GRANGE
RESOURCES

Australia's leading magnetite producer

Russell Clark
Managing Director & CEO

June 2011

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Overview

- Australia's leading magnetite producer
- ASX 300 index company
- Strong balance sheet, no net debt
- Proven operational performance – tonnes and cashflow
- Quality product, high margins – iron ore pellets
- Large integrated mine, concentrator, pellet plant and port facilities
- Major magnetite development project in Western Australia
- Long term off take agreements
- Strong management team with extensive operating expertise

Magnetite – The premium iron ore

Iron Ore Pellet
~65-69% Fe
~US$220 FOB Tasmania

Magnetite Concentrate
~67% Fe

Direct Shipping Lump
~63% Fe

Direct Shipping Fines
~58% Fe
~US$170 CFR China

QUALITY: Lower → Higher

Price: Lower → Higher

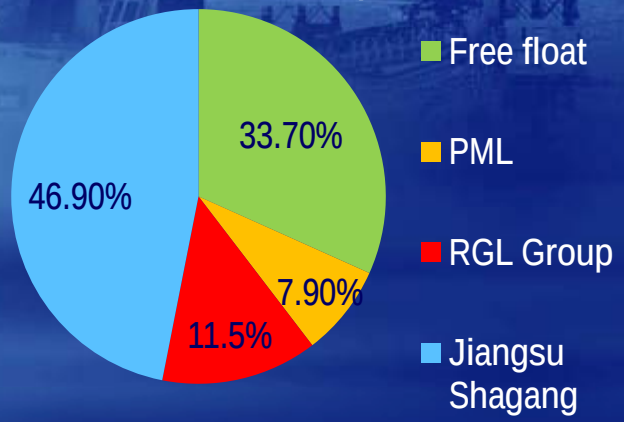
Company Snapshot

Current key statistics (A$)

Ordinary shares on issue	2 June 2011	1,153m
Last share price	2 June 2011	$0.59
Market capitalization	2 June 2011	$680m
Cash & Receivables	31 March 2011	$156m

Grange joined the ASX 300 in September 2010

Current Ownership Structure



Board of Directors	
Mr Xi Zhiqiang	Chairman
Mr Neil Chatfield	Deputy Chairman
Mr Russell Clark	Managing Director, CEO
Mr Zhao Honglin	Executive Director
Mr Clement Ko	Non Executive Director
Mr John Hoon	Non Executive Director

Research
Citi
Macquarie
Merrill Lynch
Patersons
Petra Capital
Southern Cross Equities
RBS
RBS Morgans

Grange Board

Grange has a board with a diverse range of relevant experience.

Xi Zhiqiang: Chairman

- Extensive experience in the Chinese steel industry
- Baosteel employee for 30 years, including 5 years as Managing Director of Baosteel Australia

Russell Clark: Managing Director and CEO

- Appointed Managing Director of Grange in March 2008
- 35 years of mining experience in technical, project management, general management and executive positions
- Prior to joining Grange, he worked for Renison Goldfields for over 18 years and Newmont Mining Corporation for 8 years

Zhao Honglin: Executive Director

- Joined Shagang Group in 1976
- Executive Director & Vice President of Jiangsu Shagang Group
- Commander of Project Development for Shagang Group
- Joined Grange In December 2010, as MD of Southdown Project

Pauline Carr: Company Secretary

- Appointed Company Secretary in January 2010
- 25 years of management and commercial experience in the resources industry both Australian and International companies

Neil Chatfield: Deputy Chairman (Independent)

- Recently Executive Director and CFO of Toll Holdings, a position held for over 10 years
- 30 years experience in resources, logistics and transportation sectors
- Currently Independent Chairman of Virgin Blue, Non-executive Director of Seek Limited, Whitehaven Coal Limited, TransUrban

Clement Cheung Ko: Non-executive Director

- Chairman and CEO of Pacific Minerals Limited (PI)
- More than 20years experience in mining sector, with extensive expertise in marketing and sales
- Prior to founding PI, he worked for BHP Billiton (China) Ltd as a senior regional marketing manager

John Hoon: Non-executive Director (Independent)

- Chairman of the Company's Audit Committee and member of the Remuneration Committee
- Strong background in financial and audit matters
- Previously a Director of Bao Australia Pty Ltd a subsidiary of China Shanghai Baosteel Corporation

Jiangsu Shagang – Cornerstone Shareholder

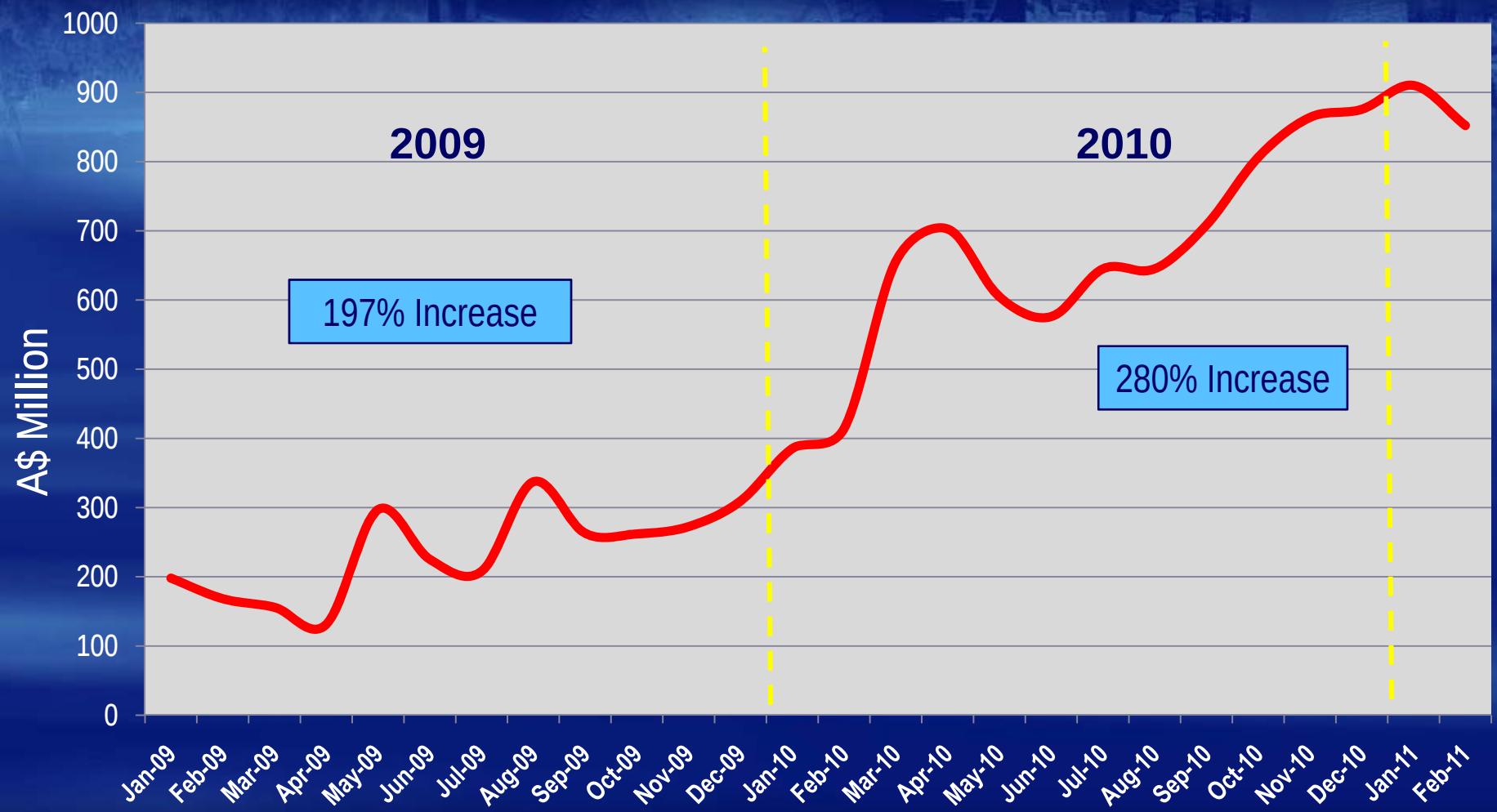
A strong partnership

- Grange's largest shareholder
- Major customer with a LOM offtake agreement at Savage River at market prices.
- Agreement to negotiate at fair market price for Grange's share of offtake from Southdown
- Shagang's investment in Grange represents a significant direct iron ore investment in Australia
- Potential for Grange to leverage off Shagang's strong balance sheet for Southdown development in the future

Assets	• In excess of A$19 billion
Location	• Jiangsu Province, China
Product Range	• Heavy plate, hot strip coil, stainless hot rolled plate, cold rolled plate, high-speed wire rod, rebar coil and special steel bar
Production Capacity	• Over 29Mtpa pig iron • 35Mtpa steel products
Employees	• 35,000

Being backed by China's largest privately owned steel producer provides a large degree of stability and is a positive for both Grange's prospects and its shareholders

Market Capitalisation – Growth year on year



Grange Resources

Australia's Leading Magnetite Producer

Grange's position is supported by quality assets In Tasmania and Western Australia.

Southdown Project *(70%)*

- 90km northeast of the Port of Albany
- 650 million tonnes of premium quality magnetite resource in southern Western Australia
- Targeting 10Mtpa concentrate, to produce high quality pellets for 19-40 years
- Infrastructure solutions in place (power, ports, water)
- Advanced permitting
- Potential to increase resources and reserves

Savage River *(100%)*

- Northwest Tasmania
- Annualised production rate of 2.3Mtpa premium blast furnace pellets and concentrate
- Mine life to 2026
- 118Mt reserves at 51% DTR
- Owner-operated open pit mine, 83km slurry pipeline, coastal pellet plant and port
- Dedicated infrastructure – no third party charges
- Extensive operating experience applicable to Southdown development

Savage River *Overview*

Ownership	▪ Grange 100%
Resources and Reserves	▪ Mineral Resource of 306Mt magnetite at 52.3% DTR ▪ Ore Reserve of 119Mt magnetite at 51.2% DTR
Production	▪ 2.0 Mtpa blast furnace pellets (2011 guidance) ▪ Potential to expand to 2.6Mtpa
Operating Costs	▪ A$98/t pellets (Mar 2011 Quarter)
Mine Life	▪ Current mine plan has a 16 year life with the potential to extend an additional 10 years
Customers	▪ Shagang, BlueScope Steel and Stemcor
Operational Update	▪ East Wall cut back continuing ▪ Major shut February 2011 successful ▪ Additional trucks being rebuilt for the fleet

Savage River *Large Scale Operations*

Savage River ***Downstream Infrastructure***

Savage River ***Port & Shiploading Infrastructure***

Savage River ***Solid Customer Base***

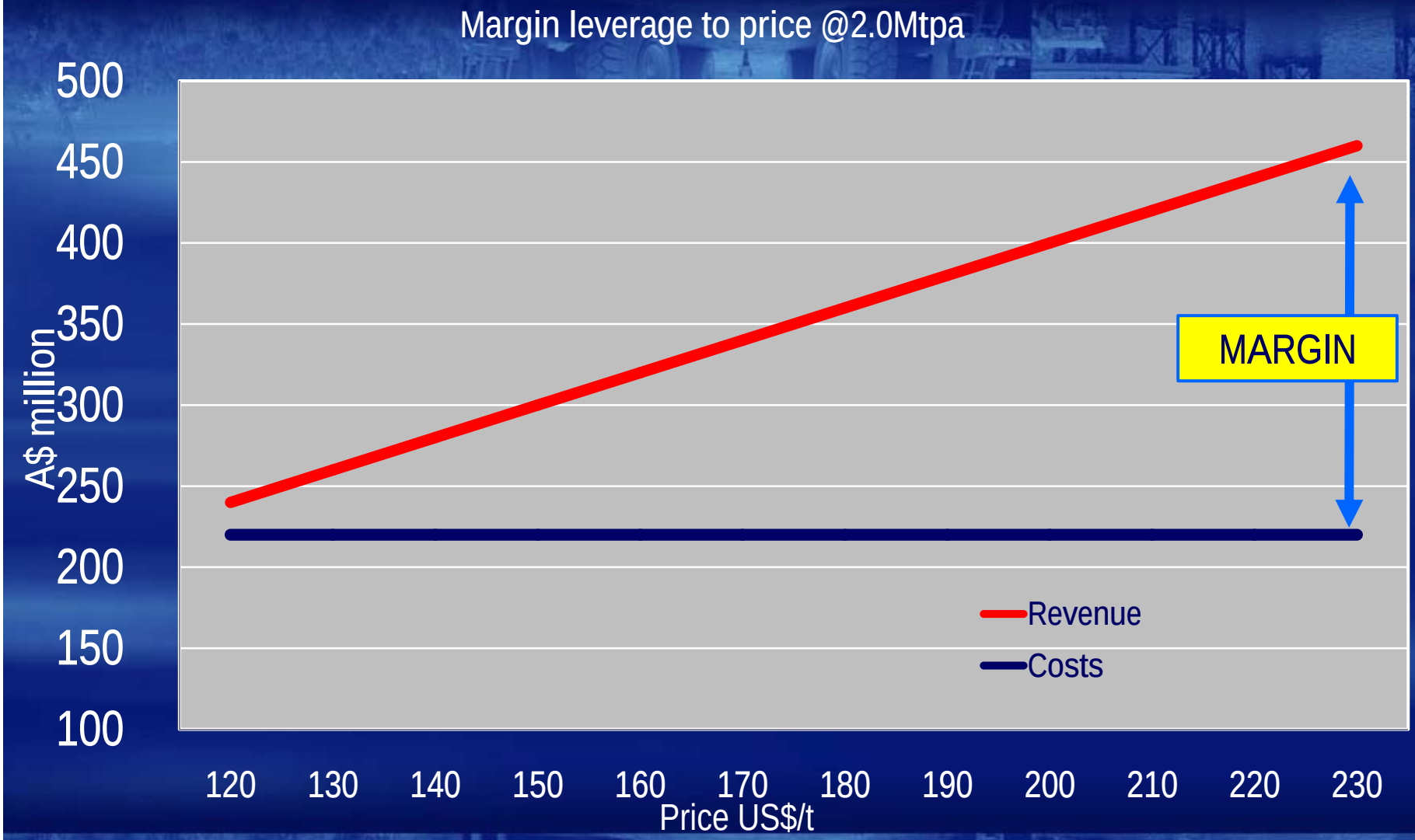
Long term offtake agreements – providing revenue stability

Agreements are in place for both Savage River and Southdown production at index based market prices.

Shagang	▪ China's largest private steel mill, producing 29Mtpa of pig iron
	▪ Grange's largest shareholder
	▪ Savage River LOM contracts in place:
	  ▪ 1.3 Mtpa pellets until 2012, then increasing to 2.1 Mtpa pellets until 2023
	▪ LOM contracts at market prices
	▪ Southdown intent to negotiate a fair market price:
	  ▪ 56% of all production (80% of Grange's 70% share of the JV)

BlueScope	▪ Savage River: 0.8 Mtpa until 2012
Stemcor	▪ Savage River: option to take 80,000 tpa concentrate

Savage River – *Leveraged to price*



Southdown Magnetite Project *Key Facts*

Ownership	▪ Grange 70%, Sojitz Corporation 30%
Resources and Reserves[1]	▪ Mineral Resource of 654Mt magnetite at 36.5% DTR[1,2] ▪ Ore Reserve of 388Mt magnetite at 35.5% DTR[1,3]
Production[1]	▪ Targeting 10Mtpa magnetite concentrate for premium blast furnace pellets
Capital Costs	▪ Southdown Mine – A$2,575 million (PFS) ▪ Kemaman Pellet Plant – A$941 million (PFS)
Operating Costs	▪ <A$60/t of concentrate (PFS) ▪ <A$75/t of pellet (PFS)
Mine Life	▪ >19 years (Potential for 40 years)
Infrastructure	▪ Established port, pipeline route, power easements, pellet plant site and deep water port in Malaysia
Project Status	▪ Pre feasibility study (+/- 20%) completed ▪ Metallurgical testwork largely complete ▪ Processing flow sheet finalised ▪ Mining Permit issued, will be amended during 2011 for 10Mtpa; Port permit issued ▪ Water Permit for desalination plant expected during 2011

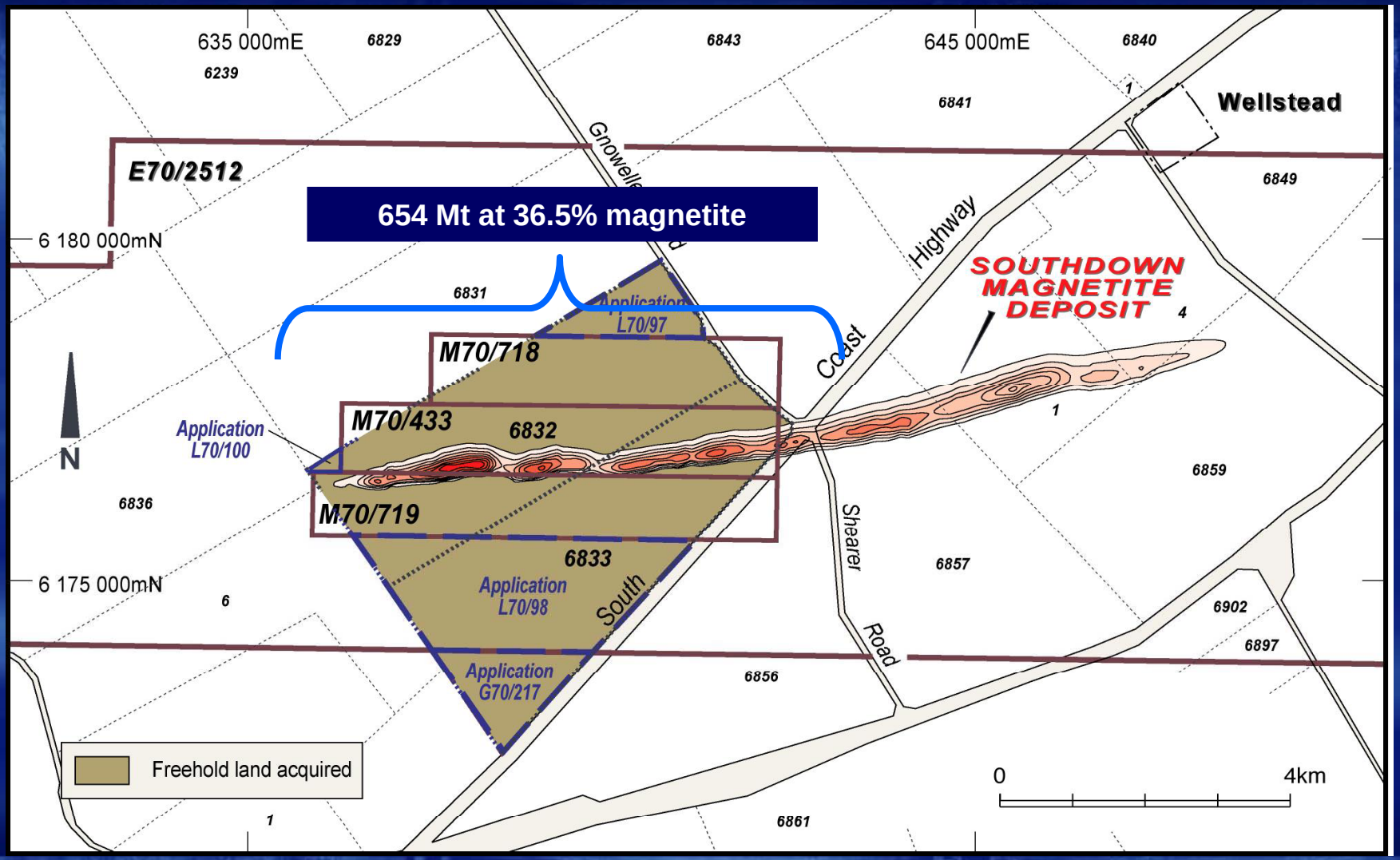
1. All figures presented on a 100% project basis 2. Southdown Magnetite Project Resource Upgrade (ASX 3 July 09) 3. July 2008 Southdown Reserve estimate

Southdown Magnetite Project ***PFS Highlights***

- Mine Capex, including infrastructure A$2.57 billion;
- Operating costs per tonne of concentrate produced < A$60 per tonne;
- Positive NPV with favourable IRR;
- Mine life of 19-40 years @10mtpa of concentrate;
- Definitive Feasibility Study (“DFS”) completion forecast for 1st quarter of 2012;
- Initial production forecast for 2014;
- Pellet plant Capex of A$941 million;
- Pelletising operating costs of < A$75 per tonne ;

Southdown Magnetite Project *Location Plan*

Southdown Magnetite Project *Orebody*



Southdown Magnetite Project ***Resources and Reserves***

Mineral Resources

Classification	Measured	Indicated	Inferred	Total Resources
Tonnes (Mt)	219.7	210.3	224.4	654.4
DTC wt%	37.4	38.9	33.4	36.5
DTC Fe%	69.2	69.3	69.1	69.2
DTC SiO_2%	1.72	1.94	2.07	1.91
DTC Al_2O_3%	1.43	1.27	1.29	1.33
DTC S%	0.46	0.40	0.54	0.46
DTC LOI%	-3.04	-3.06	-2.96	-3.02

This Mineral Resource has been defined using geological boundaries and a cut-off grade of 10wt% DTC and includes minor internal dilution. All reported concentrate grades were weighted by DTC.

Reserves

Reserve Classification	ROM (Mt)	DTR%	Conc. (Mt)	Fe%	SiO2%	Al2O3%	TiO2%	S%	P%
Probable	388	35.5	131	68.8	2.06	1.41	0.45	0.55	0.003

Southdown Magnetite Project *Orebody Potential*

Details	PFS Case Western Resource	Short Term Potential Full Western Resource	Long Term Potential Western/Eastern Resource
Mine Life	19 years	21 years	40 years
Ore (million tonnes)	430	~575	~1,200
Ore Grade %DTR	37.7%	36.8%	36.5%
Concentrate (million tonnes)	158	~199	~375

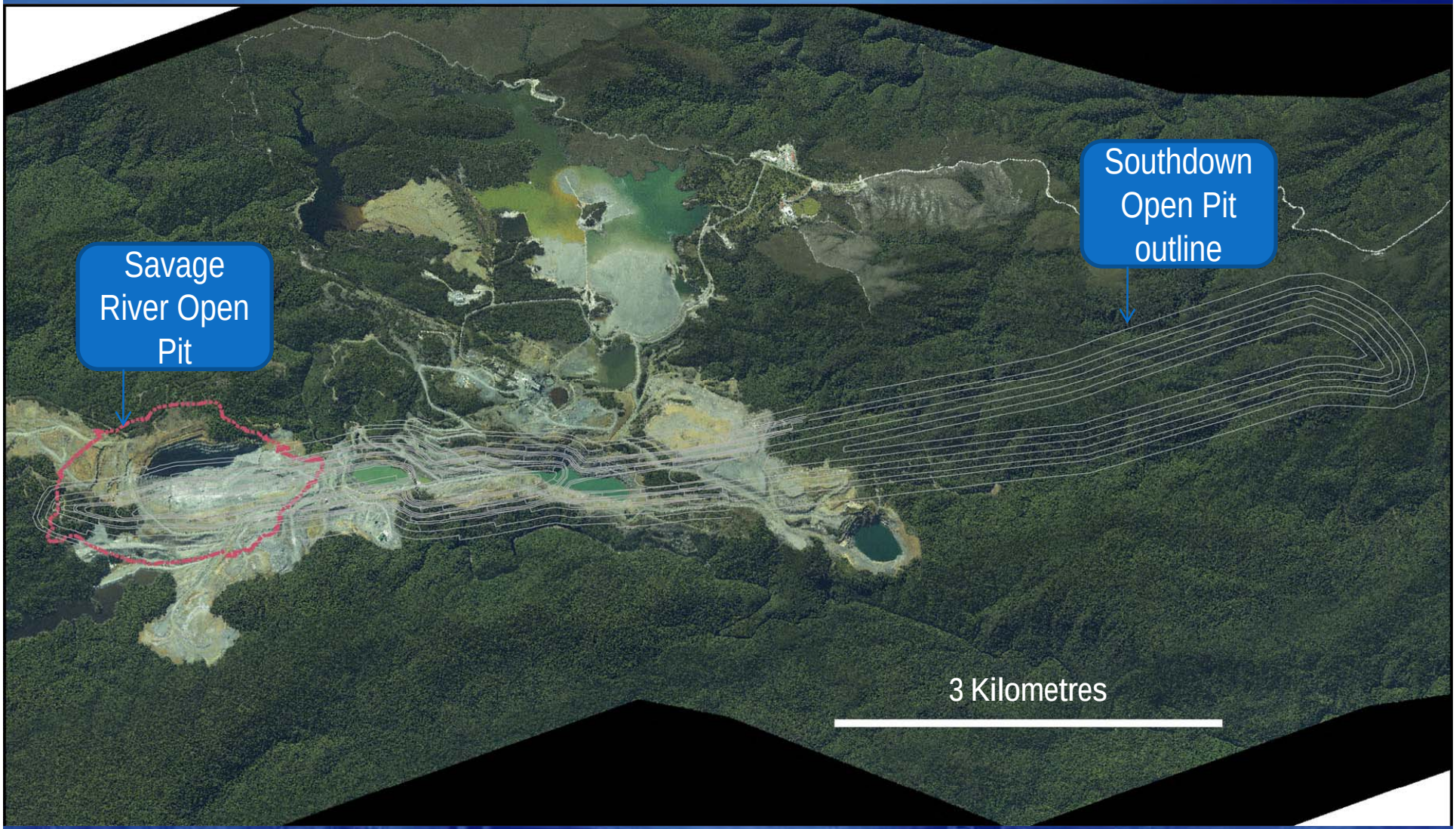
Note

- Short Term Potential Full Western Resource assumes that further drilling will move inferred resources to indicated resource and also add tonnage through deeper drilling.
- Long Term Potential Western/Eastern Resource assumes that further drilling in the eastern side of the magnetic anomaly will establish inferred resource which, following in fill drilling, will add indicated and measures resource

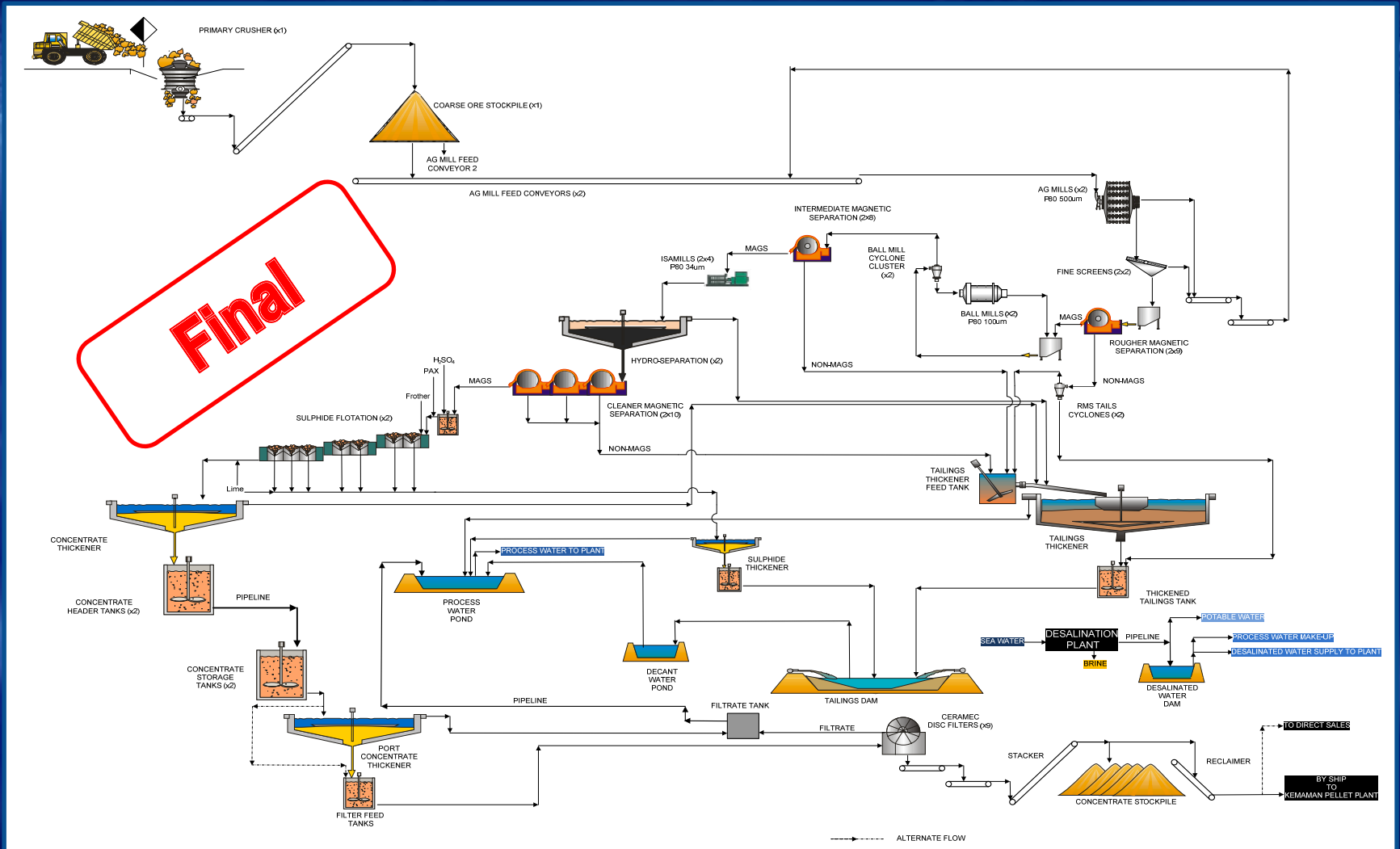
Southdown Magnetite Project *Mining*

Mining Method	▪ Open pit mining ▪ Conventional bulk mining methods utilising hydraulic face shovels, dump trucks and drill and blast coupled to a Run of Mine (ROM) stockpile
Material Movement	▪ ~110 Mtpa for first six years
Equipment	▪ Shovel size – 650 tonnes ▪ Truck size – 220 tonnes
Production Schedule	▪ Provide 78,000 tonnes per day to the primary crusher
Waste : Ore Ratio	▪ 2.3 : 1 (tonnes)
Mine Life	▪ >19 years (potential for 40 years)

Southdown Magnetite Project *12 kilometre Monster Pit*



Southdown Magnetite Project **Concentrator Flow Sheet**



Southdown Magnetite Project *Product Quality*

Southdown Magnetite Concentrate	%
Total Fe	68.9
SiO_2	1.56
Al_2O_3	1.45
CaO	0.11
MgO	0.16
TiO_2	0.38
P	0.04
S	0.08
LOI (Loss of ignition)	-3.18

Southdown Iron Ore Pellets	%
Total Fe	67
B2	0.54
SiO2+Al2O3+TiO2	3.31
P	<0.01
S	0.01

Southdown Magnetite Project ***Power and Pipelines***

Key Facts - Power:

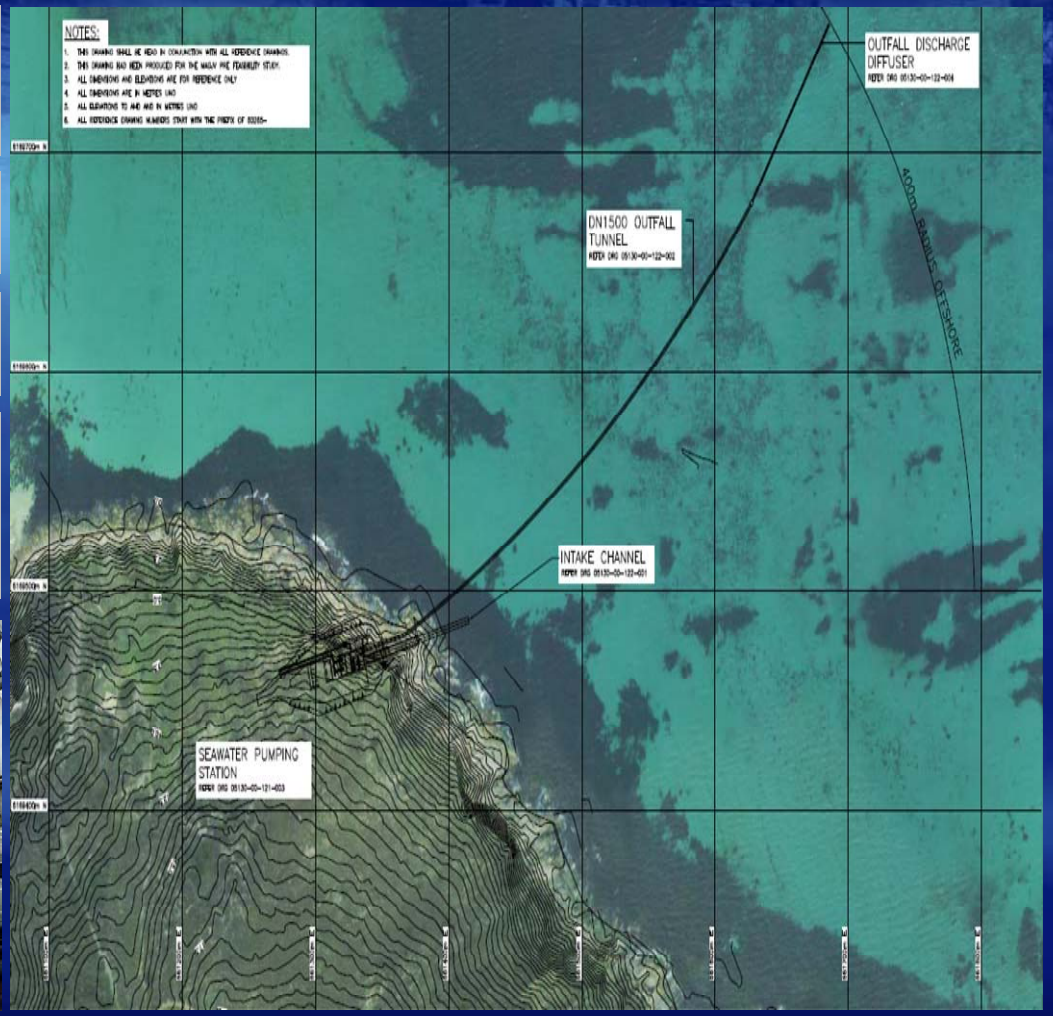
Estimated Length	▪ 288km	Capital Cost	▪ A$272 million
Capacity	▪ 330kV transmission line	Status	▪ Ongoing discussions with Western Power

Key Facts – Pipeline:

Estimated Length	▪ 100km (1.5 metres deep)
Capacity	▪ Line Volume – 18,000m^3
Transport Time	▪ 17 hours
Capital cost	▪ A$174 million
Other	▪ Return water supply to Southdown Mine

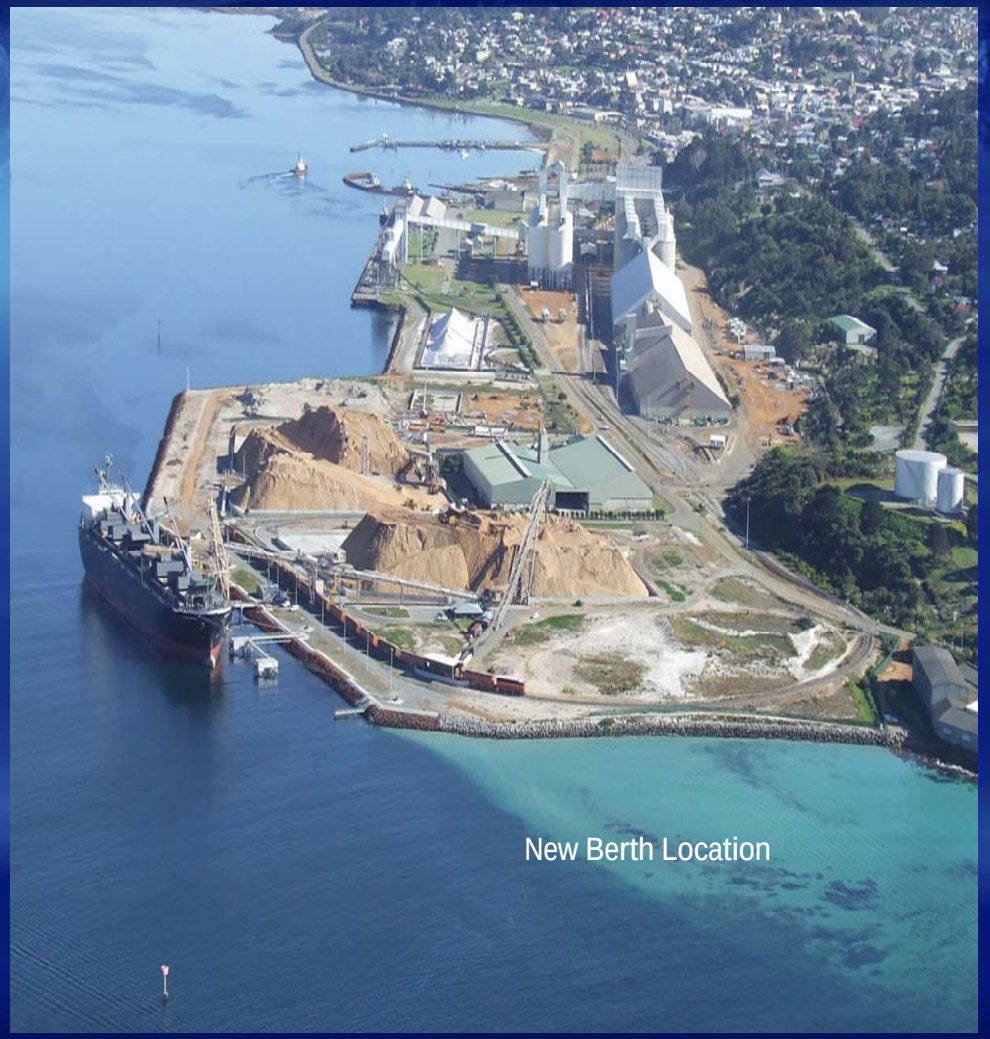
Southdown Magnetite Project ***Water Supply***

Source	▪ Seawater reverse osmosis desalination plant
Capacity	▪ 10GL/a
Capital cost	▪ A$170 million
Location	▪ Coastal location 25km from mine and pumped to the mine site after treatment



Southdown Magnetite Project *Albany Port Infrastructure*

Vessels	▪ Cape size (18m draft)
Activities	▪ Deepen; widen and extend existing shipping channel ▪ New wharf ▪ Filtration plant and storage shed
Area Reclaimed	▪ 9ha ▪ Increases port capacity from 2.5Mt to 14Mt
Capital cost	▪ A$350 million



Southdown Magnetite Project ***Environmental Permits***

✓ Mine Environmental permit	Granted November 2009, amendment required in 2011 for 10mtpa
✓ Port permits	Granted November 2010
☐ Water permit	Desalination permit expected in 2011

Southdown Magnetite Project ***PFS Capital Expenditure***

SOUTHDOWN CAPITAL EXPENDITURE	A$m
Mine (1)	560
Concentrator	850
Slurry Pipeline	200
Transmission Line	320
Desalination and Water Supply	200
Albany Concentrate Filtration and Storage	20
Port of Albany	400
Allowances for Provisional Sums	25
Total Costs (2) – Australian Operations	2,575

(2) Includes EPCM, Owners Costs, Estimate Accuracy and Project Contingency

Southdown Project ***Australia - Malaysia***

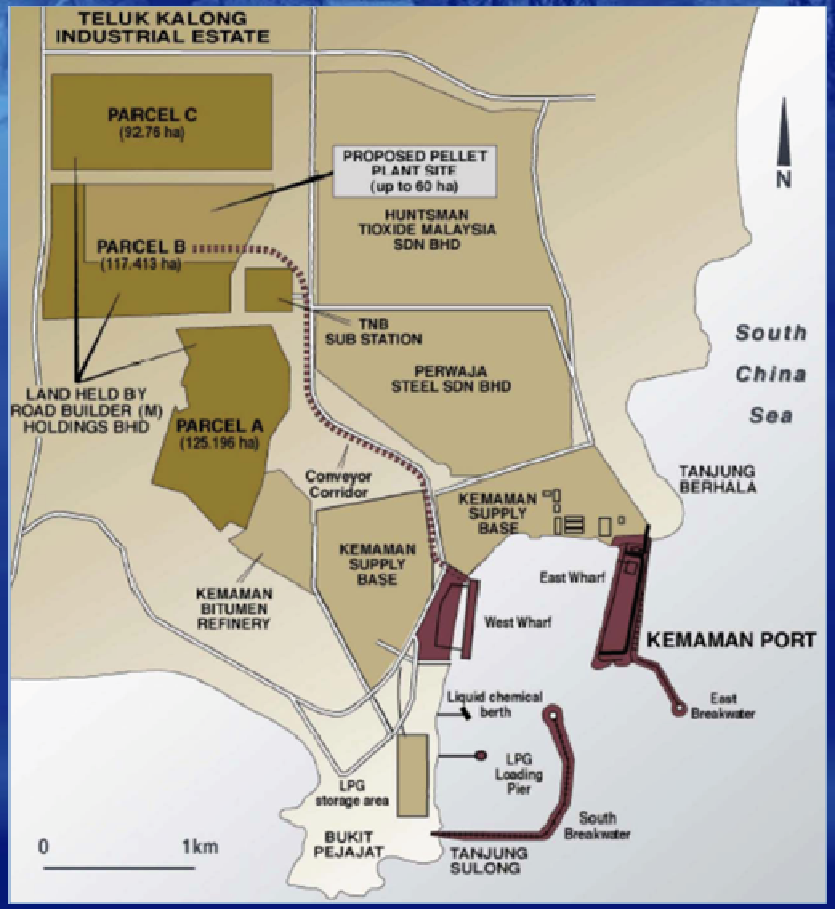
4. Pellet Plant (7Mtpa)

3. Concentrate shipped (10Mtpa)

2. 100km slurry pipeline to Albany Port

1. Mine and concentrator targeting 10Mtpa of concentrate production for over 25 years

The Kemaman Pellet Plant ***Location Plan***



Kemaman Project *PFS Capital Expenditure*

KEMAMAN	A$m
Pellet Plant	640
Kemaman Port Facilities and Materials Handling	300
Allowances for Provisional Sums	1
Total Costs [2] – Malaysian Operations	941

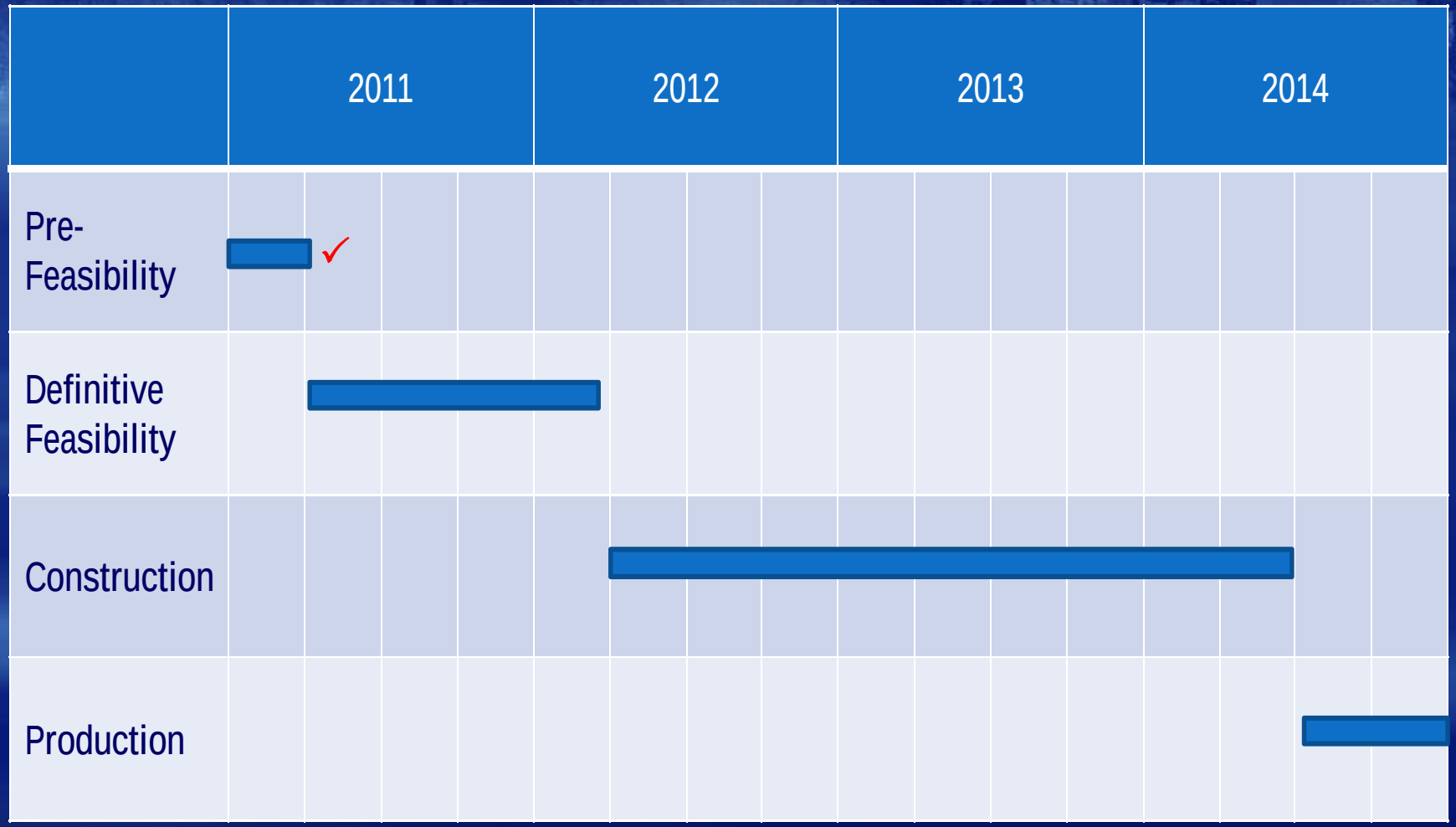
[2] Includes EPCM, Owners Costs, Estimate Accuracy and Project Contingency

Southdown Project *PFS Operating Cost Summary*

	Unit Rates
Cost per tonne of concentrate produced	<A$60
Cost per tonne of pellets produced	<A$75

(1) Excludes WA Mineral Royalty

Southdown Magnetite Project *Timetable*



Southdown Magnetite Project ***PFS Highlights***

Why is this project different to other magnetite projects being built?

- Grange's cashflow, extensive operating experience and existing IP dramatically reduces execution risk,
- The project is well advanced:
  - Major permits for the mine and port are in place;
  - Land tenure is largely secure;
  - Metallurgical test work is well advanced;
  - Power line easements are established and permitted;

Resources and Reserves 2010

Supporting Long Mine Lives

Mineral Resources (inclusive of reserves)

	Tonnes (Mt)	Grade (%DTR)
Savage River [4]		
Measured	86	53.8
Indicated	132	53.5
Inferred	88	48.9
Total	306	52.3
Southdown [1]		
Measured	220	37.4
Indicated	210	38.9
Inferred	224	33.4
Total	654	36.5
PROJECTS TOTAL	960	41.5
ATTRIBUTABLE RESOURCES [3]	764	42.8

Ore Reserves

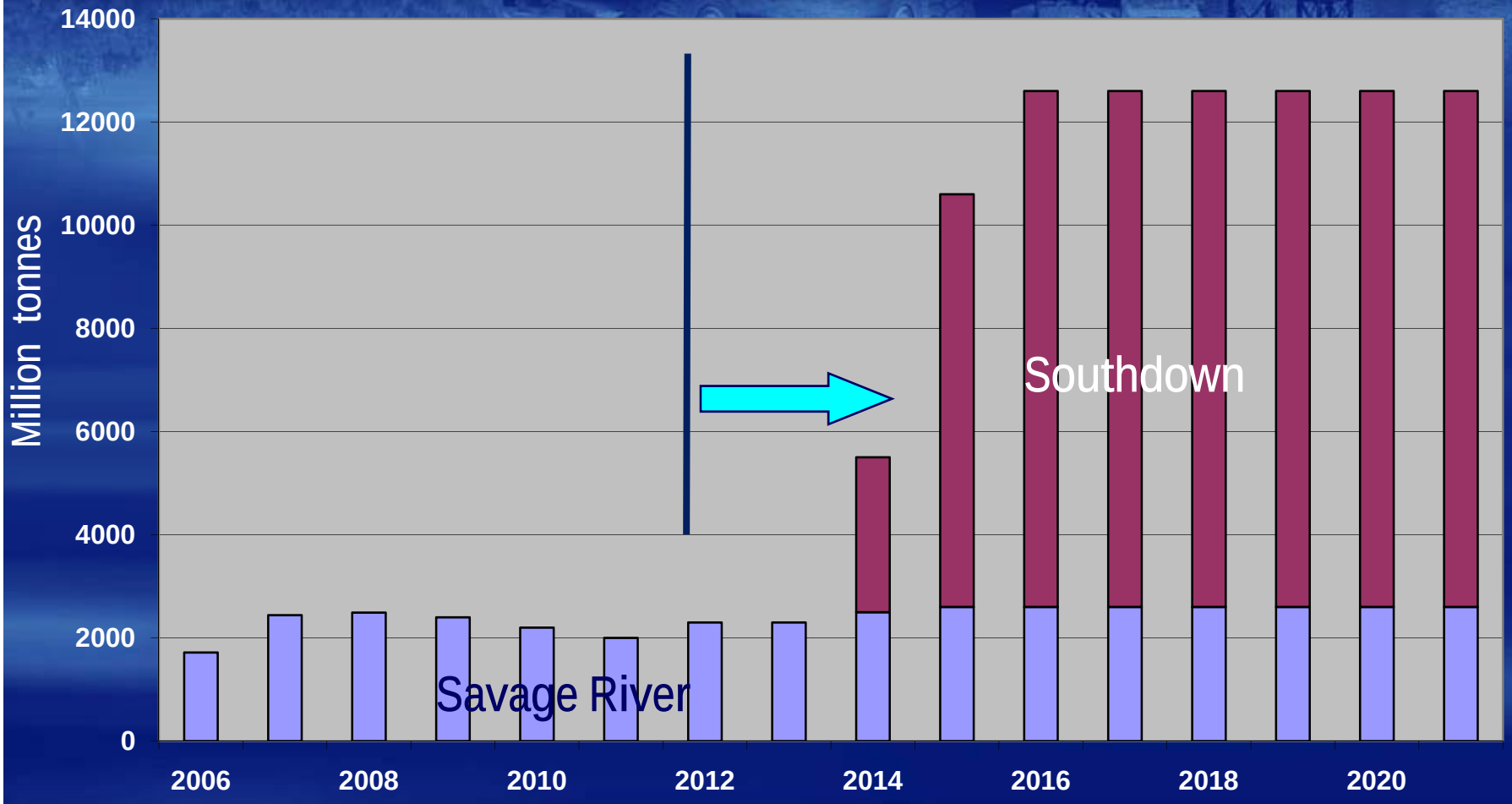
	Tonnes (Mt)	Grade (%DTR)
Savage River		
Proved	51	51.1
Probable	68	51.3
Total	119	51.2
Southdown [2]		
Probable	388	35.5
Total	388	35.5
PROJECTS TOTAL	507	39.2
ATTRIBUTABLE RESERVES [3]	391	40.3

- *Additional growth potential through exploration assets*
- *E70/2512 – eastern 6km extension of Southdown Deposit not yet fully drilled*
- *Long Plains – magnetite deposit located near Savage River*

Notes:

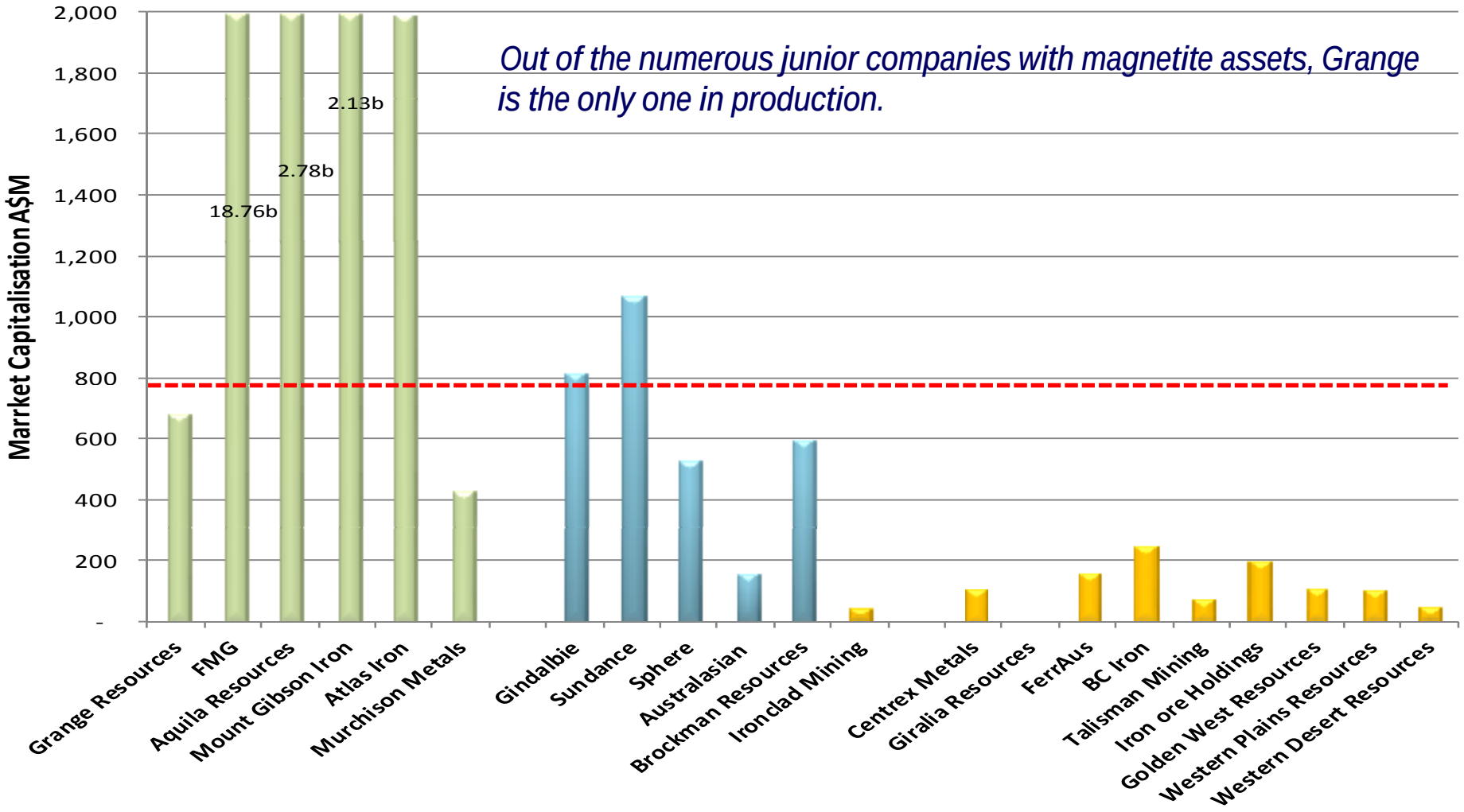
1. *Southdown Magnetite Project Resource Upgrade (ASX 3 July 09) – Refer to Appendix A*
2. *July 2008 Southdown reserve estimate – Refer to Appendix A*
3. *Adjusted for 70% ownership of Southdown*
4. *Refer to Appendix B*

Production growth prospects



(Southdown production includes Sojitz 30% share))

Grange - The largest Producing Magnetite Company



Current Focus *and* Future Milestones

- Position Savage River for long term sustainable production:
  - Replacement ball mill installed February 2011
  - Replacement AG mill purchased
  - Trucking fleet re-build underway
  - Reviewing options for Port Latta emissions reduction
  - Undertaking east wall cut back
- Generation of cash at Savage River for local projects and Southdown DFS
- Fast Tracking Southdown
  - PFS finalised and undertaking DFS in 2011
  - Finalise permits – water and mine amendment
  - Progress financing negotiations

Today, Grange has no net debt and is totally exposed to the strong iron ore price.

Summary

- Australia's leading magnetite & iron ore pellet producer
- Solid investor, customer and revenue base
- Extensive magnetite technical and operational expertise
- Strong balance sheet and strong cashflow forecasts
- Healthy mix of Cornerstone, Institutional and Retail investors
- Increased shareholders, liquidity & market capitalisation
- Broad research coverage
- ASX 300
- Southdown project being accelerated

Key Contacts

Primary contacts:

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Competent Person Statement

Southdown Project

The information in this presentation which relates to the Mineral Resources of the Southdown Project is based on information compiled by James Farrell who is a full-time employee of Golder Associates Pty Ltd and a Member of the Australasian Institute of Mining and Metallurgy. James Farrell has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity for which he is undertaking to qualify as a Competent Person as defined in the JORC Code (2004). James Farrell consents to the inclusion of this information in this presentation in the form and context in which it appears.

The information in this presentation which relates to the Ore Reserves of the Southdown Project is based on information compiled by Mr Ross Bertinshaw who is a full-time employee of Golder Associates Pty Ltd and a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Bertinshaw has sufficient experience in Ore Reserve estimation relevant to the style of mineralisation and type of deposit under consideration and to the activity for which he is undertaking to qualify as a Competent Person as defined in the JORC Code (2004). Mr Bertinshaw consents to the inclusion in this presentation of the matters based on his information in the form and context in which it appears.

Savage River Project

The information in this presentation that relates to Mineral Resources or Ore Reserves in relation to the Savage River Project is based on information compiled by Mr Ben Maynard, who is a Member of The Australasian Institute of Mining and is a full time employee of Grange Resources. Mr Maynard has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Maynard consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Appendix A – Southdown Project

Mineral Resource Estimate

Classification	Measured Resources	Indicated Resources	Inferred Resources	Total Resources
Tonnes (Mt)	219.7	210.3	224.4	654.4
DTC wt%	37.4	38.9	33.4	36.5
DTC Fe%	69.2	69.3	69.1	69.2
DTC SiO_2%	1.72	1.94	2.07	1.91
DTC Al_2O_3%	1.43	1.27	1.29	1.33
DTC S%	0.46	0.40	0.54	0.46
DTC LOI%	-3.04	-3.06	-2.96	-3.02

This Mineral Resource has been defined using geological boundaries and a cut-off grade of 10 wt% DTC and includes minor internal dilution. All reported concentrate grades were weighted by DTC.

Ore Reserves within Designed Pit (Cut-off 10% DTR)

Reserve Classification	ROM (Mt)	DTR%	Conc. (Mt)	Fe%	SiO2%	Al2O3%	TiO2%	S%	P%
Probable	388	35.5	131	68.8	2.06	1.41	0.45	0.55	0.003

Appendix B – Savage River

Mineral Resource and Ore Reserve Estimates

Mineral Resource	Tonnes (Mt)	Grade (%DTR)
Savage-River Total		
Measured	86.4	54
Indicated	131.9	53
Inferred	87.8	49
Total	306.0	52

Ore Reserve	Tonnes (Mt)	Grade (%DTR)
Savage-River Total		
Proved	50.6	51
Probable	67.9	51
Total	118.5	51

Mineral Resources and Ore Reserves have been estimated for Grange Resources Tasmania Savage River magnetite deposit at the end of May 2010.

Qualifying Statements

The Measured and Indicated Mineral Resources are inclusive of those Mineral Resources modified to produce the Ore Reserves. The Inferred Mineral Resources are, by definition, additional to the Ore Reserves.

A lower cut-off grade of 15% DTR was used in the calculation of both the Mineral Resources and Ore Reserves.

The Ore Reserve was calculated using a 1.087 dilution factor and a mining recovery factor of 0.939. These factors are based on periodic reconciliation specific to mining areas.