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MEDIA RELEASE

Savage River Production Update

Highlights

- High Grade ore accessed from the west wall of North Pit.
- Full production restored for the second half of 2019.
- Exploration Decline progressing to plan.
- Prefeasibility studies continue for underground project.

Access to High Grade ore in North Pit

Grange Resources Ltd (ASX: GRR) has established access to the Main Ore Zone from the west wall of North Pit and have commenced mining high grade ore.

This has allowed the return to full production rates as planned and these are expected to run for the remainder of 2019. It is expected that pellet production will be approximately 1.2 million tonnes for H2 and 2.1 million tonnes for the full year 2019. Forecast sales are expected to be approximately 1.3 million tonnes for H2 and 2.2 million tonnes for the full year 2019.

Underground Prefeasibility Progress

The Exploration Decline is progressing to plan and is on schedule to be completed by the end of the year (2019). The underground decline face position is at 470 metres and has reached the elevation of 64mRL. The third stockpile is being excavated and a two-stage fan has been installed to provide ventilation for the extent of the decline.

Diamond drilling has commenced with the first hole completed for an advance of 650 metres. This was the first of two cover holes to inform the decline development. The balance of the holes will address the ore zone and provide geotechnical information.

The prefeasibility study continues to progress with geotechnical modelling and domaining, infrastructure designs and preliminary scheduling for potential ore delivery from a Block Cave. Sub-level Caving methods will also be reviewed as part of the study. Preliminary results from the study will be prepared in Q4, with the prefeasibility study concluding in Q1, 2020.

“The team will continue to focus on sustained delivery of high-grade ore to support full production rates for the balance of 2019. Progress on the feasibility study for potential underground mining continues to plan and will inform our life of mine planning.” said CEO M. Honglin Zhao.



Figure 1 - North Pit, looking from the south



Figure 2 – new Fan and Ventilation installation



About Grange Resources

Grange Resources Limited (Grange or the Company), ASX Code: GRR, is Australia's most experienced magnetite producer with over 50 years of mining and production from its Savage River mine and has a projected mine life beyond 2030. Grange produces a high-quality iron ore pellet with low levels of impurities that support reduced environmental impacts for end users.

Grange's operations consist principally of owning and operating the Savage River integrated iron ore mining and pellet production business located in the north-west region of Tasmania. The Savage River magnetite iron ore mine is a long-life mining asset. At Port Latta, on the north-west coast of Tasmania, Grange owns a downstream pellet plant and port facility producing more than two million tonnes of premium quality iron ore pellets annually.

Grange has a combination of spot and contracted sales arrangements in place to deliver its pellets to customers throughout the Asia Pacific region. In addition, Grange is a majority joint venture partner in a major magnetite development project at Southdown, near Albany in Western Australia.

Contacts

Investors:

Honglin Zhao, CEO
Grange Resources Limited
Email: ManagingDirector@grangeresources.com.au

Media:

Nicolas Turner, Managing Director
Corporate Communications Pty Ltd
Tel: 0418 538 865

Website: www.grangeresources.com.au