



Australia's most experienced magnetite producer



Investor Presentation

9 May 2023

Company Highlights

- ✓ **STRONG Safety Culture**
Record safety performance of over 6 years Lost Time Injury free in March 2023.
- ✓ **Most EXPERIENCED magnetite producer**
Over 55 years of operational experience on the Savage River Project
- ✓ **Shipped 2.5m tonnes of Iron Ore Products in 2022**
Over 2.5 million tonnes of pellets and chips sold through the port.
- ✓ **LONG LIFE producer of PREMIUM iron ore pellets**
High quality ore reserves (~ 47% DTR) producing ~65%+ Fe BF pellets
- ✓ **STRONG balance sheet**
\$299 million cash, cash equivalents & liquid investments at end of Dec-2022
- ✓ **Advanced GROWTH Project**
Progressed Underground Definitive Feasibility Study and further optimised the Southdown Project with Definitive Feasibility Study commenced



Vision & Values

Our Purpose:

The responsible provision of mineral resources to support sustainable development, growth and prosperity



Our Vision

We will produce high quality steel making raw materials economically and effectively.

Our operations will be efficient, flexible, and stakeholder focused.

We value

At Grange we all will...

Safety ✓ Work safely.

Respect ✓ Lead & act with fairness, integrity, trust and respect.

Accountability ✓ Be responsible & accountable for our actions.

Efficiency ✓ Utilise our resources efficiently and effectively.

Sustainability ✓ Engage with stakeholders and proactively manage our impact on their environment.

Teamwork ✓ Work together openly and transparently.

People ✓ Promote an inclusive and diverse environment in which our people can develop and prosper.

Grange's Process

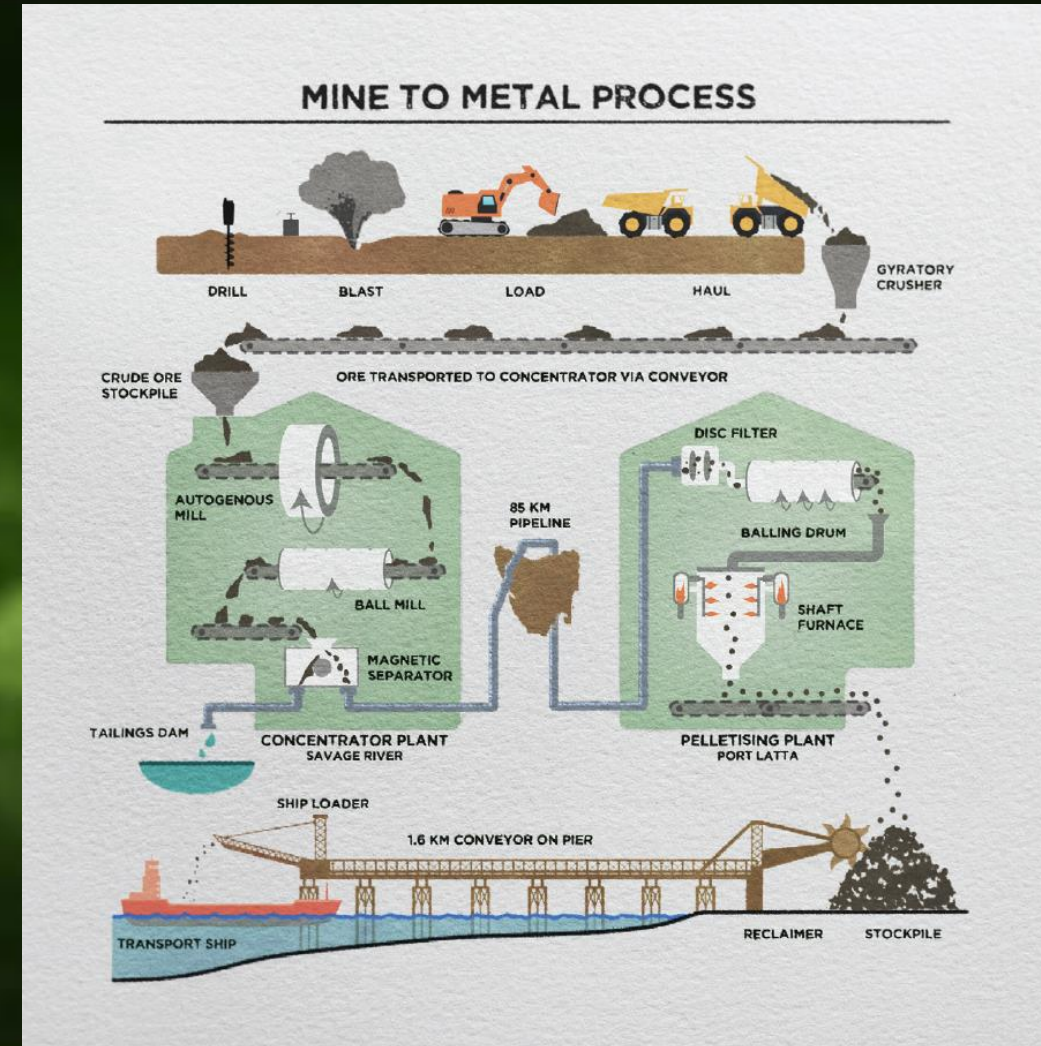
Savage River

- Magnetite iron ore is extracted from the open cut pit by conventional drilling, blasting, loading and hauling.
- Ore is then crushed to approximately 200mm and transported via a 1.6km overland conveyor belt to a stockpile.
- At the concentrator plant, the ore is processed through stages of autogenous mill grinding, ball mill grinding and magnetic separation.

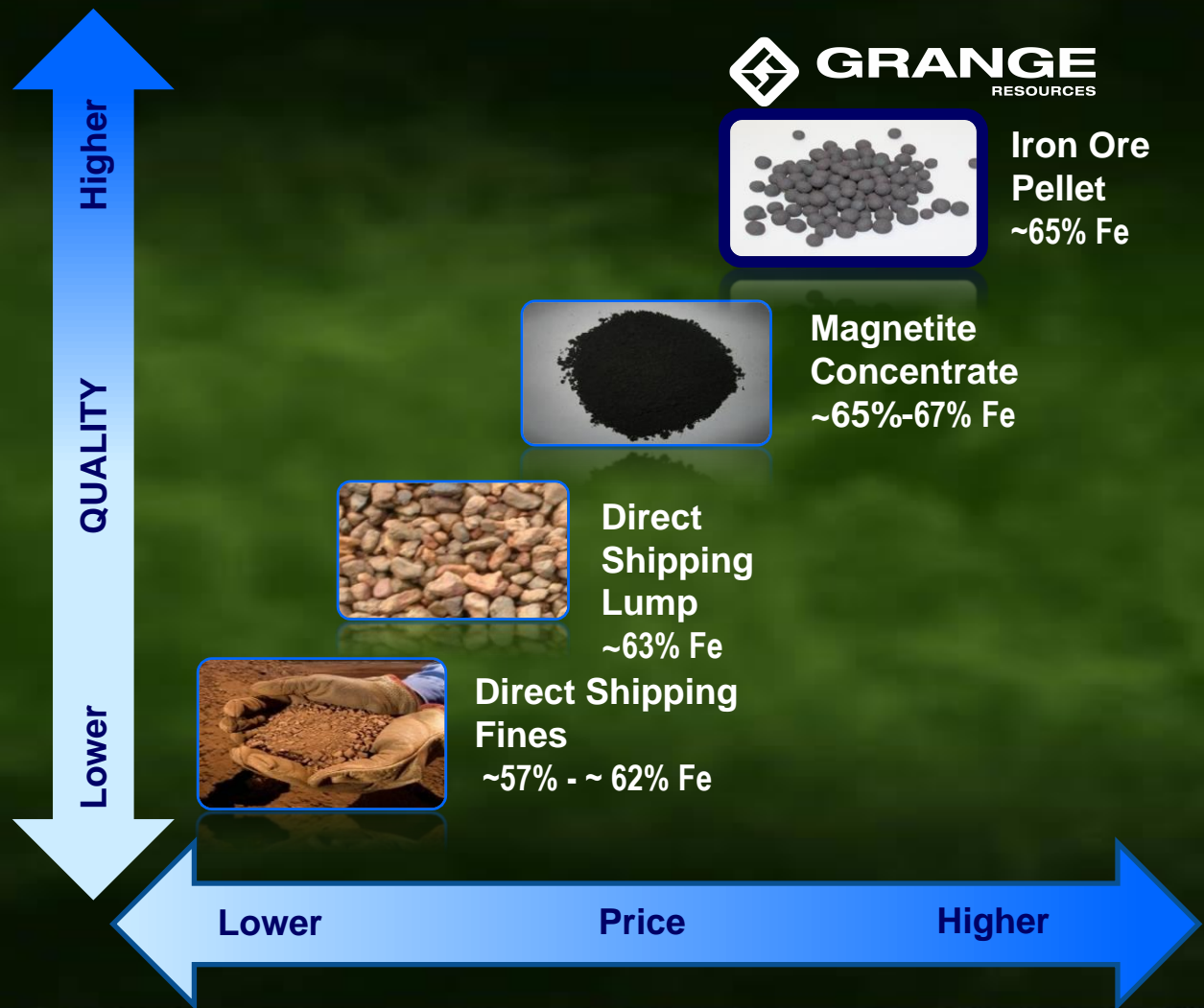
The resulting concentrate is mixed with water to form a slurry which is pumped 85km through a pipeline to Port Latta. Transportation time is around 13 hours.

Port Latta

- The concentrate is de-watered and formed into small marble-sized balls then heated to over 1,000 degrees Celsius for around four and a half hours in a furnace.
- The pellets are screened to remove excess material and are conveyed to a finished product stockpile to cool.
- They are transported along the 1.6km-long pier to be loaded on ships.
- Exported to steel-making operations in the Asia-Pacific region including Port Kembla.



Iron Ore Products



Magnetite is a naturally occurring mineral, commonly refined into an iron ore concentrate and used for steel production.

Smelting magnetite to iron involves agglomeration or 'clumping together' of the magnetite concentrate, and thermal treatment to produce spherical shaped balls – pellets.

Magnetite concentrate has internal thermal energy meaning less energy is required, compared to haematite, in the pelletising process which in turn results in less carbon dioxide emissions.

Our magnetite concentrate is a refined product, and has high iron content and low impurities.

This has beneficial quality, productivity, efficiency and environmental outcomes for the steel maker.



✓ *Reduced environmental impact with decrease in air emissions*



✓ *Reduction in energy consumption*



✓ *Reduction in waste & slag*



✓ *Lower maintenance costs in the Blast Furnace*

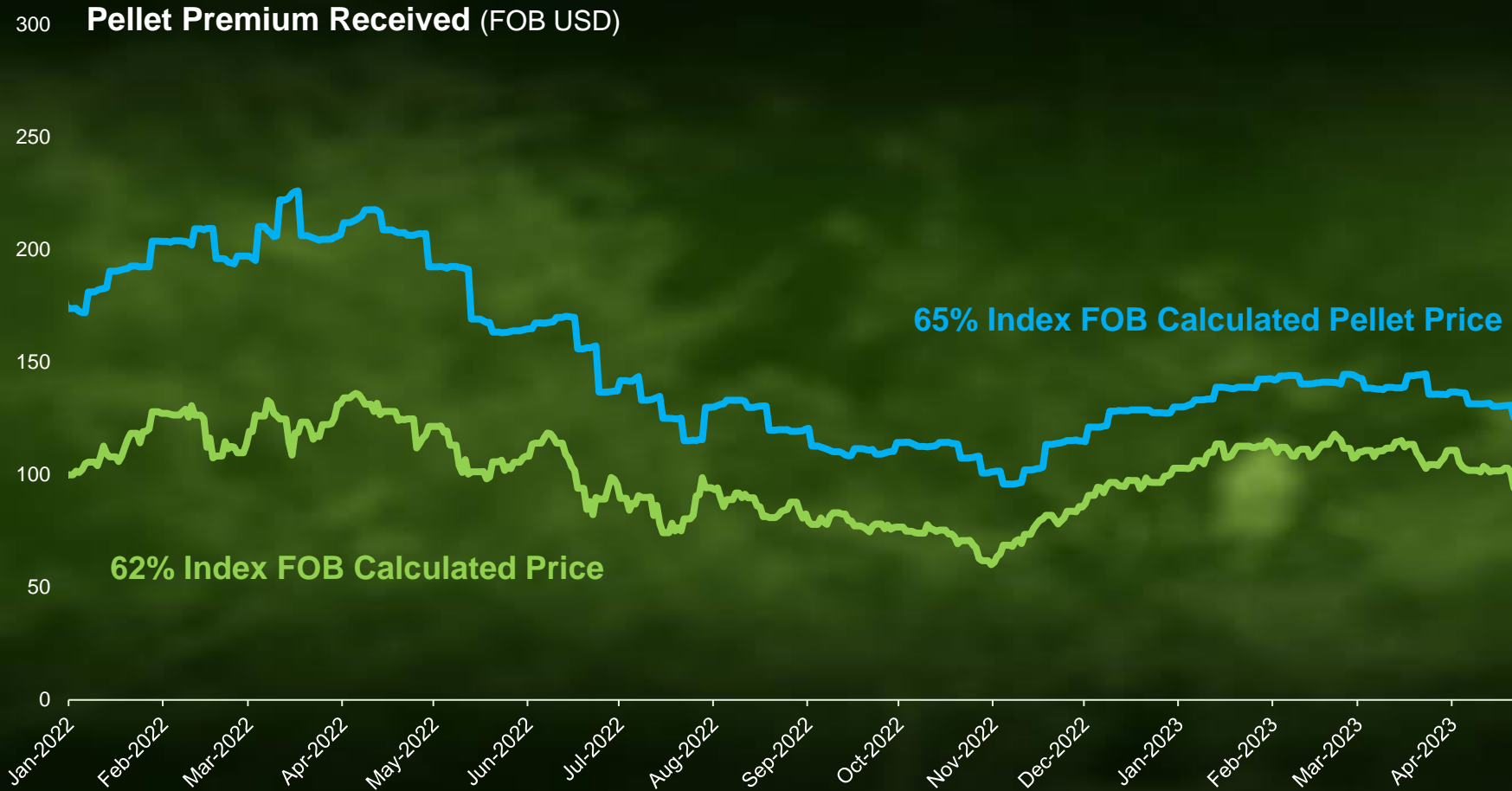


✓ *Favourable physical & chemical properties.*



✓ *Higher yield of metallic iron with higher Fe content*

Our product attracts a premium price



Environmental, Social, Governance

- In 2017, the International Business Council sponsored “The Compact for Responsive and Responsible Leadership”, which declared that “society is best served by corporations that have aligned their goals to serve the long-term goals of society”.
- They identified the Sustainability Development Goals as the roadmap for that alignment.

 <p>Principles of Governance</p>	 <p>Planet</p>	 <p>People</p>	 <p>Prosperity</p>
<p>The definition of governance is evolving as organizations are increasingly expected to define and embed their purpose at the centre of their business. But the principles of agency, accountability and stewardship continue to be vital for truly “good governance”.</p>	<p>An ambition to protect the planet from degradation, including through sustainable consumption and production, sustainably managing its natural resources and taking urgent action on climate change, so that it can support the needs of the present and future generations.</p>	<p>An ambition to end poverty and hunger, in all their forms and dimensions, and to ensure that all human beings can fulfil their potential in dignity and equality and in a healthy environment.</p>	<p>An ambition to ensure that all human beings can enjoy prosperous and fulfilling lives and that economic, social and technological progress occurs in harmony with nature.</p>



Grange is developing an Environmental, Social, and Governance (ESG) framework

- Enables reporting against the 21-core metrics and disclosures as promoted by the World Economic Forum (WEF).
- Reviewing planned actions against the 4 pillars of the
- Assessing key stakeholders as part of our consultation process

Environment, Social and Governance

ESG Update Q1 2023

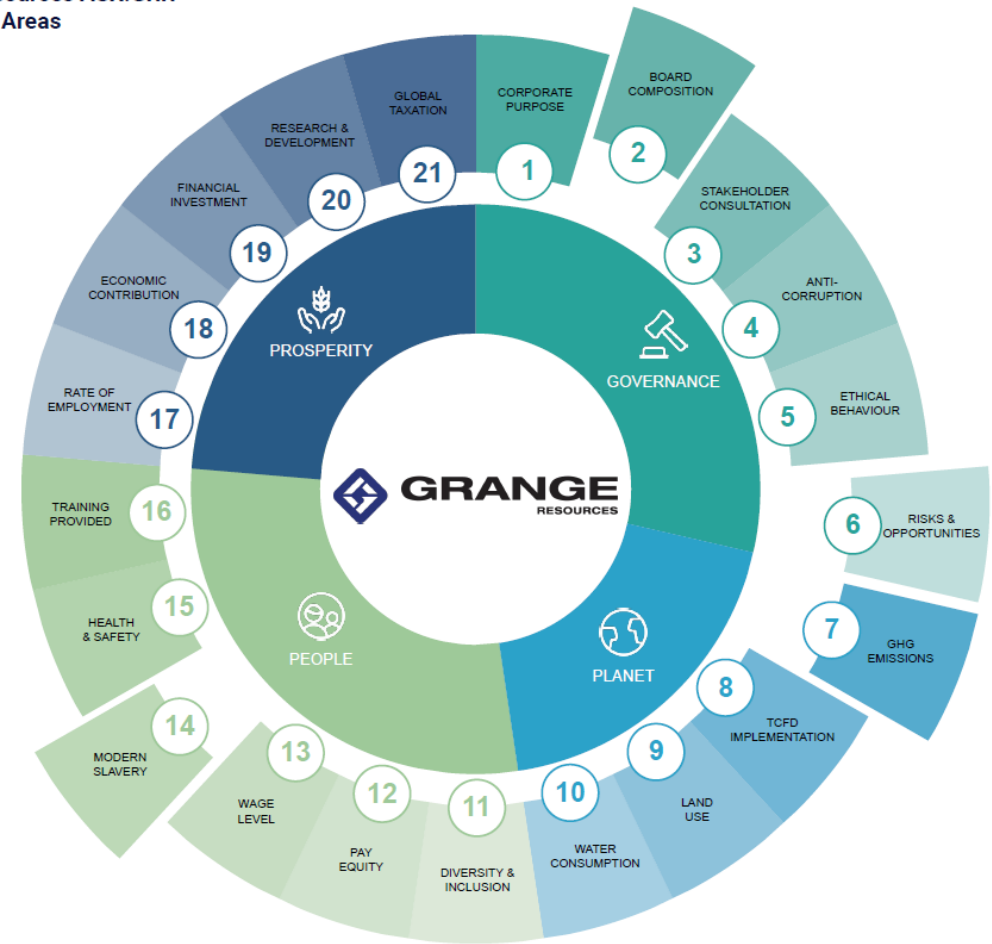
Highlights and achievements Q1:

- Modern Slavery Policy reviewed and adopted by the Board
- Developing ESG-inclusive Board Skills Matrix
- Decarbonisation roadmap being developed for further communication

Focus areas for Q2:

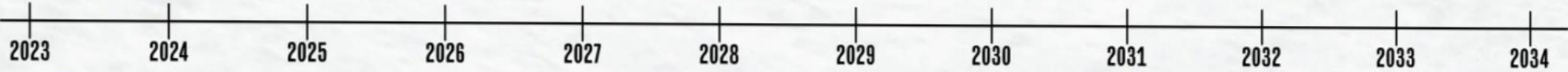
- Release of the emissions reduction roadmap
- Stakeholder materiality assessment planning
- Scoping a risk review and assessment on ESG risks and opportunities

Grange Resources ASX:GRR ESG Focus Areas



Stakeholder Capitalism Metrics ESG Framework

SOCIALSUITE



FURNACE UPGRADES
 2023-2026
 9KG/T
 ANTHRACITE REMOVED



UG TRANSITION
 2024-2027
 26KG/T
 ELECTRIFICATION OF MINING EQUIPMENT



TAS GRID EMISSIONS FACTOR
 2024-2027
 14KG/T
 ZERO SCOPE 2 EMISSIONS



P2P HEAT RECOVERY
 2025-2030
 10KG/T
 20% REDUCTION IN P2P ENERGY



MINING ALTERNATIVE FUEL
 2029-2032
 14KG/T
 REMOVAL OF DIESEL



PELLET PLANT ALTERNATIVE ENERGY
 2030-2034
 32KG/T
 NATURAL GAS REPLACEMENT








GRANGE'S EMISSION REDUCTION TARGETS

CO2-e reduction from the elimination of non-renewable coals sources like anthracite, by 2025.

CO2-e emission target reduction of 50% by 2030 reducing emissions to 53kg of CO2-e per tonne of iron ore products.

Zero CO2-e (Scope 1 and 2) emissions by 2035.

Strategic Plan Framework 2023

	Develop Sustainable LOMP	Integrate Innovation	Build Capacity & Capability	Develop Strategic Initiatives	Deliver ESG Goals
Context	<ul style="list-style-type: none"> Underdevelopment of the east wall of North Pit has resulted in a large waste hurdle and an ore supply issue in 2025. Risk of high energy price and lower iron ore prices. Our process is supported by mature and valuable infrastructure and assets. 	<ul style="list-style-type: none"> Innovation is critical to improving safety, efficiency and reducing cost. Innovation tools are integrated into the business through our MOS and we are building capability with our people and systems. Application of new technology will support and improve operational outcomes. 	<ul style="list-style-type: none"> We have a committed workforce with strong skills and experience base. Our people are highly valued. Inflation, cost of living, high demand and low supply is placing significant upward pressure on wages and salaries. There is increasing competition for human resources as the industry grows. 	<ul style="list-style-type: none"> We have capacity and capability There are new markets developing to address changes in climate. Grange is well positioned to further develop existing assets and consider additional growth. 	<ul style="list-style-type: none"> Grange is committed to supporting the prosperity of the communities in which we operate. We are aligning our business to the sustainable development goals that provide a roadmap to sustainability and resilience.
Focus Areas	<ul style="list-style-type: none"> <input type="checkbox"/> Develop ore sources <input type="checkbox"/> Review integration of underground and open pit mining <input type="checkbox"/> Review additional assets 	<ul style="list-style-type: none"> <input type="checkbox"/> Eliminate non-value adding waste <input type="checkbox"/> Investigate & apply new technology <input type="checkbox"/> Continuous process improvement <input type="checkbox"/> Explore alternative Energy pathways 	<ul style="list-style-type: none"> <input type="checkbox"/> Attract and retain <input type="checkbox"/> Build communication of our brand <input type="checkbox"/> Develop future capacity 	<ul style="list-style-type: none"> <input type="checkbox"/> Complete feasibility study for Southdown <input type="checkbox"/> Develop an acceptable funding solution to enable execution of Southdown <input type="checkbox"/> Monitor growth opportunities 	<ul style="list-style-type: none"> <input type="checkbox"/> Reduce emissions through process <input type="checkbox"/> Improve energy efficiency <input type="checkbox"/> Investigate heat recovery and energy reduction initiatives <input type="checkbox"/> Continue to monitor the evolving green steel market
					

Strategic Areas of Focus

Maximising Mineral Asset Value

- Deliver ore from Centre Pit in 2023
- Continue investment in stripping in North Pit
- Complete the DFS for underground mining in North Pit
- Continue to develop projects to improve mining efficiency

Strategic Review for Southdown Project

- Definitive Feasibility Study phase is planned to be completed this year
- Maintaining good standing of leases and permits

Optimising Capital Allocation

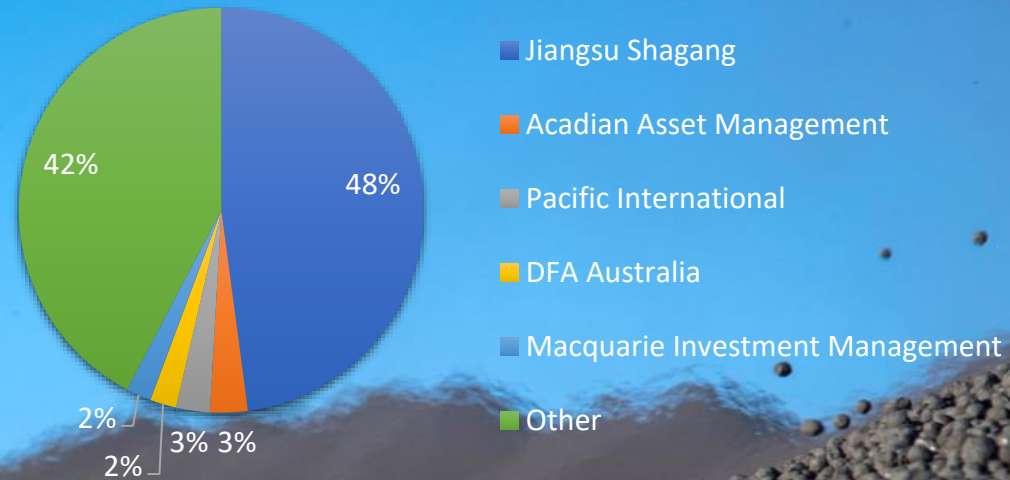
- Innovative projects to grow enterprise value and invest in LOM projects



GRR Company Snapshot

Capital Structure (A\$) – 30 Apr 2023

Ordinary Shares on issue	1,157m
Share Price	\$0.615
Market Capitalization	\$711.8m
Cash, cash equivalents & liquid investments	\$283m



LOM Strategies — Maximising Mineral Assets

North Pit

- High quality, long life resources
- ~239MT @ 46%DTR
- Supporting long life operations

Centre Pit

- Modelling in progress to further develop ore
- ~119MT @ 48%DTR

South Deposit

- ~11MT @ 47%DTR
- Supporting LOM tailings infrastructure construction

Long Plains

- Developing resources of ~107MT @ 35%DTR
- Potential addition to mine life





North Pit Mine Development

- Focus on pre-stripping
- East wall cut will continue throughout 2023

North Pit East Wall

- Redesigned batters with presplits presenting clean walls.

North Pit Development

Centre Pit Stage 1

- Advanced towards main ore zone
- Providing high grade ore in H2, 2023

Centre Pit Development

Financial Performance

December 2022 Financial Position - Consolidated

Indicator	2022 AUD'000	2021 AUD'000	Difference AUD'000	Variance %	Comments
Current Assets	521,913	650,809	-128,896	-20%	↓ Cash ↑ Term deposits 6-12mths ↑ Shipping receivables
Non-current Assets	576,306	469,426	106,880	23%	↑ PP&E, ↑ Deferred stripping asset
Total Assets	1,098,219	1,120,235	-22,016	-2%	
Current Liabilities	94,014	160,046	-66,032	-41%	↓ Income tax payable
Non-current Liabilities	100,079	88,970	11,109	12%	↑ Deferred tax liabilities
Total Liabilities	194,093	249,016	-54,923	-22%	No debt
Net Assets	904,126	871,219	32,907	4%	Dividends paid: \$138.90mil (12 cents/share) in 2022 \$162.00mil (14 cents/share) in 2021

2022 Performance

Indicator	Unit	2022 Actual	2021 Actual	Difference	Variance %	Comments
Concentrate	Tonnes '000	2,625	2,560	65	2%	↑ North Pit Stage 6 yielded large stockpiles to support production in 2022 and 2023
Pellet	Tonnes '000	2,518	2,597	-79	-3%	↓ Changes in ore chemistry and process resulting in lower production in 2nd half of 2022
C1 Cash Operating Costs	AUD/t	120.64	99.73	20.91	17%	↑ Increased energy costs offset by increased concentrate production and continued focus on cost management
Iron Ore Sales	Tonnes '000	2,568	2,615	-47	-2%	↓ Sales line balanced with production and management of lower pellet stockpiles
Average Realized Price of Iron Ore Products*	AUD/t	203.18	276.17	-72.99	-36%	↓ Weakening iron ore prices, due to tightening steel margins
Sales Revenue (Consolidated)*	AUD '000	521,839	722,282	-200,443	-38%	↓ Decrease in iron ore prices and sales volume
Net Profit	AUD'000	171,735	321,615	-149,880	-87%	↓ Decrease in profitability due to lower sales revenue and increased costs

* FOB Price - includes freight costs on CFR shipments and final pricing settlements as per sales agreements. Pricing is typically finalised in one to three months after shipment month.

Core Growth Projects Achievements & Strategies

NPUG Feasibility Study

Underground Feasibility Study

- ✓ Demonstrated ore continuity at depth
- ✓ Potential 6 million tonne per annum production rate
- ✓ Underground mine life of more than 10 years, utilising underground caving methods.
- ✓ Potential for increase in mine life.
- ✓ In line with company ESG initiatives to investigate Green Pellet Production and reduce carbon emissions.
- ✓ Additional drilling to the North completed.
- ✓ Updated geotechnical and resource models.
- ❑ Mine design, extraction level layouts and production schedules in progress.

Next Steps

- ❑ Definitive Feasibility Study in progress for completion in H2,2023



Southdown project moving forward

Southdown Magnetite Prefeasibility Study

- ✓ Identifies a reduced-capital development option for the Southdown Magnetite Project
- ✓ Production rate of 5 million tonnes per annum of high-quality magnetite concentrate at 69.5 % Fe,
- ✓ The concentrator design utilises dry grinding technology to improve efficiency and reduce power and water demand.
- ✓ Early works are underway to confirm the potential of power supply via a transmission line in order to access significant renewable energy through a 3rd party provider.
- ✓ Studies indicate Cape size vessels can be loaded in King George Sound using transshipment methods.

Next Steps

- Definitive Feasibility Study nearing completion
- Work continues to seek revisions to current environmental approvals for the new aspects of the project.



Our Strength & Strategy

Our key strengths:

- Experienced magnetite producer with a long-life project close to the Asian market
- Producer of a high-quality iron ore product (65%+ Fe) that receives a premium price
- Strong balance sheet
- Stable work force with minimal turnover

Delivering into our Strategies:

- Progressing our operations to ESG Goals.
- Developing and optimising LOMP
- Optimising capital allocation plan
- Diversifying the sales markets outside of China
- Improving communications / relations with all shareholders



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Notes:

- *A lower cut-off grade of 15% DTR was used in the calculation of both the Mineral Resources and Ore Reserves*
- *For details of Resources and Reserves, refer ASX announcement 31-Mar-2023*