



29 October 2024

ASX: GRR

REPORT FOR THE QUARTER ENDED 30 September 2024

HIGHLIGHTS

- Achieved Lost Time Injury free during the quarter.
- Pellet sales increased for the quarter to 647kt compared with 483kt for the June quarter.
- Over 2,170 metres has now been developed during the current phase of the exploration decline as the underground early works program progresses.
- Concentrate production decreased for the quarter with 668kt produced compared to 675kt for the June quarter with a slight decrease in weight recovery.
- Decrease in average received prices for the quarter to US\$121.64/t (A\$182.74/t)* (FOB Port Latta) compared with US\$134.69/t (A\$206.11/t) for the June quarter.
- Unit cash operating cost marginally increased for the quarter to A\$146.37/t compared with A\$145.05/t for the June quarter due to lower concentrate production.
- Cash and liquid investments of A\$249.47 million and trade payable of A\$24.63* million compared with cash and liquid investments of A\$289.55 million and trade receivable of A\$5.37* million for the June quarter.

Outlay of approximately A\$24.5 million has been made in the quarter on capital projects including continuation of the Underground Exploration Decline, 789 Haul Truck Rebuilds, Face Shovel Rebuild and upgrades to Savage River townsite accommodation.

** adjusted for the costs of freight and final pricing settlements on provisional settlements as per sales agreements. Pricing is typically finalised in one to three months after shipment month.*



“The past quarter has been very challenging on many fronts. In late August and early September, our operation was impacted by the severe weather storm event which brought high rainfalls and flooding, as well as significant wind damage across the state resulting in extended power and telecommunications outages. This had impacted our movement rates in the mine.

We also saw lower pricing in the iron ore prices as uncertainties in the Chinese economy and steel prices continue to dominate price movements.” said CEO Mr. Weidong Wang.

“Early works activities for the underground transition are progressing well with life-of-mine planning, optimisation and financing being the focus as we look toward making a final investment decision in the coming months.

SAVAGE RIVER OPERATIONS

PRODUCTION

	September Quarter 2024	June Quarter 2024	March Quarter 2024
Total BCM Mined	3,697,970	4,264,290	4,514,715
Total Ore BCM	565,781	647,990	535,827
Concentrate Produced (t)	668,202	674,584	585,973
Weight Recovery (%)	40.5	40.7	41.8
Pellets Produced (t)	655,781	660,109	555,457
Pellet Stockpile (t)	312,695	303,966	127,104
Concentrate Stockpile (t)	70,904	97,626	115,486

Achieved over 500 days Lost Time Injury free for the quarter.

Centre Pit mining continues to deliver more high-grade ore than planned, sustaining production rates across the concentrator and pellet plant. Movement in North Pit was down from the previous quarter due to the focus on drilling presplits, weather events and maintenance on mining equipment.



SHIPPING AND SALES

	September Quarter 2024	June Quarter 2024	March Quarter 2024
Iron Ore Pellet Sales (dmt)	647,052	483,247	565,144
Iron Ore Concentrate Sales (dmt)	-	-	-
Iron Ore Chip Sales (dmt)	34,858	34,946	34,760
TOTAL Iron Ore Product Sales (dmt)	681,910	518,193	599,904
Average Realised Product Price (US\$/t FOB Port Latta) *	121.64	134.69	108.11
Average Realised Exchange Rate (AUD:USD)	0.6656	0.6535	0.6511
Average Realised Product Price (A\$/t FOB Port Latta)	182.74	206.11	166.03

**adjusted for the costs of freight and final pricing settlements on provisional settlements as per sales agreements. Pricing is typically finalised in one to three months after shipment month.*

The average price received during the quarter of A\$182.74/t (US\$121.64/t) (FOB Port Latta), decreased by 11.34% from A\$206.11/t (US\$134.69/t) for the June quarter.

Grange continued to deliver into secured term offtake agreements, with pellets sales during the quarter of 647kt increased by 33.9% from 483kt for the June quarter. Sales tonnages were higher during the quarter due to the loading of two shipments that arrived in June being delayed as a result of adverse weather conditions.

MINE DEVELOPMENT PROJECTS

North Pit Underground

The project's early works phase continues with detailed engineering design works for mine arrangements and infrastructure. The development of the Exploration Decline continues to progress well with a further 696 metres of advance for the quarter. Productivity was down from the previous quarter due to increased flooding risks through the high rainfall events. This was managed well and overall development continues on plan. The raise bore rig was mobilised to site in preparation for drilling the southern primary ventilation circuit.



SOUTHDOWN MAGNETITE PROJECT

The review of the Southdown Magnetite Project definitive feasibility study continues in parallel with the search for equity investors.

Once the appropriate partners have joined the Project, a bridging study phase will be undertaken, and a final project description and scope will be produced. This will allow finalisation of current environmental approvals.

All existing tenements, approvals and project assets continue to be maintained in good order to facilitate the development of the Project.

CORPORATE

Interim dividend

A fully-franked interim dividend of 0.5 cents per share was declared and paid in the quarter.

CEO commenced

Mr Weidong Wang commenced his position as Chief Executive Officer on 15 July 2024.

Mr Wang has over 30 years' experience in management, engineering and projects in the steel industry (see market release dated 15 July 2024). He has held multiple high-level positions within Jiangsu Shagang Group, including Deputy General Manager at Northeast Special Steel Group Co. Ltd, assistant to the Chairman and Director of Technical Improvement Department at Jiangsu Shagang Group. Mr Wang has extensive experience in project management and delivery, including a 5,800 cubic metres blast furnace (BF), one of the world largest BF and new ironmaking solution, FINEX ironmaking projects.

Mr Wang holds a degree in Industrial Electrical Automation from the Shazhou Institute of Technology.

Director update

Mr Jiajia Jiang was appointed as a non-independent non-executive director to the Board. (See market release dated 25 September 2024).

Shareholders

As at 30 September 2024 there were approximately 10,300 shareholders.

-ENDS-

This announcement was authorised by the Board.

For further information, please contact: managingdirector@grangeresources.com.au