

Australia's most experienced magnetite producer



Investor Presentation



Company Highlights

- *Most EXPERIENCED magnetite producer* Over 50 years of operational experience at Savage River
- STRONG Safety Culture Achieved over 4 years LTI free at the end of March 2021
- Shipped 2.5m tonnes of Iron Ore Products in 2020
 2.5 million tonnes of pellets and chips sold through the port.
- LONG LIFE producer of PREMIUM iron ore pellets
 High quality ore reserves (~ 47% DTR) producing ~65%+ Fe BF pellets
- ✓ STRONG balance sheet

\$202 million cash, cash equivalents and liquid investments at end of 2020 \$296 million cash, cash equivalents and liquid investments end April 2021

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 safe, 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.





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 forma 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 1,000 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.

May 2021







Pellets have favourable physical and chemical properties.



Keduction 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

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Pellet Price Received



ustained Pellet Premium High Fe Content Low Impurities **Attracting Premium** Delivering into term offtake agreements

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May 2021

Strategic Plan 2021

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	Develop Sustainable LOMP	Integrate Innovation	Sustain Ageing Infrastructure	Build Capacity & Capability
rivers	 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 	 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. 	 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. 	 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.
ocus ireas	 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. 	 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 	 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. 	 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.
	PENER.			









Strategic Areas of Focus

Maximising Mineral Asset Value

- Provide high quality ore from North Pit
- Continue investment in mine development in Centre Pit
- Environmental approvals for Centre Pit have been obtained
- 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

Strategic Review for Southdown Project

- 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%)



Quality assets in Tasmania and Western Australia.







GRR Company Snapshot

Capital Structure (A\$)

Ordinary Shares on issue	30 Apr 2021	1,157m
Share Price	30 Apr 2021	\$0.57
Market Capitalization	30 Apr 2021	\$660m
Cash, cash equivalents and liquid investments	30 Apr 2021	\$296m

Ownership Structure as at 30 April 2021



Share Price, Trading Volume and Returns

2017

120.0%

100.0%

80.0%

60.0%

40.0%

20.0%

0.0%

2016

Slide 10



Total Shareholder Returns 2016 - April 2021

2019

2018

GRAN

2021

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.



Higher

QUALITY

-ower

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 \checkmark
 - 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 \checkmark
 - 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





May 2021

Highlights for 2020 — Tasmania

- Surpassed 1,470 consecutive days Lost Time Injury Free By end March 2021.
- ✓ Delivered full year production target Managed the safety health and wellbeing of our employees through COVID19
- Continued investment in Mine Development The next stage of North Pit cutback continued on the west wall
- Centre Pit Environmental Approvals achieved. Providing additional ore reserve for extended mine life
- Concentrate production of over 2.5m tonnes
 Sustained quality output
- Progressed Prefeasibility into potential for underground mining Completed Exploration Decline and Bulk Sample Drive More than 2.4km of underground development
- Mineral Resources increased to 497MT at Savage River
 Driven by completion of the 3rd phase of underground drilling

2020





COVID-19 Status in Tasmania

COVID-19 in Tasmania

- Over 12 months since Tasmania recorded a case of COVID-19 in our community
- Tasmania continues a risk-based approach with strong safeguards
- Tas e-Travel system is required for registered entry into the state, with temperature scans and registration checked on entry.
- 100,000 doses of the vaccine have been administered to Tasmanians

Grange's response

- Our primary concern continues to be for the health and wellbeing of our people.
- A balanced approach has been maintained to ensure the appropriate response has been sustained through the changes in conditions around the country.
- Communication has been cascading through the business regularly to keep people informed of the situation and provide clear direction throughout 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

- Grange continue to sustain operation with controls in place and we continue to monitor movements and risk areas to contain any impact on our workforce.
- Vaccinations will continue to rollout within the state



Stop the Spread - 4 Simple Steps



Sanitise	Separate	Self-care	Support
 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 	 Keep your distance Stay 1.5m away 1 person per 2m² 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 	 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 	 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?



23-Apr-202

LOM Strategies — Maximising Mineral Assets

North Pit

- High quality, long life resources
- ~245MT @ 50%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 Mine Development
West wall cut-back completed

Supporting continued ore production

Ore Zon

North Pit Development

Centre Pit Mine Development
East wall cut-back in progress

Centre Pit Development

Key Projects

Exploration Decline

- Over 2.4 km developed
- 30,000m of diamond core collected
- Bulk Sample Drive completed
- Drive completed through fault zone and Main Ore Zone



Explore potential to use hydrogen at PL

Industrial heating at Pellet Plant

Hydrogen Feasibility

Underground Prefeasibility Study

- Assessing potential for underground mining methods
- Independent Peer Review being undertaken

PFS nearing completion

Review of alternate and renewable energy

Steel Pan Conveyor

- ✓ Implemented within 23 days
- Planned for Q4,2020
- Reduces maintenance costs and improves pellet quality





Furnace Refurbishment

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

Sodium Hydroxide System

- Replaced legacy Soda-ash system
- Improved pH control
- Will reduce maintenance cost and emissions





Financial Performance



Dec 2020 Financial Position - Consolidated

Indicator	2020 AUD'000	2019 AUD'000	Difference AUD'000	Variance %	Comments
Current Assets	420,403	340,536	79,867	23%	↑ Cash, ↑ Shipping receivables, ↑ Inventories
Non-current Assets	453,377	348,285	105,093	30%	 ↑ PP&E ↑ Mine Properties & Dev ↑ Deferred Tax Assets
Total Assets	873,780	688,821	184,960	27%	
Current Liabilities	83,506	92,650	(9,144)	(10%)	\downarrow Creditors , \downarrow Borrowings, \uparrow Provisions
Non-current Liabilities	78,183	64,118	14,065	22%	↑ Provisions, ↓ Other Financial Liabilities
Total Liabilities	161,689	156,768	4,921	3%	
Net Assets	712,091	532,053	180,038	34%	↑Cash,↑ PPE,↑ MP&D, ↑Deferred Tax Assets



2020 Performance – Indicators

Indicator	Unit	2020 Actual	2019 Actual	Difference	Variance %	Comments
Concentrate	Tonnes '000	2,531	2,117	414	20%	↑Increased concentrate production due to high grade ore delivered from Main Ore Zone from North Pit
Pellet	Tonnes '000	2,348	2,055	293	14%	↑Pellet production line balanced with concentrate production (included 23 day shut to install and commission Steel Pan Conveyor)
C1 Cash Operating Costs	AUD/t	99.77	114.26	14.49	13%	↓Increased concentrate production and continued focus on cost management
Iron Ore Sales	Tonnes '000	2,489	2,192	297	14%	↑ Sales line balanced with production and management of lower pellet stockpiles
Average Realized Price of Iron Ore Products*	AUD/t	196.77	158.33	38.44	24%	↑ Strengthening iron ore prices, in particular increased demand for higher quality products
Average Realized Exchange Rate	AUD:USD	0.6955	0.6944	0.0011	0.2%	↑AU Dollar strengthening
Sales Revenue (Consolidated)*	AUD '000	489,882	347,068	142,814	41%	↑Increased in production and sales volume ↑Increase in iron ore prices

* FOB Price - includes freight costs on CFR shipments







Proposed long-term offtake agreement

The below table summaries the key changes in the proposed off-take agreement to the existing off-take agreement.

	Existing Off-take Agreement	Proposed Off-take Agreement
Term	10 years	10 years
Quantity	1 million DMT per annum(plus or minus 10% at Shagang's option)	 ✓ 1 million DMT per annum ✓ (plus or minus 10% at Grange's option)
Price	 MB 65% Fe Pellet CFR Qingdao weekly index FOB terms with Freight net-back based on old Drewry Freight Model 	 ✓ Average of: MB 65% Fe Pellet CFR Qingdao weekly index and Platts 65% Fe CFR North China plus the average of the Weekly CFR China 65% Fe pellet premium ✓ CFR terms
Price review	Annual price review	Annual price review
Price dispute	 No independent expert to adjudicate 	✓ Independent expert to adjudicate
Shipping	 Free on board (FOB) pricing including a freight netback adjustment 	 ✓ Cost and freight (CFR) pricing, ✓ no freight netback required
Insurance	Not specified	✓ Buyer must effect for each shipment





Proposed long-term offtake agreement

Grange are recommending a renegotiated long term offtake agreement with major shareholder and core customer, Shagang.

- In addition to pricing mechanism, the following important considerations have been made:
- The proposed 10-year offtake agreement provides long term certainty of sale of approximately 40% of Grange's production.
 - This provides significant value in underpinning the Company's life-of-mine plan and certainty over our operation's future cash flow.
- Having a long-term offtake agreement in place is valued and viewed positively by banks, financial institutions and other counter-parties.

✓ This provides significant intangible value to Grange

- Shagang, as Grange's largest shareholder and one of the top 3 steel manufacturers in China, is assessed to pose low-counter party risk.
- Shagang have also previously been flexible and accommodative to changes in our shipping schedule.
- The difference between the relevant Metal Bulletin and Platts indices will fluctuate in the future, and it is possible the difference may reverse to be in favour of Metal Bulletin.
 - ✓ There are price reviews and dispute resolution clauses in the contract to mitigate this risk.
- The Company conducts an annual transfer pricing review by an external specialist.



Southdown Project Achievements & Strategies



2020 Project Overview – Southdown

- The Company is continuing to carry out a strategic review of 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:
 - Significant milestone achieved with approval granted under EPBC Act 1999
 - 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.





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

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 31-Mar-2021





