



GRANGE
RESOURCES LIMITED
ABN 80 009 132 405

STOCK EXCHANGE ANNOUNCEMENT

EPA RECOMMENDS APPROVAL OF SOUTHDOWN IRON ORE PROJECT

30 June 2008

Grange Resources Limited (ASX: GRR) is pleased to advise that the Environmental Protection Authority (EPA) Bulletin for its Southdown Magnetite iron ore project was released today. Publication of the EPA Bulletin marks an important milestone in the development of the Southdown Project, which is targeting production of up to 7 million tonnes per annum of premium quality magnetite concentrate from 2012.

The Bulletin provides advice and recommendations from the EPA on the proposed development of the Southdown mine, the pipeline to the Port of Albany and the infrastructure required at the Albany Port for magnetite concentrate storage. The EPA has concluded that it is unlikely that its objectives would be compromised provided there is satisfactory implementation of its recommended conditions and procedures. The EPA has recommended approval of the project to the Minister for the Environment with those conditions and procedures.

Grange Resources Managing Director Russell Clark said the release of the Bulletin was the culmination of extensive studies and submissions to the EPA and is a major milestone and a major step forward in the development of the Southdown Project.

"We are delighted the project has now reached this important development stage, which is a major step forward in bringing Southdown into commercial operation," said Mr Clark.

Grange expects the mine environmental approval process to be completed in the 3rd quarter of 2008 with the publication of the Environment Minister's Statement on environmental conditions for the mine and associated infrastructure. The conditions and commitments in the Ministerial Statement set out the conditions to which project implementation is subject.

Significant progress has also been made on the environmental approval work for the new berth facility at Albany Port, which is being undertaken by the Albany Port Authority. The approval process is well advanced and Gary Crockford, Acting CEO of Albany Port Authority, expects the EPA Bulletin to be released later this year.

With environmental approval already in place for the power transmission line to the Southdown minesite, and for the Malaysian Pellet plant site, the mine and port approvals are the last two approvals necessary for this large project to proceed.

The Southdown mine, located 100km from Albany, will produce up to 7 million tonnes of high quality magnetite concentrate which will be pumped to Albany via an underground pipeline. From Albany, the concentrate will be shipped to Malaysia where it will be pelletised for sale to fast growing South East Asian and Middle Eastern steel markets, which increasingly rely on high quality iron ore feed.

For further information visit the Grange website at www.grangeresources.com.au. The EPA Bulletin is available on the EPA website at epa.wa.gov.au.

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