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Snapshot 2009

- High Debt
- Major pre-existing liabilities
- Prices below costs

- Unhelpful banks
- Share register issues
- Market Cap ~$200m
- Cash constrained
Snapshot 2010

- No net debt, no hedging
- $97m cash at bank
- $49m leasing and State liabilities
- Market pricing for all product

- Institutional investment
- Greater liquidity
- Investors tripled, ASX 300
- Market cap ~$800m
- Southdown development
- Strong margins
Magnetite – the premium iron ore

- Iron Ore Pellet ~65-69% Fe
- Direct Shipping Lump ~63% Fe
- Magnetite Concentrate ~67% Fe
- Direct Shipping Fines ~58% Fe

 Value & Price

\[ \sim \text{US$150} \]

\[ \sim \text{US$100} \]
Company Snapshot

Company Snapshot

Current key statistics (A$)

<table>
<thead>
<tr>
<th>Category</th>
<th>Date</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ordinary shares on issue</td>
<td>15 November 10</td>
<td>1,152m</td>
</tr>
<tr>
<td>Last share price</td>
<td>15 November 10</td>
<td>$0.775</td>
</tr>
<tr>
<td>Market capitalization</td>
<td>15 November 10</td>
<td>$893m</td>
</tr>
<tr>
<td>Cash</td>
<td>30 September 10</td>
<td>$97m</td>
</tr>
</tbody>
</table>

Grange joined the ASX 300 in September 2010

Board of Directors

Mr Xi Zhiqiang  
Mr Neil Chatfield  
Mr Russell Clark  
Mr Zhao Honglin  
Mr Clement Ko  
Mr John Hoon

Chairman  
Deputy Chairman  
Managing Director, CEO  
Non Executive Director  
Non Executive Director  
Non Executive Director

Currently sourcing an additional independent director

Current Ownership Structure

- Free float: 32.70%
- PML: 46.90%
- RGL Group: 12.50%
- Jiangsu Shagang: 7.90%

Research

Citi  
Macquarie  
Patersons  
Petra Capital  
Southern Cross Equities
Grange Board

Grange has a board with a diverse range of relevant experience.

Xi Zhiqiang: Chairman
- Extensive experience in the Chinese steel industry
- Baosteel employee for 30 years, including 5 years as Managing Director of Baosteel Australia

Russell Clark: Managing Director and CEO
- Appointed Managing Director of Grange in March 2008
- 31 years of mining experience in technical, project management, general management and executive positions
- Prior to joining Grange, he worked for Renison Goldfields for over 18 years and Newmont Mining Corporation for 8 years

Neil Chatfield: Deputy Chairman (Independent)
- Recently Executive Director and CFO of Toll Holdings, a position held for over 10 years
- 30 years experience in resources, logistics and transportation sectors
- Currently Independent Chairman of Virgin Blue, Non-executive Director of Seek Limited, Whitehaven Coal Limited, TransUrban

Clement Cheung Ko: Non-executive Director
- Chairman and CEO of Pacific Minerals Limited (PI)
- More than 18 years experience in mining sector, with extensive expertise in marketing and sales
- Prior to founding PI, he worked for BHP Billiton (China) Ltd as a senior regional marketing manager

Zhao Honglin: Non-Executive Director
- Joined Shagang Group in 1976
- Executive Director of Jiangsu Shagang Group
- Vice President of Jiangsu Shagang Group
- Commander of Project Development for Shagang Group

John Hoon: Non-executive Director (Independent)
- Chairman of the Company’s Audit Committee and member of the Remuneration Committee
- Strong background in financial and audit matters
- Previously a Director of Bao Australia Pty Ltd a subsidiary of China Shanghai Baosteel Corporation

Pauline Carr: Company Secretary
- Appointed Company Secretary in January 2010
- 25 years of management and commercial experience in the resources industry both Australian and International companies

Grange is currently sourcing an additional Independent director
Jiangsu Shagang - Cornerstone Shareholder
A strong partnership

- Grange’s largest shareholder
- Demonstrated continuing support for Grange with an attractive LOM offtake agreement at Savage River at market prices.
- Agreement to negotiate at fair market price for Grange’s share of offtake from Southdown
- Shagang’s investment in Grange represents a significant direct iron ore investment in Australia
- Potential for Grange to leverage off Shagang’s strong balance sheet for Southdown development in the future

**Assets** • In excess of A$17 billion

**Location** • Jiangsu Province, China

**Product Range** • Heavy plate, hot strip coil, stainless hot rolled plate, cold rolled plate, high-speed wire rod, rebar coil and special steel bar

**Production Capacity** • Over 25Mtpa pig iron • 27Mtpa other steel products

**Employees** • 26,500

*Being backed by China’s largest privately owned steel producer provides a large degree of stability and is a positive for both Grange’s prospects and its shareholders*
Best performing ASX stock, Q1 2010

Number of Grange Shareholders

(Number of Grange Shareholders over time from Jun-08 to Jun-10)
Best performing ASX stock, Q1 2010

Market Capitalisation $Am

ASX 300
September 2010
Grange Resources – Australia’s Leading Magnetite Producer

Grange’s position is supported by quality assets in Tasmania and Western Australia.

**Southdown Project (70%)**
- 90km northeast of the Port of Albany
- 650 million tonnes of premium quality magnetite resource in southern Western Australia
- Targeting 10Mtpa concentrate, to produce high quality pellets for over 25 years
- Infrastructure solutions in place (power, ports, water)
- Advanced permitting
- Potential to increase resources and reserves

**Savage River (100%)**
- Northwest Tasmania
- Annualised production rate of 2.3Mtpa premium blast furnace pellets and concentrate
- Mine life to 2024
- 118Mt reserves at 51% DTR
- Owner-operated open pit mine, 83km slurry pipeline, coastal pellet plant and port
- Dedicated infrastructure – no third party charges
- Extensive operating experience applicable to Southdown development
Grange Highlights

- Modern mining facility with $100m invested in new equipment in CY2008
- Completed capital restructure in November 2009, raising $153m
- Legacy contracts and financial liabilities restructured/removed
- A$97m cash September 30, 2010 & no net debt
- ASX 300 listed, increased market capitalisation, liquidity and investor base
- Cost and productivity improved during the downturn, highly leveraged to the global economic recovery
- Producer of high quality pellets that receive higher prices than fines or lumps
- Australia’s leading exporter of iron ore pellets, producing 2.4Mt from the Savage River operations in Tasmania in FY2009/10
- Second major project in the development pipeline – Southdown Project
- Large reserve base – long life projects (~960Mt resources and 507Mt reserves)
- Long term off take agreements with a solid customer base
- A strong management team with extensive operating expertise in magnetite
- Demonstrated support from the largest shareholder Shagang, China’s largest private steel mill and a major customer
## Savage River Overview

<table>
<thead>
<tr>
<th>Ownership</th>
<th>• Grange 100%</th>
</tr>
</thead>
</table>
| Resources and Reserves | • Mineral Resource of 306Mt magnetite at 52.3% DTR  
|                     | • Ore Reserve of 119Mt magnetite at 51.2% DTR |
| Production         | • 2.3Mtpa blast furnace pellets and concentrate (annualised basis)  
|                     | • Potential to expand to 2.9Mtpa |
| LOM Operating Costs | • US$60/t pellets |
| Mine Life          | • Current mine plan has a 14 year life with the potential to extend an additional 10 years |
| Customers          | • Shagang, BlueScope Steel and Stemcor |
| Operational Update | • Mine re-capitalised in 2008 with new fleet  
|                     | • Record tonnes treated 2009/10  
|                     | • Safety incidents halved (LTI) 2009/10 |
### Key Information
#### September Quarter, FY 2010/11

<table>
<thead>
<tr>
<th></th>
<th>Production and Costs Sept Qtr 2010</th>
<th>Production and Costs Sept Qtr 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Mined ('000 BCM)</td>
<td>4,055</td>
<td>4,350</td>
</tr>
<tr>
<td>Total Ore ('000 BCM)</td>
<td>217</td>
<td>516</td>
</tr>
<tr>
<td>Pellets Produced ('000 t)</td>
<td>558</td>
<td>515</td>
</tr>
<tr>
<td>Direct Operating Costs A$/tonne Pellet Produced</td>
<td>78.80</td>
<td>80.26</td>
</tr>
</tbody>
</table>

*Notes: Direct operating costs includes all costs associated with producing iron ore pellets, but excludes capital expenditure, capitalized waste, financing costs, tax, royalties and corporate costs*
### Revenue surge

<table>
<thead>
<tr>
<th></th>
<th>January-March 2010</th>
<th>April-June 2010</th>
<th>July-September 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pellets Sold ‘000t</td>
<td>588</td>
<td>581</td>
<td>582</td>
</tr>
<tr>
<td>Average Price US$/t</td>
<td>55</td>
<td>118</td>
<td>150</td>
</tr>
<tr>
<td>Average Price A$/t</td>
<td>61</td>
<td>134</td>
<td>167</td>
</tr>
<tr>
<td>Revenue</td>
<td>A$35.7m</td>
<td>A$77.6m</td>
<td>A$97.0m</td>
</tr>
</tbody>
</table>

Since July 2010, all product has been sold at index based market prices, rather than at Benchmark, or set priced contracts as in the past.
Own Downstream Infrastructure
Own Port & Shiploading Infrastructure
Solid Customer Base

*Long term offtake agreements – providing revenue stability*

Agreements are in place for both Savage River and Southdown production at index based market prices. (Current interim price – US$150/t)

- **Shagang**
  - China’s largest private steel mill, producing 22 Mtpa of pig iron
  - Grange’s largest shareholder
  - Savage River LOM contracts in place:
    - 1.3 Mtpa pellets until 2012, then increasing to 2.1 Mtpa pellets until 2023
    - LOM contracts at market prices
  - Southdown intent to negotiate a fair market price:
    - 56% of all production (80% of Grange’s 70% share of the JV)

- **BlueScope**
  - Savage River: 0.8 Mtpa until 2012

- **Stemcor**
  - Savage River: option to take 80,000 tpa concentrate
Savage River - Leveraged to price

Margin leverage to price @2.3Mtpa

- Revenue
- Costs

A$ million

77  90  100  110  120  130  140  150  160  170  180  190

MARGIN
## Southdown Project

*High grade magnetite project with advanced infrastructure*

<table>
<thead>
<tr>
<th>Ownership</th>
<th>Grange 70%, Sojitz Corporation 30%</th>
</tr>
</thead>
</table>
| Resources and Reserves$^1$ | 654Mt magnetite at 36.5% DTR$^{1,2}$  
|                  | 388Mt magnetite at 35.5% DTR$^{1,3}$  |
| Production$^1$   | Targeting 10Mtpa magnetite concentrate for premium blast furnace pellets |
| Capital Costs    | Being updated                       |
| Operating Costs  | US$55/t pellets (2008 estimate)     |
| Mine Life        | >25 years                           |
| Infrastructure   | Established port, pipeline route, power easements, Albany waste water, pellet plant site and deep water port in Malaysia |
| Project Status   | Outcropping ore body located on freehold land  
|                  | Mining Permit issued, Port permit has received Commonwealth approval. State approval pending  
|                  | Option agreement signed with Water Corporation for the supply of treated waste water to Southdown  
|                  | Currently undertaking engineering (Amec Minproc) GRD to complete feasibility to +/-20% by December 2010  
|                  | Pellet plant site in Malaysia, 15 year tax free holiday, deep water port and land under option agreement |

1. All figures presented on a 100% project basis  
2. Southdown Magnetite Project Resource Upgrade (ASX 3 July 09)  
3. July 2008 Southdown reserve estimate
Growth - The Southdown Magnetite Project

1. Targeting 10Mtpa mining and concentrating operations for over 25 years

2. 100km slurry pipeline to Albany Port

3. Concentrate shipped

4. Pellet Plant
Southdown Resource

654 MT at 36.5% magnetite
Southdown Super Pit
Superimposed on Savage River photography

3 Kilometres
Southdown Project
Southdown Project
Southdown Project
**Project Infrastructure**

**Power & Pipelines**

---

### Power

- **Western Power Networks** 220kv line from Muja (150MW capacity).
- EPA Assessed
- Interconnected to SWIS¹
- Transmission line easement established

### Slurry Pipeline

- Optimal transport method
- Finalising easements with landowners

---

1 South West Interconnected System (Western Australia)
## Southdown Magnetite Project
### Project Schedule

<table>
<thead>
<tr>
<th></th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prefeasibility</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>DFS and Detailed Design</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Power</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dredge Port Albany</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sourcing Funding</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commitment Long lead Items (Mill, Transformer)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Business Readiness &amp; Project Execution</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pre-Strip and Mine Establishment (Tails etc)</td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Construction</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Construction-Port Albany</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Production</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- Prefeasibility
- DFS and Detailed Design
- Power
- Dredge Port Albany
- Sourcing Funding
- Commitment Long lead Items (Mill, Transformer)
- Business Readiness & Project Execution
- Pre-Strip and Mine Establishment (Tails etc)
- Construction
- Construction-Port Albany
- Production
Southdown Infrastructure
Port of Albany

New Berth Location
### Project Infrastructure

**Southdown & Albany**

All key infrastructure in place or well advanced

<table>
<thead>
<tr>
<th>Infrastructure</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water</td>
<td>Recycling Albany town waste water supplemented by pit dewatering &amp; site rainwater harvesting.</td>
</tr>
<tr>
<td>Power</td>
<td>Base load power supply available</td>
</tr>
<tr>
<td>Power Transmission</td>
<td>220kV transmission line</td>
</tr>
<tr>
<td>Concentrate Transport</td>
<td>Slurry Pipeline (easements on freehold rural land)</td>
</tr>
<tr>
<td>Workforce</td>
<td>Local communities can provide workforce</td>
</tr>
<tr>
<td>Deep Water Port</td>
<td>Existing Albany Port to be dredged to take Capesize vessels</td>
</tr>
</tbody>
</table>
## Project Permits – well advanced

<table>
<thead>
<tr>
<th>Permit Type</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mine Environmental permit</td>
<td>Granted November 2009</td>
</tr>
<tr>
<td>Commonwealth Port permit</td>
<td>Granted June 2010</td>
</tr>
</tbody>
</table>
| State Port Permit                  | EPA recommendation January 2010
|                                    | Conditions finalised August 2010                                      |
Grange has 764Mt of attributable Mineral Resources and 391Mt of attributable Ore Reserves.

### Mineral Resources (inclusive of reserves)

<table>
<thead>
<tr>
<th></th>
<th>Tonnes (Mt)</th>
<th>Grade (%DTR)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Savage River</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Measured</td>
<td>86</td>
<td>53.8</td>
</tr>
<tr>
<td>Indicated</td>
<td>132</td>
<td>53.5</td>
</tr>
<tr>
<td>Inferred</td>
<td>88</td>
<td>48.9</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>306</td>
<td>52.3</td>
</tr>
<tr>
<td><strong>Southdown</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Measured</td>
<td>220</td>
<td>37.4</td>
</tr>
<tr>
<td>Indicated</td>
<td>210</td>
<td>38.9</td>
</tr>
<tr>
<td>Inferred</td>
<td>224</td>
<td>33.4</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>654</td>
<td>36.5</td>
</tr>
</tbody>
</table>

**PROJECTS TOTAL** 960 41.5

**ATTRIBUTABLE RESOURCES** 764 42.8

**Notes:**
1. **Southdown Magnetite Project Resource Upgrade** (ASX 3 July 09) – Refer to Appendix A
2. July 2008 Southdown reserve estimate – Refer to Appendix A
3. Adjusted for 70% ownership of Southdown
4. Refer to Appendix B

### Ore Reserves

<table>
<thead>
<tr>
<th></th>
<th>Tonnes (Mt)</th>
<th>Grade (%DTR)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Savage River</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proved</td>
<td>51</td>
<td>51.1</td>
</tr>
<tr>
<td>Probable</td>
<td>68</td>
<td>51.3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>119</td>
<td>51.2</td>
</tr>
<tr>
<td><strong>Southdown</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Probable</td>
<td>388</td>
<td>35.5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>388</td>
<td>35.5</td>
</tr>
</tbody>
</table>

**PROJECTS TOTAL** 507 39.2

**ATTRIBUTABLE RESERVES** 391 40.3

- Additional growth potential through exploration assets
- E70/2512 – eastern 6km extension of Southdown Deposit not yet fully drilled
- Long Plains – magnetite deposit located near Savage River
Production growth prospects

Savage River
Southdown

(Production shown is attributable to Grange)
**Grange – Historically complicated**

**Now....very simple**

### 2008, 2009 snapshot
- Junior development company
- Large, unknown, Chinese ownership
- Low free float (~20%)
- Low trading volumes <0.5m/day
- Retail Investors (1600)
- FX Hedging
- High debt levels
- Fixed Consideration payments
- Deferred Consideration payments
- Head Agreement payments
- Legacy, low $ contracts
- Small operating margin

### 2010 snapshot
- Producing company
- Profitable with positive cash flow
- Major development project
- Strong Chinese support
- Increased free float (>30%)
- Approximately 4000 investors
- Trading volumes 2-5m/day
- Institutional Investors, ASX 300
- No net debt, no hedging
- Strong cash position (A$97m)
- Full exposure to iron ore price
- Strong operating margins
Out of the numerous junior companies with magnetite assets, Grange is the only one in production.

As at 15th November 2010

Grange Resources 18.76b
Aquila Resources 2.13b
Mount Gibson Iron 2.78b
Atlas Iron
Murchison Metals
Gindaburra
Sundance
Australasian Brockman Resources
Ironside Mining
Centrex Metals
Giralia Resources
FerrAus
BC Iron
Talisman Mining
Iron ore Holdings
Golden West Resources
Western Plains Resources
Western Desert Resources
Current Focus and Future Milestones

- Operational improvements at Savage River being implemented
  - Management Operating System continues to be installed
  - New equipment replacing old less productive units
  - Inventory and cost reductions

- Generation of cash at Savage for Southdown development

- Fast tracking Southdown
  - Finalise optimum plan for Southdown development
  - Port permit will be finalised this year
  - Southdown feasibility +/- 20% will be completed in 2010

Today, Grange has no legacy issues and is totally exposed to the strong iron ore price.
Summary

- Australia's leading magnetite & iron ore pellet producer
- Solid investor, customer and revenue base
- Extensive magnetite technical and operational expertise
- Strengthened balance sheet with strong cashflow forecasts
- Mix of Cornerstone, Institutional and Retail investors
- Increased shareholders, liquidity & market capitalisation
- ASX 300
- Southdown project being accelerated

Point of difference:
Grange is an existing magnetite producer with the expertise in place to develop its major project
Key Contacts

Primary contacts:

Russell Clark
Managing Director & Chief Executive Officer
+61 8 9327 7901
managingdirector@grangerresources.com.au
Competent Person Statement

Southdown Project

The information in this presentation which relates to the Mineral Resources of the Southdown Project is based on information compiled by James Farrell who is a full-time employee of Golder Associates Pty Ltd and a Member of the Australasian Institute of Mining and Metallurgy. James Farrell has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity for which he is undertaking to qualify as a Competent Person as defined in the JORC Code (2004). James Farrell consents to the inclusion of this information in this presentation in the form and context in which it appears.

The information in this presentation which relates to the Ore Reserves of the Southdown Project is based on information compiled by Mr Ross Bertinshaw who is a full-time employee of Golder Associates Pty Ltd and a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Bertinshaw has sufficient experience in Ore Reserve estimation relevant to the style of mineralisation and type of deposit under consideration and to the activity for which he is undertaking to qualify as a Competent Person as defined in the JORC Code (2004). Mr Bertinshaw consents to the inclusion in this presentation of the matters based on his information in the form and context in which it appears.

Savage River Project

The information in this presentation that relates to Mineral Resources or Ore Reserves in relation to the Savage River Project is based on information compiled by Mr Ben Maynard, who is a Member of The Australasian Institute of Mining and is a full time employee of Grange Resources. Mr Maynard has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’. Mr Maynard consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.
Appendix A – Southdown Project

Mineral Resource Estimate

<table>
<thead>
<tr>
<th>Classification</th>
<th>Measured Resources</th>
<th>Indicated Resources</th>
<th>Inferred Resources</th>
<th>Total Resources</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tonnes (Mt)</td>
<td>219.7</td>
<td>210.3</td>
<td>224.4</td>
<td>654.4</td>
</tr>
<tr>
<td>DTC wt%</td>
<td>37.4</td>
<td>38.9</td>
<td>33.4</td>
<td>36.5</td>
</tr>
<tr>
<td>DTC Fe%</td>
<td>69.2</td>
<td>69.3</td>
<td>69.1</td>
<td>69.2</td>
</tr>
<tr>
<td>DTC SiO₂%</td>
<td>1.72</td>
<td>1.94</td>
<td>2.07</td>
<td>1.91</td>
</tr>
<tr>
<td>DTC Al₂O₃%</td>
<td>1.43</td>
<td>1.27</td>
<td>1.29</td>
<td>1.33</td>
</tr>
<tr>
<td>DTC S%</td>
<td>0.46</td>
<td>0.40</td>
<td>0.54</td>
<td>0.46</td>
</tr>
<tr>
<td>DTC LOI%</td>
<td>-3.04</td>
<td>-3.06</td>
<td>-2.96</td>
<td>-3.02</td>
</tr>
</tbody>
</table>

This Mineral Resource has been defined using geological boundaries and a cut-off grade of 10 wt% DTC and includes minor internal dilution. All reported concentrate grades were weighted by DTC.

Ore Reserves within Designed Pit (Cut-off 10% DTR)

<table>
<thead>
<tr>
<th>Reserve Classification</th>
<th>ROM (Mt)</th>
<th>DTR%</th>
<th>Conc. (Mt)</th>
<th>Fe%</th>
<th>SiO₂%</th>
<th>Al₂O₃%</th>
<th>TiO₂%</th>
<th>S%</th>
<th>P%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Probable</td>
<td>388</td>
<td>35.5</td>
<td>131</td>
<td>68.8</td>
<td>2.06</td>
<td>1.41</td>
<td>0.45</td>
<td>0.55</td>
<td>0.003</td>
</tr>
</tbody>
</table>
Mineral Resources and Ore Reserves have been estimated for Grange Resources Tasmania Savage River magnetite deposit at the end of May 2010.

Qualifying Statements

The Measured and Indicated Mineral Resources are inclusive of those Mineral Resources modified to produce the Ore Reserves. The Inferred Mineral Resources are, by definition, additional to the Ore Reserves.

A lower cut-off grade of 15% DTR was used in the calculation of both the Mineral Resources and Ore Reserves.

The Ore Reserve was calculated using a 1.087 dilution factor and a mining recovery factor of 0.939. These factors are based on periodic reconciliation specific to mining areas.