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ASX:GRR



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GRANGE GRANTED PERMIT FOR PRODUCTION INCREASE AT SOUTHDOWN

Grange Resources Limited (**Grange** or the **Company**), Australia's leading magnetite producer, is pleased to announce it has received Environment Protection Authority (EPA) approval to expand its previous mining permit by 47%, from a production rate of 6.8 million tonnes per annum to 10 million tonnes per annum of magnetite concentrate production.

Grange Managing Director and CEO, Russell Clark, said "The permit amendment was a necessary requirement to allow us to produce at the expanded capacity of 10 million tonnes per annum for magnetite concentrate production. The amendment means that the major permits required for the mine area and Albany port operations are fully secured, providing further confidence for the success of the Southdown project."

"Our existing operations at Savage River are performing well and we continue to enjoy near record prices for our product and excellent margins. The existing cash flow together with our the extensive operational and technical experience at Savage River will help minimise the execution risk at Southdown - a key difference compared to some of our peers developing projects currently."

"It's important to note that recent announcements regarding the potential Oakajee port and associated mining operations have absolutely no bearing on the activities at Southdown. Southdown is in a favourable location in the South West of Western Australia, with an established port, nearby power generation and ample water supply, so the critical infrastructure solutions are in place. In addition a ready labour force is available in and around Albany and we will not be competing for labour in the Perth market. An extensive drilling program is currently underway to increase confidence levels and tonnage to the existing 654 million tonne resource, containing 388 million tonnes of reserves. In addition the product quality will be high grade, low contaminant pellet feed, a critical requirement of the steel industry as hematite feed grades reduce and contaminant levels increase. High quality pellet feed helps the steelmakers maintain blast furnace productivity."

-ENDS-

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