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GRANGE SECURES A 25% INCREASE IN INTERIM PRICING FOR IRON ORE PELLETS

Grange Resources Limited ("Grange"), Australia's leading magnetite producer, is pleased to announce it has secured a 25% increase in interim pricing for iron ore pellets.

The agreement has been reached with primary customer and cornerstone shareholder Shagang, China's largest private steel mill. The interim agreement will add US\$30 per tonne of pellets to the current quarter's interim price of US\$120 per tonne. The new price of USD\$150 per tonne is effective from 1 July 2010.

Grange CEO, Russell Clark, said that the increased interim pricing arrangement recognises the rise in various spot iron ore prices over the past three months.

"The new arrangement guarantees enhanced revenue whilst we finalise the actual index prices for the quarter. The USD \$150 per tonne agreed for the next quarter is regarded as a conservative estimate of the final price that will be received for the quarter."

As a number of magnetite projects are being developed in Australia, Grange has the distinct advantage of being an experienced operator and cash producer of magnetite as it finalises the plans for its Southdown Project. Grange is Australia's leading magnetite producer, producing approximately 2.3 million tonnes of premium iron ore pellets per annum.

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