - Construction at Carter Toorak is completed. Statement of Compliance was issued.
 - The focus now is to sell the remaining units. Three of 8 units have been sold and achieved the budgeted or higher sale price.
- **Project 3 – Brookville Road, Toorak**
 - Development approval was achieved late last year and the focus is to sell the developed land at Brookville.



Ongoing Strategies

Our fundamentals remain firm:

- Experienced magnetite producer with a long-life project close to the Asian market
- Producer of a high-quality iron ore product (65%+ Fe) that receives a premium price
- Strong balance sheet
- Stable work force with minimal turnover
- Our people understand the intricacies of the business and are adding value

We continue to:

- Develop and optimise LOM
- Seek feasible investments within the strategy undertaken by the Board
- Optimise capital allocation plan
- Diversify the sales markets outside of China
- Improve communications/relations with all shareholders



Primary Contact

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Notes:

- A lower cut-off grade of 15% DTR was used in the calculation of both the Mineral Resources and Ore Reserves
- For details of Resources and Reserves, refer ASX announcement 27-Apr-2020

