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APPROVAL GRANTED FOR SOUTH DEPOSIT TAILINGS STORAGE FACILITY

Grange Resources - Australia's most experienced magnetite producer

Grange Resources Limited ("Grange" or the "Company") is pleased to report that it has received Federal Ministerial approval for its proposal to construct and operate a new tailings facility at the Company's South Deposit at the southern end of its Savage River Mine Lease.

The new facility, known as the South Deposit Tailings Storage Facility "SDTSF", will not only facilitate the mining of ore from the South Deposit reserve but will also ensure that there is sufficient tailings storage capacity to accommodate the existing Savage River operations through to the remainder of their expected life to at least 2030.

"Approval has been granted for a storage capacity of up to 28 million cubic metres which is well within the anticipated storage requirements indicated by the current Life of Mine Plan for the Savage River operations", said Managing Director, Mr Wayne Bould. The new facility will replace the current tailings storage facility which will reach capacity in 2016.

The required State approvals for the construction of the facility were granted earlier in the year following open and proactive bilateral communications with both local and State authorities. Grange also undertook similar full and transparent bilateral dialogue with Federal authorities.

Pre-production stripping at South Deposit has been in progress since early 2014 and following the granting of Federal approval the Company will commence work on implementing plans to ensure that the various approval conditions are met. Construction work on the new storage facility will take approximately 26 months and is expected to commence on schedule in Q4 2014.

Managing Director, Mr Wayne Bould, said "This is a significant decision and marks a milestone in the Company's on-going operations that will enable us to provide ore from South Deposit in 2015, store our tailings and potentially mitigate inherited environmental legacy issues."

"In addition the approval of this new facility is a key component in Grange's life of mine strategy enabling the Company to grow reserves, develop multiple mining locations and reduce the risks associated with operating from a single location" continued Mr Bould.

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For further information, please contact:

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