



Approved 29 October 2013

PURPOSE

A Board Code of Conduct provides Directors with clear and unambiguous guidance as to the minimum standards of behaviour which is required of Grange's Directors undertaking Grange activities or whenever they are representing Grange.

The Board Code of Conduct is consistent with Grange's values. It reflects a number of Grange's values including the requirement to:

- Lead and act with fairness, trust and respect
- Be responsible and accountable for our actions
- Work together openly and transparently
- Promote an environment in which our people can develop and prosper

In addition to reflecting our values, the Code is sound and prudent business practice.

APPLICABILITY

This Code of Conduct is binding on all Directors of Grange Resources Limited.

Any breaches should be reported to the Chairman of the Audit Committee or, in the event that would be inappropriate, the Chairman of the Committee of Independent Directors.

If Directors need more information or are unsure of Grange's expectations or their obligations under this Code, please contact the Company Secretary.

1. ACT IN GRANGE'S BEST INTERESTS AND VALUE ITS REPUTATION

Directors shall:

- Undertake their duties with appropriate care and diligence in accordance with their legal obligations.
- Act in the best interests of all shareholders and not just their appointing body.
- Be cognisant of their obligation to be independent in judgement and actions and to take all reasonable steps to be satisfied as to the soundness of all decisions taken by the board.
- Deal honestly with Grange's shareholders, customers, suppliers, competitors and any other third parties or business partners and stakeholders.
- Exercise any authorities responsibly and within their limits. Directors are responsible for understanding their authorities, including any relevant limits, and are accountable for how they are used.
- Behave in a way that takes into account Grange's community, environmental and social responsibilities.
- Not undertake any activities while acting as a Grange director which will bring the company into disrepute.
- Use Grange's systems and equipment appropriately and for proper purposes. This includes email, messaging, internet access, and technology and other systems.
- Not disclose any information to any party about Grange that is not already in the public domain.
- Comply with all applicable laws and ASX Listing Rules and in particular those in relation to any related party dealings with any related bodies corporate.


2. ACT WITH HONESTY AND INTEGRITY**Directors shall:**

- Act honestly and with integrity in all of their dealings for the Company in a way that their honesty is beyond question.
- Not make promises or commitments they know Grange does not intend, or would be unable, to honour.
- Adhere to the truth, and not knowingly mislead directly or indirectly or make false statements, or mislead by omission.
- Not use Grange's name to further any personal or other business transaction.
- Use any facilities, systems provided to them by Grange, strictly in accordance with the terms on which they are provided.


3. TREAT OTHERS WITH RESEPECT**Directors shall:**

- Treat all people with whom they deal through their work at Grange, including fellow Board members, with dignity and respect at all times.
- Conduct themselves and interact with others in a manner which is professional and courteous and is considered appropriate within an Australian business environment.
- Not place employees in compromising or conflicted situations.
- Non independent directors shall follow the agreed procedure in relation to requests for information and direct information requests in the first instance to the Managing Director, Chief Financial Officer or Company Secretary and not direct them to individual employees.
- Never unlawfully discriminate, harass or bully anyone in their Grange dealings. This includes being sensitive to behaviour that may be acceptable to them but not to others.
- Comply with all of Grange's HR policies when dealing with other Board members and employees.

4. RESEPECT AND MAINTAIN PRIVACY AND CONFIDENTIALITY**Directors shall:**

- Ensure that confidential information relating to Grange staff, suppliers, customers and Grange's operations is not procured by them or given by them either inadvertently or deliberately to third parties without the express consent of the Board Chairman or the Chairman of the Independent Directors' Committee.
- Respect the privacy of others.

5. IDENTIFY ACTUAL AND POTENTIAL CONFLICTS OF INTEREST AND MANAGE THEM RESPONSIBLY**Directors shall:**

- Not improperly use information obtained by them as a Director of Grange for personal financial gain, nor to obtain financial benefit for any other person or business.
 - Fully disclose active private or other business interests promptly and any other matters which may lead to potential or actual conflicts of interest in accordance with such policies that the Directors may adopt from time to time.
 - Fully disclose all relationships they have with Grange in accordance with policies on independence that Directors may adopt from time to time. Directors' dealings with Grange should always be at arm's length to avoid the possibility of actual or perceived conflicts of interest.
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- Comply with the all Grange Policies including the Conflict of Interest Protocols and Code of Business Ethics and Conduct.
- Comply with all laws, ASX Listing Rules and ASX guidelines with regard to conflict of interest

6. NOT MAKE OR RECEIVE IMPROPER BENEFITS OR GAINS

Directors should:

- Never accept or offer any improper payment or benefit in connection with their role as a Grange Director.
- Never accept any gift, reward or entertainment, including discounted products, free travel or accommodation, if it could create any obligation or expectation that could conflict with their role as a Grange Director. If in any doubt, Directors should discuss the matter with the Chairman of the Board, Deputy Chairman or Company Secretary.
- Never try to improperly influence the outcome of an official decision (for example by offering a payment or benefit that is not legitimately due). Such payments or benefits are unacceptable.
- Not use their status as a Director to seek personal gain from those doing business or seeking to do business with Grange.

7. ABIDE BY THE LAW AND GRANGE POLICIES

- Directors are subject to diverse legal responsibilities and should be familiar and comply with all relevant laws and regulations applicable to them. Accordingly, Directors must not take any action, or fail to take any action, that may breach the law, ASX Listing Rules or applicable Grange policies, procedures or practices.
- Directors must complete all induction and education programs required of them by the Board to build and maintain their awareness and understanding of relevant laws, policies, procedures and practices.

RELATED DOCUMENTS

- Grange's Code of Conduct and Ethics
- Grange's Related Party Transaction Policy
- Grange's Continuous Disclosure and Market Communications Policy
- Grange's Policy for Information Requests from External Parties, Shareholders and non-independent Directors
- Grange's Delegation of Authority
- Grange's Securities Dealing Policy
- Board Charter
- Constitution of Grange Resources Limited
- ASX Listing Rules and Guidance Notes
- Corporations Act

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