

Grange Resources Limited
ABN 80 009 132 405



Australia's most experienced magnetite producer

Financial Report - 31 December 2024

Grange Resources Limited
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31 December 2024

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General information

The financial statements cover Grange Resources Limited as a Group consisting of Grange Resources Limited and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is Grange Resources Limited's functional and presentation currency.

Grange Resources Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

34a Alexander Street, Burnie, Tasmania, 7320

A description of the nature of the Group's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 28 February 2025. The directors have the power to amend and reissue the financial statements.

Grange Resources Limited
Directors' report
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The directors present their report, together with the financial statements, on the consolidated entity (the 'Group') consisting of Grange Resources Limited ('Grange', 'Grange Resources' or 'the Company') and the entities it controlled at the end of, or during, the year ended 31 December 2024.

Directors

The following persons were directors of Grange Resources Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Michelle Li	Chairperson
Honglin Zhao	Managing Director (retired on 15 July 2024)
Chongtao Xu	Executive Director
Michael Dontschuk	Non-Executive Director (resigned on 20 March 2024)
Fong Hoon	Non-Executive Director (appointed on 17 April 2024)
Ajanth Saverimutto	Non-Executive Director
Tianxiao Shen	Non-Executive Director
Jiajia Jiang	Non-Executive Director (appointed on 25 September 2024)

Information on directors

Michelle Li, PhD, GAICD

Independent Non-executive Chairperson, Member of the Audit and Risk Committee, Member of the Remuneration and Nomination Committee

Dr Li has more than 30 years of international mining experience, including senior executive roles with mining companies such as Citic Pacific, Rio Tinto and Iluka Resources.

Dr Li has a PhD from the University of Queensland and was previously a non-executive Director of Ardiden Limited, Orion Metals Limited and Sherwin Iron Limited.

Honglin Zhao

Managing Director, Chief Executive Officer

Mr Zhao is a former Director of Shagang International (Australia) Pty Ltd, former Director and General Manager of Shagang (Australia) Pty Ltd, and former Director of Jiangsu Shagang Group, ultimate shareholder of Shagang International Holdings Limited and China's largest private steel company.

Mr Zhao has over 40 years' experience in the industry and was previously the Commander of Project Development Headquarters with Shagang. Mr Zhao has extensive project management and implementation experience and expertise.

Mr Zhao retired on 15 July 2024.

Chongtao Xu

Executive Director

Mr Xu is a former head of the steel merger & acquisition division of Shagang Investment Holding Co Ltd, the investment arm of China's largest private steel company. Mr Xu specialises in investment of upstream and downstream processes for steel producers.

Mr Xu has extensive management experience in private equity projects. Mr Xu managed a portfolio with a marketable value of over four billion Australian dollars. Mr Xu holds a Master of Science (Hons) from University College London.

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Michael Dontschuk

Independent Non-executive Director, Chairperson of the Audit and Risk Committee, Chairperson of the Remuneration and Nomination Committee

Mr Dontschuk is a finance professional with over 35 years' experience in investment, finance, treasury and financial risk management. He currently is a professional NED and sits on a number of company boards including Public Trustee (Tasmania) and Australia Ratings.

Previously Mr Dontschuk has been Group Treasurer of Grange Resources, Group Treasurer of ANZ Bank, Managing Director of Treasury Corporation Victoria, President and Director of the Finance and Treasury Association of Australia and has worked extensively in corporate financial advisory and investment banking including with Oakvale Capital and Bankers Trust.

Mr Dontschuk resigned on 20 March 2024.

Fong Hoon, MBus, CA, FCPA, FGIA, GAICD

Independent Non-executive Director, Chairperson of the Audit and Risk Committee, Chairperson of the Remuneration and Nomination Committee

Mr Hoon, a chartered accountant with a masters degree in business, has a strong background in commercial, financial and audit matters and has extensive Australian and South East Asian business network across a wide range of sectors.

Mr Hoon was appointed to the Board on 17 April 2024.

Ajanth Saverimutto, BEng (Mining) Hons, BBus (Accounting)

Independent Non-executive Director and Member of the Audit and Risk Committee

Mr Saverimutto is a Mining Engineer and Accountant with over 25 years' experience in the resources industry. Mr Saverimutto has extensive Corporate and Senior Management experience in a number of ASX-listed and private companies. Currently Mr Saverimutto is Managing Director of ASX listed Wildcat Resources, a mineral exploration company. Mr Saverimutto's previous positions include President and Director of privately held Black Mountain Metals, Managing Director of ASX listed Venturex Resources, Managing Director and Founder of privately held Australian company Salt Lake Mining.

Mr Saverimutto has held senior operational roles including Mining Manager for leading international copper producer Freeport McMoRan (NYSE: FCX), Chief Operating Officer of ASXlisted gold miner Unity Mining and Mining Manager for BHP Billiton – Stainless Steel Materials.

Tianxiao Shen

Non-independent non-executive Director

Tianxiao Shen is currently the deputy general manager of Shagang International (Singapore) Pte. Ltd., a subsidiary of Jiangsu Shagang Group, China's largest private-owned steel conglomerate. Ms. Shen has extensive experience in raw material procurement and trade, company management, and supply chain operation management and investment planning.

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Jiajia Jiang

Non-independent non-executive Director, Member of the Remuneration and Nomination Committee

Mr Jiang currently holds the position of investment Management Director in Shagang Group Investment Holding Co Ltd, being responsible for venture capital investment and project post investment management. Prior to this appointment Mr. Jiang joined Shagang group in 2013 as an Assistant Director of the investment Department of Shagang Group.

Mr Jiang holds a Bachelor of Law degree majoring in economic law.

Mr Jiang was appointed to the board on 25 September 2024.

Company Secretary

Mr Piers Lewis, BComm, CA, AGIA

Mr Lewis has more than 25 years' global corporate experience. Mr Lewis is currently company secretary of Almonty Industries Inc. and serves as chairman of Aurumin Limited and on the Board of Noronex Limited.

In 2001 Mr Lewis qualified as a Chartered Accountant with Deloitte (Perth) and has extensive and diverse financial and corporate experience from previous senior management roles with Credit Suisse (London), Mizuho International and NAB Capital. Mr Lewis is also a Chartered Company Secretary.

Principal activities

During the period, the principal continuing activities of the Group consisted of the mining, processing and sale of iron ore; and the ongoing exploration, evaluation and development of mineral resources.

Dividends

Dividends paid during the financial year were as follows:

	2024	2023
	\$'000	\$'000
Fully franked interim dividend for the half year ended 30 June 2024 - 0.5 cents per share	5,787	-
Fully franked final dividend for the year ended 31 December 2023 - 2.0 cents per share	23,147	-
Fully franked final dividend for the year ended 31 December 2022 - 2.0 cents per share	-	23,147
	28,934	23,147

Operating and Financial Review

Key Highlights

Mining operations

- Pellet production of 2.47 million tonnes for the year compared to 2.34 million tonnes for the prior year.
- Total iron ore product sales of 2.53 million tonnes for the year compared to 2.64 million tonnes for the prior year.
- Profit after tax of \$58.5 million for the year compared to \$150.1 million for the prior year, on revenues from operations of \$520.8 million compared to \$614.7 million for the prior year.
- Average realised product price (FOB Port Latta) of A\$182.94 per tonne for the year compared to A\$212.83 per tonne for the prior year.
- Unit C1 cash operating costs of \$146.14 per tonne for the year compared to \$136.65 for the prior year.
- Cash and liquid investments of \$298.05 million at the end of year compared to \$282.6 million at the end of the prior year (refer to the consolidated statement of cash flows).

Safety performance

A focus on safety has been maintained across the business with over 600 days Lost Time Injury Free achieved.

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Key Metrics

Key revenue metrics for the year ended 31 December 2024 and the preceding 2023 year were as follows:

	2024	2023
Iron Ore Pellet Sales (dmt)	2,363,528	2,503,588
Iron Ore Concentrate Sales (dmt)	20	24
Iron Ore Chip Sales (dmt)	169,321	139,010
Total Iron Ore Product Sales (dmt)	2,532,869	2,642,622
Average Realised Product Price (US\$/t FOB Port Latta)*	120.31	142.06
Average Realised Exchange Rate (AUD:USD)	0.6577	0.6675
Average Realised Product Price (A\$/t FOB Port Latta)	182.94	212.83

**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.*

Key operating metrics for the year ended 31 December 2024 and the preceding 2023 year were as follows:

	2024	2023
Total BCM Mined	16,249,582	17,529,864
Total Ore BCM	2,274,113	1,033,932
Concentrate Produced (t)	2,611,876	2,589,144
Weight Recovery (%)	41.0	44.4
Pellets Produced (t)	2,469,650	2,341,654
Pellets Stockpile (t)	242,913	136,791
"C1" Operating Cost (A\$/t Concentrate Produced)	146.14	136.65

Note: "C1" costs are the cash costs associated with producing iron ore products without allowance for mine development, deferred stripping and stockpile movements, and also excludes royalties, sustaining capital, depreciation and amortisation costs.

Mining activities have continued to focus on the cutbacks in both North Pit and Centre Pit. Ore from the main ore zone in Centre Pit has been delivered throughout the year. This has been blended with existing stockpiles to sustain production and improve pellet quality. The cutback on the east wall of North Pit continues with the implementation of the refined pit design. Centre Pit is delivering more higher-grade ore than planned, with the head grade increasing as we progress deeper into the pit. This has supported strong production results from the concentrator. Wall instability in the south end of Centre Pit is being carefully monitored. This is a known and managed slope that has experienced some movement through the winter months and a step in from the highwall has been implemented to ensure continued ore development. The current mining of Centre Pit and North Pit will progress further in 2025.

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North Pit Underground Development Project

The Company completed the Definitive Feasibility Study (DFS) for underground mining below North Pit and its integration with the company's current open-cut mine. The findings of the DFS were integrated with the transition from open-cut mining to demonstrate the effective implementation of the underground project alongside the current operation (see market release dated 28 February 2024).

All environmental and development approvals were received in the third quarter after successful completion of the submission and review period.

The development of the exploration decline saw 3,000m of advance and the completion of the first raise bore hole in the southern primary ventilation circuit. The pilot hole for the second raise bore hole was also completed and reaming was commenced. Drilling for a diamond hole was also commenced in the geotechnical inspection drive. A dewatering system has been successfully implemented from the open pit and is effectively controlling water for the underground activities. Other preparation works were undertaken to address the project control system, power supply requirements and engineering for the material handling system.

Centre Pit Extension

The Company is evaluating an extension of the Centre Pit mine plan as an alternative feed source to complement the North Pit Underground Development. Pursuing parallel development of Centre Pit is expected to de-risk the broader Savage River Operations and enhance operational flexibility.

Port Latta Improvement Projects

Modification and improvement on Furnace 4 has been consistently operating without the addition of anthracite throughout the year. This has resulted in a reduction in our coal use at Port Latta and consequently a reduction in CO₂-e emissions associated with the combustion of coal. Design work on Furnace lines 3 & 5 were progressed in order to apply further efficiency improvements in the future.

Financial Position

Grange's net assets increased during the year to \$1,061.3 million (31 December 2023: \$1,031.3 million). The key movements in net assets during the year are a result of the following:

- An increase in financial assets by \$53.5 million
- An increase in inventories of \$45.9 million
- An increase in property plant and equipment and mine properties and development of \$39.1 million and \$18.0 million respectively.
- A decrease in trade and other payables \$7.8 million
- A decrease in trade and other receivables \$60.4 million
- A decrease in cash and cash equivalents by \$38.3 million
- An increase in deferred tax liability by \$15.5 million
- An increase in provisions by \$18.9 million

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Statement of Cash Flows

Net cash flows from operating activities

Net cash inflows from operating activities for the year were \$239.9 million (2023: inflows \$267.1 million), decreased compared to prior year mainly due to lower prices achieved, lower quantities sold and higher operating costs compared to the previous year.

Net cash flows from investing activities

Net cash outflows from investing activities for the period were \$253.4 million (2023: outflows \$241.9 million), principally related to expenditures for mine properties and development (\$113.7 million), property, plant and equipment of (\$86.1 million) and payments for term deposits (\$53.8 million).

Net cash flows from financing activities

Net cash outflows from financing activities for the period were \$30.7 million (2023 outflow: \$25.2 million), principally related to the payment of 2023 final dividend and 2024 interim dividend (\$28.9 million), and repayment of lease liabilities (\$1.8 million).

ESG Reporting and Initiatives

Grange published its baseline Environmental, Social, and Governance (ESG) report with disclosures on 21 core metrics set by the World Economic Forum (WEF) in its standardised and globally recognised Stakeholder Capitalism Metrics ESG framework.

This new global environment is challenging the traditional expectations of corporations and redirecting investment capital. Grange is committed to aligning the business, where applicable, to the sustainable development goals that provide a roadmap to sustainability and resilience.

The baseline report demonstrates Grange's commitment to aligning its business practices, where applicable, with the Sustainable Development Goals, that offer guidance on sustainability and resilience. The report describes the progress Grange has made against the four pillars of the framework for Governance, Planet, People and Prosperity.

Most notably, Grange has developed a road map to reduce emissions. This will involve the reduction in energy used per tonne of product; upgrades to furnaces; energy efficiency in the pellet plant; application of technology and electric vehicles in the mining operation; and alternative fuel sources.

Management reaffirms the Company's decarbonisation initiatives and continues to make forward progress in the pursuit of decarbonisation. Recent project realignment with funding requirements for the development of the electric underground mine and increased technical engineering for furnace efficiency and heat recovery projects have increased the time required to reach our targets. The updated timeframe for targets are now assessed as being:

- CO2-e emission target reduction of 25% by 2030
- CO2-e emission target reduction of 50% by 2035
- Target of Zero CO2-e (Scope 1 and 2) emissions by 2040

Supporting projects, including 3 kms of the underground development and the operational improvements to Furnace 4 which continues to operate successfully without the addition of anthracite, were achieved in 2024. Detailed design work and engineering is progressing on the modifications required for efficiency improvements to the other furnace lines.

Southdown Magnetite Project

The Southdown Magnetite Project, situated 90km from the city of Albany in Western Australia, is an advanced project with over 1.2 billion tonnes of high-quality resource and access to established infrastructure.

During the year, the review of the Definitive Feasibility Study for the Southdown Magnetite Project continued along 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 the 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.

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Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Group during the financial year.

Matters subsequent to the end of the financial year

No matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Likely developments and expected results of operations

Grange's strategic focus is to generate shareholder value by safely producing high quality iron ore products from its Savage River and Port Latta operations in Tasmania and continuing to assess the feasibility of a major iron ore development project at Southdown, near Albany in Western Australia. The Group's current strategic priorities include:

Savage River and Port Latta Operations

- Optimising the integration and transition of the Life of Mine Plan from open cut to underground
- Producing high grade ore from Centre Pit
- Delivering on secured off take agreements
- Maintaining access to ore with continuing investment in mine development
- Maintaining critical process infrastructure
- Continuing focus on improving productivity and implementing cost control projects

Southdown Magnetite Project

- Ensuring that all tenements, permits and project assets remain in good standing and securing joint venture partners.

Risk Management

The Group continues to assess and manage various business risks that could impact the Group's operating and financial performance and its ability to successfully deliver strategic priorities including:

- Fluctuations in iron ore market and movements in foreign exchange rates
- Volatility in the energy prices and availability
- Geotechnical risks including wall stability
- Production risks and costs associated with aging infrastructure
- Project evaluation and development
- Health, safety and environment
- Impacts of climate change on our business
- Risks associated with underground mining

Risk mitigation strategies include the following:

- Optimise timing of sales to the fluctuations in iron ore prices and demands from different markets
- Focussed program of geotechnical wall monitoring, modelling and redesign work to mitigate potential stability issues
- Continue disciplined and rigorous review process regarding budget development and cost control to ensure investment directed to highest priority areas while reducing overall operating costs
- Hedging strategies for key energy exposures
- A well developed tool kit to ensure projects are adequately planned and peer reviewed prior to commitment and execution
- Outstanding safety record is supported by comprehensive safety system that enables management to develop a resilient safety culture and ensure our stewardship over the environment
- Initiatives to progressively decarbonise the operation

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Environmental regulation

The mining and exploration tenements held by the Group contain environmental requirements and conditions that the Group must comply with. These conditions and regulations cover environmental aspects such as acid mine drainage management, river water quality, the management of the storage of hazardous materials and mine site rehabilitation, etc.

The Group is subject to significant environmental legislation and regulation in respect of its mining, processing and exploration activities as set out below:

Savage River and Port Latta Operations

The Group obtained approvals to operate in 1996 and 1997 under the *Land Use Planning and Approvals Act 1993* (LUPA) and the *Environmental Management and Pollution Control Act 1994* (EMPCA) as well as the *Goldamere Agreement Act 1996* and *Mineral Resources Development Act 1995*. The original land use permit conditions for Savage River and Port Latta are contained in Environmental Protection Notices 248/2 and 302/2 respectively. Environmental Management Plans were submitted for Savage River and Port Latta on 21 December 2010 and most recently updated and submitted to EPA on 18 December 2024. The extension of the project's life was approved by the Department of Tourism, Arts and the Environment on 12 March 2007 and together with the *Goldamere Agreement Act 1996* and the environmental permits, is the basis for the management of all environmental aspects of the mining leases. The Group has been relieved of any environmental obligation in relation to contamination, pollutants or pollution caused by operations prior to the date of the *Goldamere Agreement Act* (Royal Assent received 16 December 1996). Grange received planning approval from the Waratah Wynyard Council and the Tasmanian Environment Protection Authority for the construction of South Deposit Tailings Storage Facility in March 2014 under PCE 8808, as well as federal approval under the *Environment Protection and Biodiversity Conservation Act 1999* in April 2014 under EPBC approval 6393. South Deposit cutback was approved in August 2014 but is now largely regulated under the Centre Pit Expansion and South Deposit Backfill Dump through DA 216/2021 and Permit Conditions-Environmental No. 10995. In January 2020, approval was granted under Environment Protection Notice 10006/2 for the North Pit Underground exploration decline. On 6 August 2024 the Group also received approval for North Pit Underground as an operational underground mine, under Permit Conditions-Environmental No. 12021.

Southdown Magnetite Project

There have been no activities on the Southdown Magnetite Project which would cause a breach of environmental legislation.

Mount Windsor Joint Venture

Grange is a minority partner (30%) in the Mt Windsor project in North Queensland which is now being rehabilitated for future lease relinquishment. An ongoing Transitional Environment Program has been entered into voluntarily to identify and remediate various sources of pollution on site. A comprehensive plan has been developed and instigated to manage the leases with relinquishment expected in 2045.

During the financial year there were no breaches of licence conditions relevant to the Mt Windsor project.

National Greenhouse and Energy Reporting Act 2007

The National Greenhouse and Energy Reporting Act 2007 requires the Group to report its annual greenhouse gas emissions and energy use by 31 October each year. The Group has implemented systems and processes for the collection and calculation of the data required and has submitted its annual reports through the Emissions and Energy Reporting System (EERS) by 31 October each year.

National Greenhouse and Energy Reporting (Safeguard Mechanism) Rule 2015

The Safeguard Mechanism applies to designated large facilities and is triggered when the facility exceeds 100,000t CO₂-e as per Division 8 of NEGR (Safeguard Mechanism) Rule 2015. The entity with operational control of a designated large facility is responsible for meeting safeguard requirements, including that the facility must keep net emissions at or below baseline emission levels. Grange has two facilities which trigger the Safeguard Mechanism. Grange submitted an application for an emissions intensity determination for the Savage River facility and applied the Best Practice Emissions Intensity value for the Port Latta facility in accordance with Section 17 of the Safeguard Rule. The Savage River Mine facility successfully received confirmation of our application of a Multi Year Monitoring Period.

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National Environment Protection (National Pollutant Inventory) Measure 1998

The Group is required to report its emissions of specific pollutants each year in line with National Pollutant Inventory (NPI) reporting requirements. The reporting period is a standard financial year and is due by 30 September each year. Both Savage River Mine and Port Latta Pelletising Plant are subject to NPI statutory reporting each year, and the total emissions reported are publicly available.

Renewable Energy (Electricity) Act 2000

In recognition that the Renewable Energy Targets scheme may increase costs to Companies that carry on Emissions Intensive Trade Exposed (EITE) activities, the exemption provisions under the Renewable Energy (Electricity) Act 2000 as amended allow a prescribed person to apply for an exemption certificate in relation to the electricity supplied to an EITE activity carried on at a site. Subject to agreement from the prescribed person an exemption certificate may be traded to the liable entity for the electricity supplied, and provides the liable entity with exemption from liability for a certain amount of megawatt-hours of electricity in the given calendar year. Grange has received exemption certificates under this scheme.

Climate Change Risk and Opportunities

In FY2024, Grange Resources remains steadfast in its commitment to identifying, mitigating, and managing climate-related risks and opportunities, reinforcing its dedication to sustainability and stakeholder transparency. This disclosure draws on the insights provided in FY2023 while outlining our roadmap for enhanced compliance with the Australian Accounting Standards Board's (AASB) S2 Climate-Related Disclosures by FY2025.

Key Climate Risks and Opportunities

Building on the risks disclosed in FY2023, the Group has continued to assess climate-related risks and opportunities. While further risks are still being evaluated, the following is a non-exhaustive collection of physical and transition risks that have already been identified as potentially material to our operations and financial performance.

Physical Risks

Changes in weather patterns may lead to:

- Concentrated rainfall events
- Reduced rainfall
- Rising sea levels
- Higher maximum and lower minimum temperatures

These changes may result in operational impacts such as:

- Delays in ship loading, leading to demurrage costs
- Damage to assets
- Restricted access to Savage River, affecting the supply of parts and workforce mobility
- Reduced access to groundwater
- Risks to on-site electrical infrastructure
- Delays in mining operations

Transition Risks

- *Policy and legal risks:* Stricter government regulations on carbon emissions may increase energy costs or limit energy availability. In particular, the introduction of the Safeguard Mechanism could drive up costs if emissions reductions are delayed or not achieved.
- *Market and Technology Risk:* Shifting consumer demand for low-carbon goods and services may impact our market position. One notable example is the Carbon Border Adjustment Mechanism (CBAM) which could restrict access to key markets.

The Group acknowledges the challenges and opportunities presented by the global transition to a low-carbon economy. Key initiatives to position Grange as a leader in low-carbon emissions include reducing CO₂ emissions per tonne of pellet produced and exploring opportunities in the emerging "Green Steel" market.

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FY2024 Progress and FY2025 Roadmap

The Group has initiated steps to strengthen its governance and risk assessment processes while preparing for full compliance with AASB S2 standards by FY2025. These initiatives include:

- *Governance Enhancements:* Formalising oversight mechanisms for climate-related risks at the executive and board levels
- *Risk and Opportunity Evaluation:* Developing a structured approach to assess material climate-related risks across our operations, including physical and transition risks
- *Scenario Analysis:* Beginning work on scenario analysis to evaluate potential financial and operational impacts under different climate scenarios.
- *Mitigation and Adaption Strategies:* Identifying and prioritising initiatives to mitigate identified risks and leverage opportunities to support long-term sustainability and business continuity.

To support in the delivery of these initiatives, the Group has engaged external consultants to support a comprehensive evaluation to be completed in FY2025. This evaluation will enable Grange to provide a robust, detailed climate risk disclosure in alignment with AASB S2 requirements.

Meetings of directors

The number of meetings of the company's Board of Directors ('the Board') and of each Board committee held during the year ended 31 December 2024, and the number of meetings attended by each director were:

	Full Board		Nomination and Remuneration Committee		Audit and Risk Committee	
	Attended	Held	Attended	Held	Attended	Held
M Li	10	10	6	6	6	6
H Zhao ¹	4	4	-	-	-	-
C Xu	10	10	-	-	-	-
M Dontschuk ²	1	2	1	2	2	2
F Hoon ³	7	7	2	2	4	4
A Saverimutto	10	10	-	-	6	6
T Shen	10	10	6	6	-	-
J Jiang ⁴	2	4	-	-	-	-

Held: represents the number of meetings held during the time the director held office or was a member of the relevant committee.

¹ Mr Zhao retired as a director of the Company 15 July 2024

² Mr Dontschuk resigned as a director of the Company 20 March 2024

³ Mr Hoon was appointed a director of the Company 17 April 2024

⁴ Mr Jiang was appointed a director of the Company 25 September 2024

Remuneration Report

The remuneration report details the key management personnel remuneration arrangements for the Group, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

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(i) Key management personnel disclosed in this report (please refer to pages 3 to 5 for details about each director)

Non-executive directors

Michelle Li
Michael Dontschuk (resigned on 20 March 2024)
Fong Hoon (appointed on 17 April 2024)
Ajanth Saverimutto
Tianxiao Shen
Jiajia Jiang (appointed on 25 September 2024)

Executive directors

Honglin Zhao (retired on 15 July 2024)

Chongtao Xu

Position

Managing Director
Chief Executive Officer
Executive Director

Other key management personnel

Weidong Wang (appointed on 15 July 2024)
Steven Phan
Ben Maynard
Grant Bramich (effective 1 January 2024)

Position

Chief Executive Officer
Chief Financial Officer
Chief Operating Officer
General Manager Operations

(ii) Remuneration governance

The Board has an established Remuneration and Nomination Committee to assist in overseeing the development of policies and practices which enable the Company to attract and retain capable Directors and employees, reward employees fairly and responsibly and meet the Board's oversight responsibilities in relation to corporate governance practices.

The Remuneration and Nomination Committee is composed of Mr Fong Hoon (Independent Non-executive Director and Committee Chairperson), Dr Michelle Li (Independent Non-executive Chairperson) and Mr Jiajia Jiang (Non-executive Director).

The responsibilities and functions for the Remuneration and Nomination Committee include reviewing and making recommendations on the following:

- Equity based executive and employee incentive plans;
- Recruitment, retention, succession planning, performance measurement and termination policies and procedures for Non-executive Directors, Executive Directors and Key Management Personnel;
- The remuneration of the Executive Director, Chief Executive Officer, Chief Financial Officer, and the General Manager Operations;
- Periodically assessing the skills required by the Board;
- Recommend processes to evaluate the performance of the Board, its Committees and individual Directors; and
- Reviewing governance arrangements pertaining to remuneration matters.

The Charter is reviewed annually, and remuneration strategies are reviewed regularly.

(iii) Executive remuneration philosophy and framework

It is the Company's objective to provide maximum stakeholder benefit from the retention of a small high-quality executive team by remunerating Executive Directors and executives fairly and appropriately with reference to relevant market conditions. To assist in achieving this objective, the Board attempts to link the nature and amount of executives' emoluments to the Company's performance. The remuneration framework aims to ensure that remuneration practices are:

- acceptable to shareholders, transparent and easily understood;
- competitive and reasonable, enabling the company to attract and retain key talents who share the same values with Grange Resources; and
- aligned to the Company's strategic and business objectives and the creation of shareholder value.

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Using external remuneration sector comparative data, the Group has structured an executive remuneration framework that is market competitive and complementary to the reward strategy of the organisation. The framework is reviewed regularly along with the remuneration strategy review.

The framework provides a mix of fixed and variable pay, and a blend of short and long term incentives detailed as follows:

Fixed Remuneration

Fixed remuneration is reviewed annually by the Remuneration and Nomination Committee. The process consists of a review of Group and individual performance, relevant comparative remuneration externally and internally and, where appropriate, external advice on policies and practices.

Executives are given the opportunity to receive their fixed (primary) remuneration in a variety of forms including cash and fringe benefits. It is intended that the manner of payment chosen is optimal for the recipient without creating any undue cost for the Group.

There are no guaranteed fixed pay increases included in any executives' contracts.

Variable Remuneration – Short Term Incentive ("STI")

The objective of the STI is to link the achievement of the Company's annual operational targets (usually reflected in the approved budgets) and an individual's personal targets with the remuneration received by selected executive directors and senior employees responsible for meeting those targets. Payments are made as a cash incentive payable after the financial statements have been audited and released to the Australian Securities Exchange ("ASX"). 50% of the STI relates to the achievement of company performance goals and 50% relates to the attainment of agreed personal performance goals.

Variable Remuneration - Long Term Incentive ("LTI")

a) Deferred Cash

A 3-year deferred cash long term incentive program applicable to H Zhao, S Phan, and B Maynard commenced in 2019 with the final tranche paid in 2024. This long-term incentive program was replaced by a share-based payment scheme in 2022.

A 3-year deferred cash long term incentive started in 2023 for C Xu and G Bramich with the final tranche to be paid in 2026.

The deferred cash scheme is to reward selected executive directors and senior employees with a cash payment which is linked to the Company satisfying performance hurdles and subject to ongoing employment with Grange. The deferred cash component is determined by measuring the Company's progress made on:

- Development of mineral assets (weighting 35%)
- Mine development (weighting 20%)
- Downstream process improvement (weighting 15%)
- Financial returns (weighting 20%)
- Safety and sustainability (weighting 10%)

The deferred cash component is determined based on the Company's performance for the year ended 31 December, with 33.3% payable on 31 December the first following year, 33.3% payable on 31 December the second following year, and the balance payable on the following 31 December (i.e. 3 years after the relevant calculation date). Payment of deferred cash is subject to continuing employment with Grange at the scheduled date of the payment.

b) Rights to Grange Shares

The Company granted performance rights in 2022 and 2023 in three tranches to be settled by issuance of shares to three key management personnel. Each right is entitled to one equity share with a vesting date of 31 December 2024 for performance rights granted in 2022 and vesting date of 31 December 2025 for performance rights granted in 2023.

Tranche 1 (with a weighting of 35%), has a total shareholder return (TSR) hurdle, tranche 2 (35% weighting) has a return on equity (ROE) hurdle and tranche 3 (30% weighting) has hurdles relating to non-market business objectives.

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(iv) Relationship between remuneration and Grange Resources performance

The table below shows key performance indicators of Company performance over the past five years.

		2020	2021	2022	2023	2024
Revenue from Operations	\$ million	526.3	781.7	594.6	614.7	520.8
Profit after tax	\$ million	203.2	321.6	171.7	150.1	58.5
Basic earnings per share	Cents	17.64	27.84	14.84	12.97	5.06
Dividend payments	\$ million	23.1	162.0	138.9	23.1	28.9
Share price (last trade day of financial year)	Cents	29.5	75.5	84.5	46.5	22.0

(v) Non-executive director remuneration policy

Fees and payments to Non-executive Directors reflect the responsibilities and demands made on them. Non-executive Directors' fees and payments are reviewed periodically by the Board. The Board also considers comparative market data and if required the advice of independent remuneration consultants to ensure Non-executive Directors' fees and payments are appropriate and in line with the market. The Chairperson's fees are determined independently to the fees of Non-executive Directors based on comparative roles in the external market.

The Chairperson's remuneration is inclusive of committee fees while other Non-executive Directors who chair a Committee receive additional yearly fees. The Deputy Chairperson is also entitled to receive an additional yearly fee. The current base fees were reviewed with effect from 1 June 2021.

Non-executive Directors' fees are determined within an aggregate Directors' fee pool limit, which is periodically reviewed for adequacy. Any increase to the aggregate Directors' fee pool is submitted to shareholders for approval. The maximum currently stands at \$800,000 per annum and was approved by shareholders at the Annual General Meeting on 26 November 2010. Non-executive Directors do not receive performance-based pay.

Board of Directors

Chairperson ⁽¹⁾	\$210,000
Deputy Chairperson	\$92,000
Non-executive Director	\$81,000

Audit and Risk Committee

Chairperson	\$15,750
Committee Member	\$10,500

Remuneration and Nomination Committee

Chairperson	\$15,750
Committee Member	\$7,500

⁽¹⁾ The Chairperson is not paid any additional amounts for Committee membership.

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(vi) Details of remuneration

Details of the remuneration of the key management personnel of the Group are set out in the following tables.

Table 1: Remuneration for the year ended 31 December 2024

	Fixed Remunerations					Variable Remunerations					Total	Performance Related	
	Salary & Fees	Non-Monetary	Annual Leave	Long Service	Super-	STI	LTI Cash	LTI Rights	Total	Performance		Related	
	*	Benefits	A	Leave	annuation	*	**	****					
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	%		
Non-Executive Directors													
M Li	210,000	-	-	-	-	-	-	-	210,000	-			
M Donschuk ⁽¹⁾	25,338	-	-	-	2,787	-	-	-	28,125	-			
F Hoon ⁽²⁾	70,272	-	-	-	7,972	-	-	-	78,244	-			
A Saverimutto	91,500	-	-	-	-	-	-	-	91,500	-			
T Shen	87,604	-	-	-	-	-	-	-	87,604	-			
J Jiang ⁽³⁾	30,509	-	-	-	-	-	-	-	30,509	-			
Sub-total Non-Executive Directors	515,223	-	-	-	10,759	-	-	-	525,982				
Executive Directors													
H Zhao ⁽⁴⁾	487,695	68,253	(64,623)	(101,810)	35,386	66,986	11,053	67,253	570,193	25%			
C Xu	205,000	25,062	5,078	2,749	23,062	30,649	6,403	13,909	311,912	16%			
Key Management W Wang ⁽⁵⁾	176,969	20,375	12,804	1,367	20,351	36,032	-	17,287	285,185	19%			
S Phan	382,080	-	3,410	17,848	42,984	73,109	5,716	95,698	620,845	28%			
B Maynard	445,000	21,274	8,993	30,301	50,113	85,645	6,354	106,809	754,489	26%			
G Bramich ⁽⁶⁾	281,960	21,028	13,244	(9,748)	31,720	40,464	17,752	19,130	415,550	19%			
Sub-total Key Management Personnel	1,978,704	155,992	(21,094)	(59,293)	203,616	332,885	47,278	320,086	2,958,174	24%			
TOTAL	2,493,927	155,992	(21,094)	(59,293)	214,375	332,885	47,278	320,086	3,484,156	20%			

⁽¹⁾ M Donschuk resigned as independent non-executive director on 20 March 2024.

⁽²⁾ F Hoon was appointed as independent non-executive director on 17 April 2024.

⁽³⁾ J Jiang was appointed as independent non-executive director on 25 September 2024.

⁽⁴⁾ H Zhao retired as chief executive officer on 15 July 2024. His 2024 LTI rights granted to be settled in cash rather than shares when they vest in 2027.

⁽⁵⁾ W Wang was appointed as chief executive officer on 15 July 2024.

⁽⁶⁾ G Bramich appointed to KMP effective 1st January 2024.

* Short-term benefits as per Corporation Regulations 2M.3.03 (1) Item 6

** Other long-term benefits as per Corporation Regulation 2M.3.03 (1) Item 8.

*** Post-employment benefits.

**** Equity-settled share-based payments as per Corporation Regulations 2M.3.03(1) Item 11.

^ Annual leave liability is expected to be fully settled within one year.

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Table 2: Remuneration for the year ended 31 December 2023

	Fixed Remunerations					Variable Remunerations				Total	Performance Related
	Salary and Fees *	Non-monetary Benefits *	Annual Leave *A	Long Service Leave **	Super Annuation ***	STI *	LTI Cash **	LTI Rights ****			
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	%
Non-Executive Directors											
M Li	210,000	-	-	-	-	-	-	-	-	210,000	-
Y Jia	67,864	-	-	-	-	-	-	-	-	67,864	-
M Dontschuk	101,349	-	-	-	10,895	-	-	-	-	112,244	-
A Saverimutto	91,500	-	-	-	-	-	-	-	-	91,500	-
T Shen	2,617	-	-	-	-	-	-	-	-	2,617	-
Sub-total Non-Executive Directors	473,330	-	-	-	10,895	-	-	-	-	484,225	
Executive Directors											
H Zhao ⁽⁴⁾	591,107	121,927	(19,263)	(94,575)	63,579	111,654	33,072	104,005	-	911,506	27%
C Xu	193,996	11,767	10,712	1,872	20,893	34,619	6,403	-	-	280,262	15%
Key Management Personnel											
S Phan	382,080	-	11,035	14,416	41,096	72,206	17,101	66,769	-	604,703	26%
B Maynard	424,765	5,538	7,161	20,136	45,687	78,999	19,012	71,428	-	672,726	25%
Sub-total Key Management Personnel	1,591,948	139,232	9,645	(58,151)	171,255	297,478	75,588	242,202	-	2,469,197	25%
TOTAL	2,065,278	139,232	9,645	(58,151)	182,150	297,478	75,588	242,202	-	2,953,422	21%

Refer to 2024 remuneration table for footnote references

Table 3: Relative proportions linked to performance

The relative proportions of remuneration that are linked to performance and those that are fixed are as follows:

Name	Fixed Remuneration		At Risk - STI		At Risk - LTI	
	Dec-24	Dec-23	Dec-24	Dec-23	Dec-24	Dec-23
Executive Directors						
H Zhao	75%	73%	12%	12%	14%	15%
C Xu	84%	85%	10%	12%	7%	3%
Key Management Personnel						
W Wang	81%	-	13%	-	6%	-
S Phan	72%	74%	12%	12%	16%	14%
B Maynard	74%	75%	11%	12%	15%	13%
G Bramich	81%	-	10%	-	9%	-

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(vii) Contractual arrangements with executive KMPs

Components	CEO description	Senior executive description
Fixed remuneration	\$401,400	Range between \$228,575 and \$496,175
Contract duration	Ongoing contract	Ongoing contract
Notice by the individual/company	3 months	1 to 3 months
Termination of employment (without cause)	Entitlement to pro-rata STI for the year. Unvested LTI will remain on foot subject to achievement of the performance hurdles at the original date of testing. The board has discretion to award a greater or lower amount.	Entitlement to pro-rata STI for the year. Unvested LTI will remain on foot subject to achievement of the performance hurdles at the original date of testing. The board has discretion to award a greater or lower amount.
Termination of employment (with cause) or by the individual	All discretionary incentives not payable and all unvested LTI will lapse. Vested and unexercised LTI can be exercised within a period of 30 days from termination.	All discretionary incentives not payable and all unvested LTI will lapse. Vested and unexercised LTI can be exercised within a period of 30 days from termination.

(viii) Service agreements

On appointment to the Board, all Non-executive Directors sign a letter of appointment with the Company. The document details the term of appointment, the role, duties and obligations of the Directors as well as the likely time commitment and performance expectations and review arrangements and circumstances relating to the vacation of office. In addition, it also summarises the major Board policies and terms, including compensation, relevant to the office of Director.

Remuneration and other terms of employment for the executives are formalised in service agreements. Each of the agreements provides for the provision of fixed pay, performance related variable remuneration and other benefits. The agreements with executives are ongoing and provide for termination of employment at any time by giving three months' notice or by the Company paying an amount equivalent to three months remuneration in lieu of notice.

(ix) Details of STI and LTI (share-based payment) held by key management personnel

Performance based remuneration granted and forfeited during the year.

Short Term Incentive	Total STI Bonus (Cash) Maximum Opportunity	% of Target STI Awarded	% of Maximum STI Awarded	% Maximum STI Forfeited	Total STI Awarded
2024	\$	%	%	%	\$
H Zhao	106,426	76%	63%	37%	66,986
C Xu	43,886	84%	70%	30%	30,649
W Wang	55,933	77%	64%	36%	36,032
S Phan	102,245	86%	72%	28%	73,109
B Maynard	119,082	86%	72%	28%	85,645
G Bramich	56,589	86%	72%	28%	40,464
	484,161				332,885

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STI amounts are inclusive of superannuation.

Long Term Incentive	Total LTI Bonus (Cash)			Share-based Payment Rights	
	Maximum Opportunity	Awarded	Awarded	Value Granted	Awarded
2024	\$	%	\$	\$	\$
H Zhao	-	-	-	-	68,002
C Xu	-	-	-	50,795	-
W Wang	-	-	-	111,613	-
S Phan	-	-	-	94,672	58,630
B Maynard	-	-	-	111,602	60,776
G Bramich	-	-	-	69,864	-
	-		-	438,546	187,408

Share-based compensation

Grange Resources Limited (Parent Company) granted performance rights in three tranches to be settled by issuance of shares to three key management personnel. Each right is entitled to one equity share with a vesting date of 31 December 2024 for those granted in May 2022, vesting date of 31 December 2025 for those granted in December 2023 and vesting date of 31 December 2026 for those granted in June and July 2024.

Executive KMP participate, at the board's discretion, in the LTIP comprising annual grants of rights which are subject to TSR hurdles (tranche 1) and series of non-market based business objectives (tranche 2 and 3). The agreements with executives are ongoing and provide for termination of employment at any time by giving three months' notice or by the Company paying an amount equivalent to three months remuneration in lieu of notice.

Feature	Description
Opportunity/Allocation	CEO - 50% of Fixed Remuneration; Other Key Management Personnel - 40% of fixed remuneration.
Performance Hurdles	Tranche 1 performance rights is subject to a TSR performance vesting conditions Tranche 2 and 3 performance rights are not subject to a TSR Hurdle and require a series of non-market based business objectives to be met for the rights to be exercised.
Exercise Price	\$ Nil
Forfeiture and Termination	In the event of a termination of employment by the Company for cause, all unvested rights will be forfeited unless otherwise determined by the Board. Cessation of employment in other cases will generally result in pro-rate forfeiture of the rights.
Measurement Period	Performance rights granted in May 2022 - 22 February 2022 to 30 December 2024 Performance rights granted in November 2023 - 1 January 2023 to 30 December 2025 Performance rights granted in June and July 2024 - 1 January 2024 (June) and 15 July 2024 (July) to 31 December 2026
Fair value Measurement at Grant Date	Tranche 1 is estimated using a Monte Carlo Model and Tranche 2 and 3 using Black-Scholes option pricing

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Performance conditions for each tranche are as follows:

Tranche 1 (2022, 2023 and 2024) 35% Weighting
Performance Level

	Annualised Grange TSR Compared to TSR of the ASX 300 Metals and Mining TR Index	% of Tranche Vesting
Stretch	\geq Index TSR + 9% TSR CAGR	100%
Between Target and Stretch	> Index TSR + 2% TSR CAGR & "Index TSR + 9% TSR CAGR	Pro-rata
Target	Index TSR + 2% TSR CAGR	50%
Between Threshold and Target	> Index TSR & Index TSR + 2% TSR CAGR	Pro-rata
Threshold	= Index TSR	25%
Below Threshold	< Index TSR	0%

Note: a Gate TSR being positive applies to this metric (will not pay out if TSR is not >0%)

Tranche 2 (2022, 2023 and 2024) 35% Weighting

Performance conditions	Return on Equity	% of Tranche Vesting
Stretch	\geq 15% ROE	100%
Between Target and Stretch	>8% ROE & 15% ROE	Pro-rata
Target	8% ROE (Cost of Equity)	50%
Between Threshold and Target	> 6% ROE & 8% ROE	Pro-rata
Threshold	= 6% ROE	25%
Below Threshold	< 6% ROE	0%

Tranche 3 (2024) 30% Weighting

Strategic Area	Milestone	% of Tranche Vesting
Deliver Sustainable LOMP	Complete NPUG Infrastructure Construction	30%
Deliver Sustainable LOMP	Complete NPUG Material Handling System and meet its commissioning conditions	30%
Develop Strategic Initiatives	Secure at least one JV partner for Southdown Project (signed binding agreement)	10%
Develop Strategic Initiatives	Deliver goals on Grange Carbon emission roadmap	15%
Future Development	Provide 3 major projects for board review for potential purchase	15%

Tranche 3 (2022 and 2023) 30% Weighting

Strategic Area	Milestone	% of Tranche Vesting
Southdown Project	Complete DFS	16.67%
Southdown Project	Complete Executable Finance Plan	16.67%
Capital Management	Implement the plan to systematically identify the best use of capital with rigorous investment decision framework, including dividend policy.	33.33%
Future Development	Provide 3 major projects for board review for potential purchase	33.33%

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The terms and conditions of each grant of performance rights are as follows:

Grant Date	Vesting and Exercise Date	Expiry Date	Exercise Price	Value per Rights at Grant Date	Performance Achieved
Tranche 1					
11 June 2024	31 December 2026	None	Nil	\$91,497	To be determined
15 July 2024	31 December 2026	None	Nil	\$31,237	To be determined
Tranche 2					
11 June 2024	31 December 2026	None	Nil	\$164,805	To be determined
15 July 2024	31 December 2026	None	Nil	\$56,263	To be determined
Tranche 3					
11 June 2024	31 December 2026	None	Nil	\$70,631	To be determined
15 July 2024	31 December 2026	None	Nil	\$24,113	To be determined

Grant Date	Vesting and Exercise Date	Expiry Date	Exercise Price	Value per Rights at Grant Date	Performance Achieved
Tranche 1					
19 December 2023	31 December 2025	15 years from grant	Nil	\$64,988	To be determined
Tranche 2					
19 December 2023	31 December 2025	15 years from grant	Nil	\$259,950	To be determined
Tranche 3					
19 December 2023	31 December 2025	15 years from grant	Nil	\$111,407	To be determined

Grant Date	Vesting and Exercise Date	Expiry Date	Exercise Price	Value per Rights at Grant Date	Performance Achieved	Vested %
Tranche 1						
11 May 2022	31 December 2024	24 May 2037	Nil	\$51,374	-61.65%	-
27 May 2022	31 December 2024	24 May 2037	Nil	\$40,231	-61.65%	-
30 May 2022	31 December 2024	24 May 2037	Nil	\$36,726	-61.65%	-
Tranche 2						
11 May 2022	31 December 2024	24 May 2037	Nil	\$64,723	31.63%	90.37%
27 May 2022	31 December 2024	24 May 2037	Nil	\$48,204	31.63%	90.37%
30 May 2022	31 December 2024	24 May 2037	Nil	\$44,406	31.63%	90.37%
Tranche 3						
11 May 2022	31 December 2024	24 May 2037	Nil	\$27,738	25.00%	83.33%
27 May 2022	31 December 2024	24 May 2037	Nil	\$20,659	25.00%	83.33%
30 May 2022	31 December 2024	24 May 2037	Nil	\$22,202	25.00%	83.33%

Reconciliation of performance rights held by each key management personnel

2024 Name and Grant Date	Balance at the Start of the year Unvested	Performance rights granted in 2024	Vested Number	Vested %	Exercised Number	Other changes	Unattained (forfeited)	Balance at the end of the year Unvested	Balance at the end of the year Vested
H Zhao	968,441	-	(60,716)	6.27%	-	-	(493,675)	414,050	60,716
B Maynard	557,782	456,943	(41,886)	4.13%	-	-	(38,794)	934,045	41,886
S Phan	503,867	387,627	(39,455)	4.43%	-	-	(35,252)	816,787	39,455
W Wang	-	456,989	-	-	-	-	-	456,989	-
C Xu	-	207,976	-	-	-	-	-	207,976	-
G Bramich	-	286,052	-	-	-	-	-	286,052	-

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Shareholdings

The number of shares in the Company held during the period by each Director of Grange Resources Limited and other key management personnel of the Group, including their personally related parties, are set out below:

31 December 2024	Balance				Balance
	1 January 2024	On vesting rights	On market purchases	On market disposals	Other 31 December 2024
Director of Grange Resources Limited					
M Li	13,507	-	-	-	13,507
M Dontschuk ¹	23,000	-	-	-	23,000
H Zhao ²	1,727,702	-	-	-	1,727,702
F Hoon	-	-	-	-	-
A Saverimutto	-	-	-	-	-
C Xu	-	-	-	-	-
T Shen	-	-	-	-	-
J Jiang	-	-	-	-	-
Key Management Personnel					
B Maynard	68,122	-	-	-	68,122
S Phan	-	-	-	-	-
W Wang	-	-	-	-	-
G Bramich ³	61,084	-	-	-	61,084
	1,893,415	-	-	-	1,893,415

¹M Dontschuk resigned on 20 March 2024

²H Zhao retired on 15 July 2024

³G Bramich appointed to KMP effective 1 January 2024

(x) Loans to key management personnel

There were no loans to key management personnel during the year.

(xi) Other transactions with Directors and key management personnel

T Shen is an employee of Shagang International (Singapore) Pte and J Jiang is an employee of Shagang Investment Holding Co. Ltd. These are subsidiaries of Jiangsu Shagang Group (Shagang) to which sales of iron ore products are made under long-term off-take agreements. Transactions between Shagang and Grange must be approved by non-associated shareholders of Shagang, or approved by the Grange independent directors.

Aggregate amounts of each of the above types of other transactions:

	2024 \$	2023 \$
Sales of Iron Ore Products		
Pellets	145,130,239	220,269,938

The following balances are outstanding at the end of the reporting period in relation to the above transactions:

	2024 \$	2023 \$
Trade receivables (sales of iron ore products)		
Pellets	(414,256)	7,769,554

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Indemnity and insurance of officers

During the financial period, the Company has paid premiums in respect of Directors' and Officers' Liability Insurance and Company Reimbursement policies, which cover all Directors and Officers of the Group to the extent permitted under the Corporations Act 2001. The policy conditions preclude the Group from any detailed disclosures.

Proceedings on behalf of the company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party, for the purpose of taking responsibility on behalf of the company for all or part of those proceedings. No proceedings have been brought or intervened in on behalf of the company with leave of the Court under section 237 of the Corporations Act 2001.

Indemnity and insurance of auditor

The Company has entered into an agreement to indemnify its auditor, PwC, against any claims or liabilities (including legal costs) asserted by third parties arising out of their services as auditor of the Company, where the liabilities arise as a direct result of the Company's breach of its obligations to the Auditors, unless prohibited by the Corporations Act 2001.

Audit and Non-audit services

The Board of Directors has considered the position and, in accordance with advice received from the Company's Audit and Risk Committee, is satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Directors are satisfied that the provision of non-audit services by the auditor, as set out below, did not compromise the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed by the Audit and Risk Committee to ensure they do not impact the impartiality and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants*.

During the year the following fees were paid or payable for services provided by the auditor of the parent entity, its related practices and non-related audit firms:

	2024	2023
	\$	\$
Assurance Services		
PwC Australia		
Audit and review of financial reports	294,450	267,950
Other assurance services	96,500	11,000
Network firms of PwC Australia	-	22,786
Total assurance services	390,950	301,736
Non-Assurance Services		
PwC Australia		
Taxation compliance services	-	18,797
Total remuneration paid	390,950	320,533

It is the Group's policy to employ PwC on assignments additional to their statutory audit duties where PwC's expertise and experience with the Group are important. These assignments are principally tax consulting and advice or where PwC is awarded assignments on a competitive basis. It is the Group's policy to seek competitive tenders on all major consulting assignments.

Officers of the company who are former partners of PricewaterhouseCoopers

There are no officers of the company who are former partners of PricewaterhouseCoopers.

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Rounding of amounts

The company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

CORPORATE GOVERNANCE STATEMENT

Grange is committed to creating and building sustainable value for shareholders and protecting stakeholder interests. The Company recognises that high standards of corporate governance are essential to achieving that objective.

The Board has the responsibility for ensuring Grange is properly managed so as to protect and enhance shareholders' interests in a manner that is consistent with the Company's responsibility to meet its obligations to all stakeholders. For this reason, the Board is committed to applying appropriate standards of corporate governance across the organisation.

As part of its commitment to enhancing its corporate governance, and as a listed company, the Board has adopted relevant practices which are consistent with the Australian Securities Exchange ("ASX") Corporate Governance Principles. The 2024 corporate governance statement was approved by the Board on 17 February 2025.

Details of the Company's corporate governance practices are included in the Corporate Governance Statement and Appendix 4G which have been announced on the ASX and can be located on our Company's website www.grangeresources.com.au in the Corporate Governance and Policies section in the About Us area. This facilitates transparency about Grange's corporate governance practices and assists shareholders and other stakeholders make informed judgments.

ASX Best Practice Recommendations

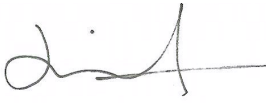
The following table lists the departures from the ASX Best Practice Recommendations applicable to the Company as at the date of its financial year end, being 31 December 2024. Where the Company considers that it is divergent from these recommendations, or that it is not practical to comply, there is an explanation of the Company's reasons set out in the following table.

"Recommendation" Ref ("Principle No" Ref followed by Recommendation Ref)		
2.4	A majority of the Directors are not independent directors.	The Board is currently comprised of five non-executive Directors and one executive Director, three are independent.
7.3(a)	A separate internal audit function has not been formed.	<p>The Board monitors the need for an internal audit function. The Company has not had an internal audit function for the past financial year. Due to the size of the Company, the Board does not consider it necessary to have an internal audit function.</p> <p>The Company's Management periodically undertakes an internal review of financial systems and processes and where systems are considered to require improvement these systems are developed. The Board also considers external reviews of specific areas and monitors the implementation of system improvements. The company has also appointed Deloitte Australia to periodically conduct internal review of the Company's financial system.</p>

Grange Resources Limited
Directors' report
31 December 2024

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors



Michelle Li
Chairperson of the Board of Directors

28 February 2025



Auditor's Independence Declaration

As lead auditor for the audit of Grange Resources Limited for the year ended 31 December 2024, I declare that to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Grange Resources Limited and the entities it controlled during the period.

A handwritten signature in black ink, appearing to read 'Chris Dodd'.

Chris Dodd
Partner
PricewaterhouseCoopers

Melbourne
28 February 2025

PricewaterhouseCoopers, ABN 52 780 433 757
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Liability limited by a scheme approved under Professional Standards Legislation.

Grange Resources Limited
Consolidated statement of comprehensive income
For the year ended 31 December 2024

	Note	2024 \$'000	2023 \$'000
Consolidated			
Revenue from Operations	5,6	520,805	614,744
Cost of Sales	7	(450,419)	(394,690)
Gross profit from operations		70,386	220,054
Administrative Expenses	8	(5,675)	(5,053)
Exploration and Evaluation Expenditures		(3,809)	(15,570)
Other Income (Expense)	9	157	3,870
Operating profit before finance costs		61,059	203,301
Finance Income	10	23,263	15,915
Finance Expenses	11	(3,318)	(4,121)
Profit before income tax expense		81,004	215,095
Income tax expense	12	(22,455)	(64,991)
Profit after income tax expense for the year	26	58,549	150,104
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		58,549	150,104
		Cents	Cents
Basic earnings per share	35	5.06	12.97
Diluted earnings per share	35	5.04	12.96

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes

Grange Resources Limited
Consolidated statement of financial position
As at 31 December 2024

	Note	2024 \$'000	2023 \$'000
Assets			
Current assets			
Cash and cash equivalents	13,3	71,449	109,706
Trade and other receivables	14	14,232	74,612
Inventories	15	225,718	179,816
Other financial assets	3	228,527	175,030
Total current assets		539,926	539,164
Non-current assets			
Other financial assets	3	1,404	1,363
Property, plant and equipment	17	287,543	248,475
Right-of-use assets	18	1,263	2,096
Mine properties and development	19	461,031	443,038
Receivables	16	10,153	10,009
Total non-current assets		761,394	704,981
Total assets		1,301,320	1,244,145
Liabilities			
Current liabilities			
Trade and other payables	20,3	42,598	50,380
Lease liability	18	1,266	1,442
Provisions	21	24,280	25,560
Total current liabilities		68,144	77,382
Non-current liabilities			
Government grants	23	1,550	-
Lease liability	18	57	773
Deferred tax liabilities	22	69,402	53,938
Provisions	21	100,906	80,726
Total non-current liabilities		171,915	135,437
Total liabilities		240,059	212,819
Net assets		1,061,261	1,031,326
Equity			
Contributed Equity	25	331,513	331,513
Reserves		(1,657)	(1,977)
Retained earnings	26	731,405	701,790
Total equity		1,061,261	1,031,326

The above consolidated statement of financial position should be read in conjunction with the accompanying notes

Grange Resources Limited
Consolidated statement of changes in equity
For the year ended 31 December 2024

	Issued capital \$'000	Reserves \$'000	Retained earnings \$'000	Total equity \$'000
Balance at 1 January 2023	331,513	(2,220)	574,833	904,126
Profit after income tax expense for the year	-	-	150,104	150,104
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	150,104	150,104
<i>Transactions with owners in their capacity as owners:</i>				
Share-based payments	-	243	-	243
Dividends paid (note 28)	-	-	(23,147)	(23,147)
Balance at 31 December 2023	331,513	(1,977)	701,790	1,031,326

	Issued capital \$'000	Reserves \$'000	Retained earnings \$'000	Total equity \$'000
Balance at 1 January 2024	331,513	(1,977)	701,790	1,031,326
Profit after income tax expense for the year	-	-	58,549	58,549
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	58,549	58,549
<i>Transactions with owners in their capacity as owners:</i>				
Share-based payments (note 24)	-	320	-	320
Dividends paid (note 28)	-	-	(28,934)	(28,934)
Balance at 31 December 2024	331,513	(1,657)	731,405	1,061,261

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes

Grange Resources Limited
Consolidated statement of cash flows
For the year ended 31 December 2024

	Note	2024 \$'000	2023 \$'000
Cash flows from operating activities			
Receipts from customers and other debtors (inclusive of goods and services tax)		580,665	611,719
Payments to suppliers and employees (inclusive of goods and services tax)		(344,351)	(312,843)
		236,314	298,876
Interest received		17,622	13,830
Interest and other finance costs paid		(171)	(257)
Income taxes paid		(13,845)	(45,341)
Net cash inflow from operating activities	34	239,920	267,108
Cash flows from investing activities			
Payments for property, plant and equipment	17	(86,087)	(104,401)
Payments for mine properties and development	19	(113,700)	(153,791)
Proceeds from sale of property, plant and equipment		112	11
(Payments)/proceeds for term and security deposits		(53,844)	16,281
Proceeds from commodity options		143	-
Net cash outflow from investing activities		(253,376)	(241,900)
Cash flows from financing activities			
Dividends paid to shareholders	28	(28,934)	(23,147)
Repayment of lease liabilities		(1,795)	(2,040)
Net cash outflow from financing activities		(30,729)	(25,187)
Net (decrease)/increase in cash and cash equivalents		(44,185)	21
Cash and cash equivalents at the beginning of the financial year		109,706	108,411
Effects of exchange rate changes on cash and cash equivalents		5,928	1,274
Cash and cash equivalents at the end of the financial year	13	71,449	109,706

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes

Grange Resources Limited
Notes to the consolidated financial statements
31 December 2024

Note 1. Summary of Material Accounting Policies

The accounting policies that are material to the Group are set out below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

(a) Basis of preparation

This general purpose financial report has been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the Corporations Act 2001. Grange Resources Limited is a for-profit entity for the purpose of preparing the financial statements.

Compliance with IFRS

The consolidated financial statements of the Grange Resources Limited Group also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Historical cost convention

These financial statements have been prepared under the historical costs convention, except for certain assets which, as noted, are at fair value.

New and amended standards adopted by the Group

The Group has applied the following standards and amendments for the first time for their annual reporting period commencing 1 January 2024:

- AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current [AASB 101]
- AASB 2022-6 Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants [AASB 101]
- AASB 2022-5 Amendments to Australian Accounting Standards – Lease Liability in a Sale and Leaseback [AASB 16]; and
- AASB 2023-1 Amendments to Australian Accounting Standards – Supplier Finance Arrangements [AASB 7 & AASB 107]

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2024 reporting periods and have not been early adopted by the Group. Management is currently assessing the detailed implications of applying the new standard on the Group's consolidated financial statements.

Comparative figures

Where necessary, comparative figures have been adjusted to conform to changes in the presentation in the current period.

Critical accounting estimates

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 4.

Grange Resources Limited
Notes to the consolidated financial statements
31 December 2024

Note 1. Summary of Material Accounting Policies (continued)

(b) Principles of consolidation

(i) Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Grange Resources Limited as at 31 December 2024 and the results of all subsidiaries for the year then ended. Grange Resources Limited and its subsidiaries together are referred to in this financial report as the Group or the consolidated entity.

Subsidiaries are those entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases. Details of subsidiaries are set out in note 32.

The acquisition method of accounting is used to account for business combinations by the Group (refer to note 1(e)).

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(ii) Joint arrangements

Joint operations

The Group recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the financial statements under the appropriate headings. Details of the joint operations are set out in note 33.

(c) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chief Executive Officer.

Refer to note 5 for further information on segment descriptions.

(d) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Australian dollars, which is Grange Resources Limited's functional and presentation currency.

Grange Resources Limited
Notes to the consolidated financial statements
31 December 2024

Note 1. Summary of Material Accounting Policies (continued)

(ii) Transactions and balances

All foreign currency transactions during the financial period are translated into the functional currency using the exchange rate prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss, except when they are deferred in equity as qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Non-monetary items that are measured in terms of historical cost in foreign currency are translated using the exchange rate as at the date of the initial transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

(iii) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet,
- income and expenses for each income statement are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, a proportionate share of such exchange differences are reclassified to the income statement, as part of the gain or loss on sale where applicable. Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entities and translated at the closing rate.

(e) Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the

- fair values of the assets transferred
- liabilities incurred to the former owners of the acquired business
- equity interests issued by the Group
- fair value of any asset or liability resulting from a contingent consideration arrangement, and
- fair value of any pre-existing equity interest in subsidiary

Identifiable assets acquired, and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. Acquisition-related costs are expensed as incurred.

The excess of the

- Consideration transferred,
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity

Grange Resources Limited
Notes to the consolidated financial statements
31 December 2024

Note 1. Summary of Material Accounting Policies (continued)

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the subsidiary acquired, the difference is recognised directly in profit or loss as a bargain purchase. Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss.

(f) Revenue recognition and other income

Revenue is recognised for the major business transactions as follows:

Sale of ore and the related freight revenue

Sales revenue is recognised on individual sales when control transfers to the customer. In most instances, control passes and sales revenue is recognised when the product is delivered to the vessel on which it will be transported. There may be circumstances when judgment is required when recognising revenue based on the five-step model below:

- (i) Identify the contract(s) with a customer
- (ii) Identify the performance obligations in the contract
- (iii) Determine the transaction price
- (iv) Allocate the transaction price to the performance of obligations in the contract.
- (v) Recognise revenue when (or as) the entity satisfies the performance obligation.

The Group sells a portion of its product on Cost and Freight (CFR). For CFR contracts passes and sales revenue is recognised when the product is delivered to the vessel on which it will be transported. Using the 5-step model above, the Group has determined that freight services are a separate performance obligation. Therefore, the revenue for shipping services is recognised as the Group satisfies the performance obligation over time rather than at point when product is transferred to the vessel on which the product will be shipped.

Typically, the Group has a right to payment at the point that control of the goods passes including a right, where applicable, to payment for provisionally priced products and unperformed freight services. Cash received before control passes is recognised as a contract liability. The amount of consideration does not contain a significant financing component as payment terms are less than one year.

Interest income

Interest income is recognised on a time proportion basis using the effective interest method.

Distribution Income

Distribution income from short term managed funds is recognised when the right to receive the income has been established.

Grange Resources Limited
Notes to the consolidated financial statements
31 December 2024

Note 1. Summary of Material Accounting Policies (continued)

(g) Leases

The Group leases office spaces, mobile radars, forklifts, and motor vehicles with lease terms between 1 to 5 years but may have extension options as described below. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is discounted using the Group's incremental borrowing rate and is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period as to produce a constant periodic rate of interest on the remaining balance of the liability for each period – refer to note 11. The right of use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease payments included in the measure of the lease liability comprise:

- fixed payments less any lease incentives
- variable lease payments that are based on an index or rate
- amounts expected to be payable under residual value guarantees

(h) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

(i) Trade and other receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less loss allowance.

As permitted by AASB 9, the Group applies the 'simplified approach' to trade receivable balances and the 'general approach' to all other financial assets. The simplified approach requires expected lifetime credit losses to be recognised from initial recognition of the receivables. The general approach incorporates a review for any significant increase in counterparty credit risk since inception.

The expected credit losses (ECL) review include assumptions about the risk of default and expected credit loss rates. In determining the recoverability of a trade or other receivable using the ECL model, the Group performs a risk analysis considering the type and age of the outstanding receivables, the creditworthiness of the counterparty, contract provisions, letter of credit and timing of payment.

(j) Inventories

Raw materials and stores, ore stockpiles, work in progress and finished goods are stated at the lower of cost and net realisable value. Cost is determined primarily on the basis of weighted average costs and comprises of the cost of direct materials and the costs of production which include:

- labour costs, materials and contractor expenses which are directly attributable to the extraction and processing of ore;
- depreciation of property, plant and equipment used in the extraction and processing of ore; and
- production overheads directly attributable to the extraction and processing of ore

Grange Resources Limited
Notes to the consolidated financial statements
31 December 2024

Note 1. Summary of Material Accounting Policies (continued)

Stockpiles represent ore that has been extracted and is available for further processing. If there is significant uncertainty as to when the stockpiled ore will be processed it is expensed as incurred. Where the future processing of the ore can be predicted with confidence because it exceeds the mine's cut-off grade, it is valued at the lower of cost and net realisable value. Work in progress inventory includes partly processed material. Quantities are assessed primarily through surveys and assays.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(k) Income tax

The income tax expense or benefit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Group's subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses, only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. In assessing the recoverability of deferred tax assets, the Group relies on the same forecast assumptions used elsewhere in the financial statements and in other management reports, which, among other things, reflect the potential impact of climate-related development on the business, such as increased cost of production as a result of measures to reduce carbon emission.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and the tax bases of investments in foreign operations where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Grange Resources Limited and its wholly-owned Australian controlled entities have implemented the tax consolidation legislation. As a consequence, Grange Resources Limited and its subsidiaries are taxed as a single entity and the deferred tax assets and liabilities of the Group are set off in the consolidated financial statements.

(l) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST except:

- when GST incurred on a purchase of goods and services is not recoverable from taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables, which are stated with the amount of GST included

Grange Resources Limited
Notes to the consolidated financial statements
31 December 2024

Note 1. Summary of Material Accounting Policies (continued)

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

Cash flows are included in the consolidated statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority, are presented as operating cash flows.

Commitments and contingencies are presented net of the amount of GST recoverable from, or payable to, the taxation authority.

(m) Property, plant and equipment

Land and buildings and plant and equipment are measured at cost less, where applicable, any accumulated depreciation, amortisation or impairment in value. Cost includes expenditure that is directly attributable to the acquisition of the item. In the event that all or part of the purchase consideration is deferred, cost is determined by discounting the amounts payable in the future to their present value as at the date of acquisition.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the income statement during the reporting period in which they are incurred.

Land is not depreciated. Assets under construction are measured at cost and are not depreciated until they are ready and available for use. Depreciation on assets is calculated using either a straight-line or diminishing value method to allocate the cost, net of their residual values, over the estimated useful lives or the life of the mine, whichever is shorter. Leasehold improvements and certain leased plant and equipment are depreciated over the shorter lease term.

Other non-mine plant and equipment typically has the following estimated useful lives:

Buildings	10 to 17 years
Plant and Equipment	4 to 17 years
Computer Equipment	3 to 5 years

The assets residual values, useful lives and amortisation methods are reviewed and adjusted if appropriate, at each financial period end.

An item of property, plant and equipment is derecognised upon disposal or when no further economic benefits are expected from its use or disposal.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement in the period the asset is derecognised.

The carrying value of property, plant and equipment is assessed annually for impairment in accordance with note 1(q).

(n) Exploration and evaluation

Exploration and evaluation expenditure comprise costs which are directly attributable to:

- research and analysing exploration data
- conducting geological studies, exploratory drilling and sampling
- examining and testing extraction and treatment methods
- compiling pre-feasibility and definitive feasibility studies

Grange Resources Limited
Notes to the consolidated financial statements
31 December 2024

Note 1. Summary of Material Accounting Policies (continued)

Exploration and evaluation expenditure also include the costs incurred in acquiring rights, the entry premiums paid to gain access to areas of interest and amounts payable to third parties to acquire interests in existing projects.

Exploration and evaluation expenditure is charged against profit and loss as incurred; except for expenditure incurred after a decision to proceed to development is made, in which case the expenditure is capitalised as an asset.

(o) Mine properties and development

Mine properties and development represent the accumulation of all exploration, evaluation and development expenditure incurred by, not on behalf of, the entity in relation to areas of interest in which mining of a mineral resource has commenced.

Where further development expenditure is incurred in respect of a production property after the commencement of production, such expenditure is carried forward as part of the cost of that production property only when substantial future economic benefits arise, otherwise such expenditure is classified as part of the cost of production.

Costs on production properties in which the Group has an interest are amortised over the life of the area of interest to which such costs relate on the production output basis. Changes to the life of the area of interest are accounted for prospectively.

The carrying value of each mine property and development are assessed annually for impairment in accordance with note 1(q).

(p) Deferred stripping costs

Stripping (i.e. overburden and other waste removal) costs incurred in the production phase of a surface mine are capitalised to the extent that they improve access to an identified component of the ore body and are subsequently amortised on a systematic basis over the expected useful life of the identified component of the ore body. Capitalised stripping costs are disclosed as a component of Mine Properties and Development.

Components of an ore body are determined with reference to life of mine plans and take account of factors such as the geographical separation of mining locations and/or the economic status of mine development decisions.

Capitalised stripping costs are initially measured at cost and represent an accumulation of costs directly incurred in performing the stripping activity that improves access to the identified component of the ore body, plus an allocation of directly attributable overhead costs. The amount of stripping costs deferred is based on a relevant production measure which uses a ratio obtained by dividing the tonnage of waste mined by the quantity of ore mined for an identified component of the ore body. Stripping costs incurred in the period for an identified component of the ore body are deferred to the extent that the current period ratio exceeds the expected ratio for the life of the identified component of the ore body. Such deferred costs are then charged against the income statement on a systematic units of production basis over the expected useful life of an identified component of the ore body.

Changes to the life of mine plan, identified components of an ore body, stripping ratios, units of production and expected useful life are accounted for prospectively.

Deferred stripping costs form part of the total investment in a cash generating unit, which is reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable.

Grange Resources Limited
Notes to the consolidated financial statements
31 December 2024

Note 1. Summary of Material Accounting Policies (continued)

(q) Impairment of assets

At each reporting date, the Group assesses whether there is any indication that an asset, including capitalised development expenditure, may be impaired. Where an indicator of impairment exists, the Group makes a formal estimate of the recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount. Impairment losses are recognised in the income statement.

Recoverable amount is the greater of fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash generating units).

Where there is no binding sale agreement or active market, fair value less costs of disposal is based on the best information available to reflect the amount the Group could receive for the cash generating unit in an arm's length transaction. In assessing fair value, the estimated future cash flows are discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the pre-impairment value, adjusted for any depreciation that would have been recognised on the asset had the initial impairment loss not occurred. Such reversal is recognised in profit or loss.

After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

The Group assesses where climate risks could have a significant impact, such as the introduction of emission reduction legislation that may increase mining and production costs. At present, albeit climate-related risks should be factored into the commodity price, this has no direct impact on the Group's asset recoverable value.

(r) Investments and other financial assets

The Group's other financial assets consist of:

- Term deposits with maturity of over three months from the date of acquisition.
- Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognised immediately in profit or loss and are included in other income or other expenses.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

Grange Resources Limited
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Note 1. Summary of Material Accounting Policies (continued)

(s) Ore reserves

The Company estimates its mineral resources and ore reserves based on information compiled by Competent Persons as defined in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves of December 2012 (the JORC 2012 code). Reserves, and certain mineral resources determined in this way, are used in the calculation of depreciation, amortisation and impairment charges, the assessment of life of mine stripping ratios and for forecasting the timing of the payment of close down and restoration costs.

In assessing the life of a mine for accounting purposes, mineral resources are only taken into account where there is a high degree of confidence of economic extraction.

(t) Trade and other payables

Trade payables and other payables are carried at amortised cost and represent liabilities for goods and services provided to the Group prior to the end of the financial period that are unpaid. Trade payables and other payables arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

(u) Borrowings

All borrowings are initially recognised at the fair value of the consideration received, less transaction costs. After initial recognition, borrowings are subsequently measured at amortised cost. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Borrowing costs

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed in the period which they are incurred.

(v) Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at nominal amounts and released to profit or loss over the expected useful life of the asset, based on the pattern of consumption of the benefits of the underlying asset by equal annual instalments.

Grange Resources Limited
Notes to the consolidated financial statements
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Note 1. Summary of Material Accounting Policies (continued)

(w) Provisions

Provisions are recognised when the Group has a present obligation, it is probable that there will be a future sacrifice of economic benefits and a reliable estimate can be made of the amount of the obligation.

When the Group expects some or all of a provision to be recovered from a third party, for example under an insurance contract, the receivable is recognised as a separate asset but only when the reimbursement is virtually certain, and it can be measured reliably. The expense relating to any provision is presented in the income statement net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a pre-tax rate that reflects the current market assessment of the time value of money. Where this is the case, its carrying amount is the present value of these estimated future cash flows. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

The impact of climate-related matters on remediation of sites is considered with determining the decommissioning liability. The Group also constantly monitors new government legislation in relation to climate-related matters. At the current time, no climate related matters and legislation that is expected to have a material impact on the Group's decommissioning liability.

Decommissioning and restoration

Decommissioning and restoration provisions include the dismantling and demolition of infrastructure and the removal of residual materials and remediation of disturbed areas. The provision is recognised in the accounting period when the obligation arising from the related disturbance occurs, whether this occurs during the mine development or during the production phase, based on the net present value of estimated future costs. The costs are estimated on the basis of a closure plan. The cost estimates are calculated annually during the life of the operation to reflect known developments and are subject to formal review at regular intervals.

The amortisation or 'unwinding' of the discount applied in establishing the net present value of provisions is charged to the income statement in each accounting period. The amortisation of the discount is shown as a financing cost, rather than as an operating cost. Other movements in the provisions for close down and restoration costs, including those resulting from new disturbance, updated cost estimates, changes to the lives of operations and revisions to discount rates are capitalised within mine properties and development, to the extent that any amount of deduction does not exceed the carrying amount of the asset. Any deduction in excess of the carrying amount is recognised in the income statement immediately. If an adjustment results in an addition to the cost of the related asset, consideration will be given to whether an indication of impairment exists, and the impairment policy will apply. These costs are then depreciated over the life of the area of interest to which they relate.

Grange Resources Limited
Notes to the consolidated financial statements
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Note 1. Summary of Material Accounting Policies (continued)

(x) Employee entitlements

Wages, salaries and sick leave

Liabilities for wages and salaries, including non-monetary benefits and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Annual leave

Liabilities for annual leave expected to be settled within 12 months of the reporting date are recognised in the provision for employee benefits in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Long service leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method.

Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation funds Contributions to defined contribution funds are recognised as an expense in the income statement as they become payable.

Share-based payments

Senior Executives of the Group receive remuneration in the form of share-based payments, whereby employees render services in exchange for equity instruments (equity-settled transactions).

The fair value of performance rights granted is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted.

- including any market performance conditions
- excluding the impact of any service and non-market performance vesting conditions
- Including the impact of any non-vesting conditions

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of performance rights that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

The dilutive effect of outstanding performance rights is reflected as additional share dilution in the computation of diluted earnings per share (further details are given in note 35).

Grange Resources Limited
Notes to the consolidated financial statements
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Note 1. Summary of Material Accounting Policies (continued)

(y) Contributed equity

Ordinary share capital is recognised at the fair value of the consideration received by the Company. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction, net of tax, of the share proceeds received.

(z) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the financial period but not distributed at balance date.

(aa) Earnings per share (EPS)

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to equity holders of the Company, excluding any costs of servicing equity other than ordinary shares;
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the period and excluding treasury shares.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after-income tax effect of interest and other financing costs associated with the dilutive potential ordinary shares; and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

(ab) Parent entity financial information

The financial information for the parent entity, Grange Resources Limited, disclosed in note 36 has been prepared on the same basis as the consolidated financial statements, except as set out below.

Investments in subsidiaries, associates and joint venture entities

Investments in subsidiaries and joint venture entities are accounted for at cost in the financial statements of Grange Resources Limited. Dividends received from associates are recognised in the parent entity's profit or loss, rather than being deducted from the carrying amount of these investments.

Financial guarantees

Where the parent entity has provided financial guarantees in relation to loans and payables of subsidiaries for no compensation, the fair values of these guarantees are accounted for as contributions and recognised as part of the cost of the investment.

(ac) Rounding of amounts

The Group is of a kind referred to in ASIC Legislative Instrument 2016/191 Class, issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the financial report. Amounts in the financial report have been rounded off in accordance with the instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

Grange Resources Limited
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Note 2. Climate-related matters

The Group considers climate-related matters in estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the Group due to both physical and transition risks. The Group is closely monitoring relevant changes and development such as new climate-related legislation although climate-related risks might not currently have a significant impact on measurement of items in the financial statements. The items and considerations that might mostly directly to be impacted by climate-related matters are:

- Useful life of property, plant and equipment. When reviewing the residual values and expected useful lives of assets, the Group considers climate-related matters, such as climate-related legislation and regulations that may restrict the use of assets or require significant capital expenditures,
- Decommissioning Liability. The impact of climate-related legislation and regulations is considered in estimating the timing and future costs of decommissioning,
- The Group constantly monitors climate-related risks, including physical risks and transition risks when measuring the recoverable amount. While the Group does not believe its operation is currently significantly exposed to physical risks, the value in use may be impacted in several different ways by transition risk, such as climate-related legislation, climate-related regulations and changes in demand for the Group's product.

Note 3. Financial Risk Management

Financial risk management objectives

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group has used derivative financial instruments such as foreign exchange contracts and forward commodity contracts to manage certain risk exposures. Derivatives are exclusively used for hedging purposes, i.e. not as trading or other speculative instruments. The Group uses different methods to measure different types of risks to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and commodity price risks and aging analysis for credit risk.

Risk management is carried out by the management team following guidance received from the Audit and Risk Committee.

No events occurred in the current and prior periods that give rise to material items of income or expense as a result of climate.

The Group holds the following financial instruments

	2024	2023
	\$'000	\$'000
Financial Assets		
Cash and Cash Equivalent	71,449	109,706
Trade and other receivables	24,271	82,956
Other financial assets	229,931	176,393
	325,651	369,055
Financial Liabilities		
Trade and other payables	42,598	50,380
	42,598	50,380
	2024	2023
	\$'000	\$'000
Other financial assets (current)		
Term deposits	226,600	172,900
Derivatives	1,927	2,130
	228,527	175,030
Other financial assets (non-current)		
Derivatives	1,404	1,363

Grange Resources Limited
Notes to the consolidated financial statements
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Note 3. Financial Risk Management (continued)

Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

	2024	2023
	\$'000	\$'000
Net debt reconciliation		
Cash and cash equivalents	71,449	109,706
Liquid investments	226,600	172,900
Lease liability	(1,323)	(2,215)
Net cash, cash equivalent and liquid investments	296,726	280,391

Financial assets at fair value through profit or loss (FVPL)

The Group classifies the following financial assets at fair value through profit or loss (FVPL)

	2024	2023
	\$'000	\$'000
Derivative Financial Instruments		
Current	1,927	2,130
Non-current	1,404	1,363
	3,331	3,493

Amounts recognised in profit or loss

During the year, the following (losses) were recognised in profit or loss:

	2024	2023
	\$'000	\$'000
Fair value gain on derivative financial instrument at FVPL recognised in (loss) on financial instruments	(19)	(68)

(a) Market Risk

(i) Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar.

Foreign exchange risk arises from commercial transactions, given that the Group's sales revenues are denominated in US dollars and the majority of its operating costs are denominated in Australian dollars, and recognised assets and liabilities denominated in a currency that is not the entity's functional currency.

The risk is measured using sensitivity analysis and cash flow forecasting. The Group's exposure to US dollar denominated foreign currency risk at the reporting date, expressed in Australian dollars, was as follows:

	2024	2023
	\$'000	\$'000
Cash and cash equivalents	37,026	85,078
Trade and other receivables	731	57,728
Trade and other payables	(730)	(119)
Net US dollar surplus	37,027	142,687

Grange Resources Limited
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Note 3. Financial Risk Management (continued)

Group sensitivity

Based on the financial instruments held at 31 December 2024, had the Australian dollar weakened/strengthened by 10% against the US dollar with all other variables held constant, the Group's post tax profit for the financial period would have been \$2.4 million higher / \$2.9 million lower (2023: \$9.1 million higher / \$11.1 million lower), mainly as a result of foreign exchange gains/losses on US dollar denominated cash and cash equivalents, term deposits and receivables as detailed in the above table

(ii) Price risk

The Group is exposed to commodity price risk. During current and prior years, the price of iron ore pellets is based on a price index used in the market. At this time, the Group does not manage its iron ore price risk with financial instruments.

Going forward, the Group may consider using financial instruments to manage commodity price risk given exposures to market prices arising from the adoption of index based market pricing mechanisms.

Short term managed funds are exposed to price risk arising from investments held by the fund for which the future prices are uncertain. The investment manager moderates this risk through a careful selection of securities within specified limits. The fund actively maintains a high level of diversification in its holdings, thus potentially reducing the amount of risk in the fund.

(iii) Cash flow and fair value interest rate risk

The Group's main interest rate risk arises from cash and cash equivalents, term deposits and short-term managed funds.

For short term managed funds, the interest-bearing financial assets in each of the Funds expose it to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. The main interest rate risk arises from the Fund's investments in bonds.

The Group analyses its interest rate exposure on a dynamic basis. Various scenarios are simulated taking into consideration refinancing, renewal of existing positions, alternative financing and hedging.

Based on these scenarios, the Group calculates the impact on profit and loss of a defined interest rate shift. No financial instruments are used to manage interest rate risk.

(b) Credit Risk

Credit risk is managed on a Group basis. Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables and committed transactions.

The Group is exposed to a concentration of risk with sales of iron ore being made to a limited number of customers. The maximum exposure to credit risk at the reporting date is limited to the carrying value of trade receivables, cash and cash equivalents and deposits with banks and financial institutions. As at 31 December 2024, there are \$0.18 million in trade receivables (2023: \$0.18 million) that are past due. The other classes within trade and other receivables do not contain impaired assets and are not past due.

(c) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The Group manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Maturities of financial liabilities

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period as at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

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Note 3. Financial Risk Management (continued)

2024	Less than 6 months \$'000	6-12 months \$'000	Between 1 and 2 years \$'000	Between 2 and 5 years \$'000	Over 5 years \$'000	Total contractual cash flows \$'000	Carrying amount liabilities \$'000
Trade and other payables	42,598	-	-	-	-	42,598	42,598
Lease liabilities	862	431	57	-	-	1,350	1,323
	43,460	431	57	-	-	43,948	43,921
2023	Less than 6 months \$'000	6-12 months \$'000	Between 1 and 2 years \$'000	Between 2 and 5 years \$'000	Over 5 years \$'000	Total contractual cash flows \$'000	Carrying amount liabilities \$'000
Trade and other payables	50,380	-	-	-	-	50,380	50,380
Lease liabilities	951	525	714	100	-	2,290	2,215
	51,331	525	714	100	-	52,670	52,595

(d) Capital Risk Management

When managing capital, the Group's objective is to safeguard the ability to continue as a going concern so that the Group continues to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital.

Management is constantly reviewing and adjusting, where necessary, the capital structure. This involves the use of corporate forecasting models which enable analysis of the Group's financial position including cash flow forecasts to determine future capital management requirements. To ensure sufficient funding, a range of assumptions are modelled.

(e) Derivatives

The Group uses derivative financial instruments, such as foreign currency and commodity options to hedge its foreign currency risks and commodity price risks, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value using valuation techniques which employs the use of market observable inputs. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Classification of derivatives

Derivatives are classified as held for trading and accounted for at fair value through profit or loss. They are presented as current assets or liabilities if they are expected to be settled within 12 months after the end of the reporting period.

The Group has the following derivative financial instruments:

	2024 \$'000	2023 \$'000
Electricity fixed forward	2,716	3,233
Diesel commodity swap	613	185
Foreign currency options	2	75
	3,331	3,493
Derivatives (current)	1,927	2,130
Derivatives (non-current)	1,404	1,363
	3,331	3,493

Grange Resources Limited
Notes to the consolidated financial statements
31 December 2024

Note 3. Financial Risk Management (continued)

(f) Recognised fair value measurements

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standards.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. Specific valuation techniques used to value the derivative financial instruments mainly include determining the fair value of forward contracts using forward rates at the balance sheet date provided by the dealers.

The following table presents the Group's assets and liabilities measured and recognised at fair value at 31 December 2024 and 31 December 2023.

2024	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Financial Assets				
Derivative financial Instruments	-	3,331	-	3,331
Trade receivables - embedded derivatives	-	3,224	-	3,224
	-	6,555	-	6,555
2023	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Financial Assets				
Derivative financial instruments	-	3,493	-	3,493
Trade receivables - embedded derivatives	-	15,799	-	15,799
	-	19,292	-	19,292

Grange Resources Limited
Notes to the consolidated financial statements
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Note 4. Critical Accounting Estimates and Judgements

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. There are no critical accounting judgements, estimates and assumptions that are likely to affect the current or future financial years.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Net realisable value of inventories

The Group reviews the carrying value of its inventories at each reporting date to ensure that the cost does not exceed net realisable value. Estimates of net realisable value include a number of assumptions, including commodity price expectations, foreign exchange rates and costs to complete inventories to a saleable product. As at 31 December 2024 the net realisable value exceeded cost for all significant inventory balances.

(b) Assessment of CGU recoverable value

Methodology

The recoverable amount of each CGU has been estimated using a fair value less costs of disposal basis. The costs of disposal have been estimated by management based on prevailing market conditions. The fair value assessment is categorised within level 3 in the fair value hierarchy. An impairment loss is recognised for a CGU when the recoverable amount is less than the carrying amount.

Fair value is estimated based on the net present value of estimated future cash flows for a CGU. Future cash flows are based on a number of assumptions, including commodity price expectations, foreign exchange rates, reserves and resources and expectations regarding future operating performance and capital requirements which are subject to risk and uncertainty. An adverse change in one or more of the assumptions used to estimate fair value could result in a reduction of the CGU's fair value.

Operating performance (production, operating costs and capital costs)

Life of mine production, operating cost and capital cost assumptions are based on the Group's most recent life of mine plan approved by the Board. The underground mine will transition the current North Pit open cut mining to an underground block cave and sub-level cave mine over the next 5 years. The transition to underground mining has been integrated with the current open cut mining operations. Total capital investment in the underground mine is expected to be approximately \$890 million over several years with the majority of the investment expected to be made between 2026 to 2030. The underground mine is expected to deliver a substantial reduction in life-of-mine operating costs of 30%. Once in production, the underground mine will reduce carbon emissions by 80% at the Savage River Mine in line with the Company's environment, social and governance (ESG) initiatives to develop Green Pellet Production. Mineral resources and ore reserves not in the most recent life of mine plan are not included in the determination of the recoverable amount.

While the Group acknowledges that factors such as future changes to the regulatory framework in response to climate change could impact future recoverability, these factors have not been included in our assumptions. While the Group acknowledges that the world is moving to a low-carbon future and it must address the risks and opportunities that climate change may bring, the Group has not identified any immediate financial impacts of climate change risk in the short term.

Grange Resources Limited
Notes to the consolidated financial statements
31 December 2024

Note 4. Critical Accounting Estimates and Judgements (continued)

(c) Stripping costs in the production phase of a surface mine (Interpretation 20)

The application of Interpretation 20 requires management judgement in determining whether a surface mine is in the production phase and whether the benefits of production stripping activities will be realised in the form of inventory produced through improved access to ore.

Judgement is also applied in identifying the component of the ore body and the manner in which stripping costs are capitalised and amortised. There are a number of uncertainties inherent in identifying components of the ore body and the inputs to the relevant production methods for capitalising and amortising stripping costs and these assumptions may change significantly when new information becomes available. Such changes could impact on capitalisation and amortisation rates for capitalised stripping costs and deferred stripping asset values.

(d) Determination of mineral resources and ore reserves

Mineral resources and ore reserves are based on information compiled by a Competent Person as defined in accordance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC 2012 code). There are numerous uncertainties inherent in estimating ore reserves and assumptions that are valid at the time of estimation may change significantly when new information becomes available. Changes in forecast prices of commodities, exchange rates, production costs or recovery rates may change the economic status of ore reserves and may, ultimately, result in the reserves being restated. Such changes in reserves could impact on depreciation and amortisation rates, asset carrying values and provisions for rehabilitation.

(e) Provision for decommissioning and restoration costs

Decommissioning and restoration costs are a normal consequence of mining, and the majority of this expenditure is incurred at the end of a mine's life. In determining an appropriate level of provision, consideration is given to the expected future costs to be incurred, the timing of these expected future costs (largely dependent on the life of the mine), and the estimated future level of inflation, with reference to analysis performed by internal and external experts.

The ultimate cost of decommissioning and restoration is uncertain and costs can vary in response to many factors including changes to the relevant legal requirements, changes to mine plan, and the emergence of new restoration techniques or experience at other mine sites. The expected timing of expenditure can also change, for example in response to changes in reserves or to production rates.

Certain rehabilitation activities are undertaken as part of the mining operations included in the life of mine plan. Should the life of mine plan be amended in the future to exclude these activities, the provision for rehabilitation would increase correspondingly.

Changes to any of the estimates could result in significant changes to the level of provisioning required, which would in turn impact future financial results. These estimates are reviewed annually and adjusted where necessary to ensure that the most up to date data is used.

Note 5. Segment Information

(a) Description of segments

Operating segments are determined based on the reports reviewed by the Chief Executive Officer, who is the Group's chief operating decision maker in terms of allocating resources and assessing performance.

The Group has one reportable segment, being the exploration, evaluation and development of mineral resources and iron ore mining operations. The Chief Executive Officer allocates resources and assesses performance, in terms of revenues earned, expenses incurred and assets employed, on a consolidated basis in a manner consistent with that of the measurement and presentation in the financial statements.

Exploration, evaluation and development projects (including the Southdown project) are not deemed reportable operating segments at this time as the financial performance of these operations is not separately included in the reports provided to the Chief Executive Officer. These projects may become segments in the future.

Grange Resources Limited
Notes to the consolidated financial statements
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Note 5. Segment Information (continued)

	Ore Mining	
	2024	2023
	\$'000	\$'000
Revenue from external customers	520,805	614,744
Timing of Revenue Recognition		
At a point in time - pellets	463,363	562,416
Over time - freight	57,442	52,328

The following table presents revenues from sales of iron ore based on the geographical location of the port of discharge.

Segment revenues from sale to external customers

	2024	2023
	\$'000	\$'000
Ore Mining		
Australia	47,360	36,078
China	141,582	261,251
South Korea	264,611	257,940
Indonesia	67,234	59,695
New Zealand	18	-
Malaysia	-	1,199
Turkey	-	(1,419)
Total Revenue	520,805	614,744

Sales of iron ore products to Jiangsu Shagang International Trade Co., Ltd, a wholly owned subsidiary of Jiangsu Shagang Group, under long-term off-take agreements (shipment to China) amounted to \$145.13 million / 27.87% of mining revenue (2023: \$220.3 million / 35.8%).

Segment assets and capital are allocated based on where the assets are located. The consolidated assets of the Group were predominately located in Australia as at 31 December 2024 and 31 December 2023. The total costs incurred during the current and comparative periods to acquire segment assets were also predominately incurred in Australia.

Note 6. Revenue from Operations

	2024			2023		
	Revenue from Contracts with Customers	Other Revenue/ (Loss)	Total Revenues	Revenue from Contracts with Customers	Other Revenue/ (Loss)	Total Revenues
From mining operations						
Sales of iron ore	522,521	(1,716)	520,805	603,759	10,985	614,744

Revenue from contracts with provisional pricing is recognised based on the estimated forward prices, where available, which the Group expects to receive at the end of the quotation period. Where an estimated forward price is not available, spot prices are applied as management's best estimate of the provisional prices. The quotation period exposure is considered to be an embedded derivative and forms part of trade receivables. The subsequent changes in the fair value were recognised in the statement of profit or loss and other comprehensive income as other revenue (loss). Changes in fair value over, and until the end of the quotation period, are estimated by reference to updated forward market prices.

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Note 7. Cost of Sales

	2024	2023
	\$'000	\$'000
Mining Costs	223,562	204,807
Production costs	162,654	150,989
Changes in Inventories	(47,788)	(5,064)
Freight costs	57,442	52,328
Government royalties	10,551	23,150
Depreciation and amortisation expense	48,557	55,474
Mine properties and development		
- Amortisation expense	11,318	9,414
Deferred Stripping		
- Amounts capitalised during the year	(113,266)	(152,223)
- Amortisation expense	99,511	57,332
Foreign exchange gain	(2,122)	(1,517)
	450,419	394,690
Depreciation and amortisation expense		
Land and buildings	1,978	1,655
Plant and equipment (including right of use of assets)	45,783	48,815
Computer equipment	795	5,004
	48,556	55,474

Note 8. Administrative Expenses

	2024	2023
	\$'000	\$'000
Salaries	3,055	3,600
Consultancy Fee	1,669	1,444
Others	951	9
	5,675	5,053

Note 9. Other Income (Expense)

	2024	2023
	\$'000	\$'000
Income from sale of royalty tenements	-	8,000
Rent Income	235	191
Other (expense) income	(196)	440
Gain (Loss) on the disposal of property, plant and equipment and mine properties and development	40	(3,558)
Loss on derecognition of right of use of assets	-	(810)
Provision for rehabilitation - change in estimate	78	(393)
	157	3,870

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Note 10. Finance Income

	2024	2023
	\$'000	\$'000
Interest income received or receivable	17,335	14,638
Exchange gains on foreign currency deposit	5,928	1,277
	23,263	15,915

Note 11. Finance Expenses

	2024	2023
	\$'000	\$'000
Provisions: unwinding of discounts		
- Decommissioning and Restorations	3,088	2,981
Interest charges on lease liabilities	72	160
Other interest charges	139	912
Loss on financial instruments	19	68
	3,318	4,121

Note 12. Income Tax Expense

	2024	2023
	\$'000	\$'000
(a) Income tax expense		
Current tax	14,239	35,230
Tax refund on prior years tax return amendments	(3,464)	-
Adjustment to tax of prior period	(3,756)	248
Tax refund receivable on North Pit Underground Decline	-	(6,812)
Total current tax expense	7,019	28,666
Deferred income tax		
Increase in net deferred tax liability	15,464	36,422
Movements in unrecognised deferred tax	(28)	(97)
Total deferred tax expense	15,436	36,325
Total income tax expense	22,455	64,991
(b) Numerical reconciliation of income tax expense to prima facie tax payable		
Profit from continuing operations before income tax expense	81,004	215,095
Tax expense at the Australian tax rate of 30% (2023: 30%)	24,301	64,528
<i>Tax effect of amounts which are not deductible (taxable) in calculating taxable income:</i>		
Sundry Items	(57)	312
Environmental protection and repair and maintenance projects claimed in the prior year income tax return	1,995	-
	26,239	64,840
Movement in unrecognised deferred tax assets relating to temporary differences	(28)	(97)
Adjustment to tax of prior period	(3,756)	248
	(3,784)	151
Total income tax expense	22,455	64,991

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Note 12. Income Tax Expense (continued)

(c) Taxation Losses

Unused taxation losses for which no deferred tax asset has been recognised	1,069	5,429
Potential tax benefit @ 30%	321	1,629

Note 13. Cash and cash equivalents

	2024	2023
	\$'000	\$'000
Cash at bank and in hand	22,221	3,303
Short-term deposits	49,228	106,403
Cash and Cash Equivalents	71,449	109,706
Cash and cash equivalents as per consolidated statement of cash flows	71,449	109,706

Total cash is held in trading accounts or term deposits with major financial institutions under normal terms and conditions appropriate to the operation of the accounts. These deposits earn interest at rates set by these institutions. As at 31 December 2024 the weighted average interest rate on the Australian dollar accounts was 5.22% (31 December 2023: 5.17%) and the weighted average interest rate on the United States dollar accounts was 6.79% (31 December 2023: 8.15%).

(a) Risk exposure

The Group's exposure to interest rate risk is discussed in note 3. The maximum exposure to credit risk at the reporting date is the carrying amount of each class of cash and cash equivalents mentioned above.

Note 14. Trade and other receivables

	2024	2023
	\$'000	\$'000
Trade receivables	752	57,729
Security deposits	323	323
Other receivables	12,529	14,895
Prepayments	628	1,665
	14,232	74,612

Trade receivables include provisionally priced receivables relating to sales contracts where the selling price is determined after delivery to the customers, based on the market price at the relevant quotation point stipulated in the contract (note 6 – Revenue from Operations). The quotation period exposure is considered to be an embedded derivative and not separated from the entire balance. The entire balance is accounted for as one instrument and measured at fair value.

Trade receivables - embedded derivative due to quotation period exposure is considered as level 2 in fair value hierarchy (note 3)

Security deposits comprise restricted deposits that are used for monetary backing for performance guarantees.

(a) Impaired trade receivables

Information regarding the impairment of trade and other receivables is provided in note 3.

(b) Foreign exchange and interest rate risk

Information about the Group's exposure to foreign currency risk and interest rate risk in relation to trade and other receivables is provided in note 3.

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Note 14. Trade and other receivables (continued)

(c) Fair value and credit risk

Due to the short-term nature of these receivables, their carrying amount is assumed to be their fair value. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of receivables mentioned above. Refer to note 3 for more information on the credit quality of the Group's trade and other receivables.

Note 15. Inventories

	2024 \$'000	2023 \$'000
Stores and spares	57,617	59,504
Ore stockpiles	118,473	84,528
Work in progress	11,483	11,591
Finished goods (at lower of cost and net realisable value)	38,145	24,193
	225,718	179,816

Ore stockpiles, work in progress, finished goods and stores and spares are valued at the lower of weighted average cost and estimated net realisable value. A credit of \$47.79 million in 2024 and a credit of \$5.06 million in 2023 were recognised for the movements in stockpiles (note 7).

Note 16. Receivables

	2024 \$'000	2023 \$'000
Security deposits	10,153	10,009

Non-current security deposits consist of restricted deposits that are used for monetary backing for performance guarantees.

(a) Risk exposure

Information about the Group's exposure to credit risk, foreign exchange risk and interest rate risk in relation to security deposits is provided in note 3. The maximum exposure to credit risk at the reporting date is the carrying amount of each class of receivables mentioned above.

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Note 17. Property, plant and equipment

	Land and Building \$'000	Plant and Equipment \$'000	Computer Equipment \$'000	Assets Under Construction \$'000	Total \$'000
At 1 January 2024					
Cost	68,804	528,880	15,879	46,812	660,375
Accumulated depreciation and impairment	(35,613)	(362,393)	(13,894)	-	(411,900)
Net book amount	33,191	166,487	1,985	46,812	248,475
Year ended 31 December 2024					
Opening net book amount	33,191	166,487	1,985	46,812	248,475
Additions	-	-	-	86,827	86,827
Disposal- net book value	(41)	(15)	(16)	-	(72)
Depreciation charge	(2,029)	(44,120)	(797)	-	(46,946)
Impairment	-	-	-	-	-
Transfer from assets under construction	5,929	43,518	223	(49,670)	-
Transfer to mine properties and development	-	-	-	(434)	(434)
Other transfers	-	-	-	(307)	(307)
Closing net book amount	37,050	165,870	1,395	83,228	287,543
At 31 December 2024					
Cost	74,690	568,195	14,883	83,228	740,996
Accumulated depreciation and Impairment	(37,640)	(402,325)	(13,488)	-	(453,453)
Net book amount	37,050	165,870	1,395	83,228	287,543
	Land and Buildings \$'000	Plant and equipment \$'000	Computer Equipment \$'000	Assets Under Construction \$'000	Total \$'000
At 1 January 2023					
Cost	50,584	406,836	10,056	104,081	571,557
Accumulated depreciation and impairment	(33,948)	(330,425)	(9,355)	-	(373,728)
Net book amount	16,636	76,411	701	104,081	197,829
Year ended 31 December 2023					
Opening net book amount	16,636	76,411	701	104,081	197,829
Additions	-	-	-	91,510	91,510
Acquisition of remaining interest in Southdown (note 33)	15,737	2	1	-	15,740
Disposal - net book value	-	(12)	-	-	(12)
Depreciation charge	(1,656)	(47,080)	(5,007)	-	(53,743)
Transfer from assets under construction	2,474	137,166	6,290	(145,930)	-
Transfer to MP&D	-	-	-	(356)	(356)
Other transfers	-	-	-	(2,493)	(2,493)
Closing net book amount	33,191	166,487	1,985	46,812	248,475
At 31 December 2023					
Cost	68,804	528,880	15,879	46,812	660,375
Accumulated depreciation and impairment	(35,613)	(362,393)	(13,894)	-	(411,900)
Net book amount	33,191	166,487	1,985	46,812	248,475

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Note 18. Right-of-use assets

This note provides information for leases where the Group is a lessee.

(i) Amounts recognised in the balance sheet

The balance sheet shows the following amounts relating to leases:

	2024	2023
	\$'000	\$'000
Right-of-use assets		
Land and buildings	44	117
Plant and equipment	1,219	1,979
	1,263	2,096
Lease liabilities		
Current	1,266	1,442
Non-current	57	773
Total lease liabilities	1,323	2,215

Additions to the right-of-use assets during the 2024 were \$.90 million (2023 - nil)

The total cash outflow from repayment of leases in 2024 excluding interest repayment was \$1.80 million (2023 - \$2.04 million).

(ii) Amounts recognised in the statement of profit or loss

The statement of profit or loss shows the following amounts relating to leases:

	2024	2023
	\$'000	\$'000
Depreciation charge of right of use assets		
Land and buildings	(73)	(73)
Plant and equipment	(1,663)	(1,736)
	(1,736)	(1,809)
Interest expense (included in finance cost)	72	160
Expense relating to short-term leases (included in cost of sales)	294	302

Note 19. Mine properties and development

	2024	2023
	\$'000	\$'000
Mine properties and development (at cost)	674,761	659,205
Accumulated amortisation and impairment	(520,220)	(508,902)
Net book amount	154,541	150,303
Deferred stripping costs (net book amount)	306,490	292,735
Total mine properties and developments	461,031	443,038

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Note 19. Mine properties and development (continued)

	2024	2023
	\$'000	\$'000
Movements in mine properties and development are set out below:		
Mine properties and development		
Opening net book amount	150,303	163,108
Current year expenditure capitalised	434	356
Change in rehabilitation estimate	22,298	39
Change in discount rate	(7,176)	(178)
Amortisation Expense	(11,318)	(9,414)
Transfer to PPE	-	(61)
Disposal	-	(3,547)
Closing net book amount	154,541	150,303
Deferred stripping costs		
Opening net book amount	292,735	197,844
Current year expenditure capitalised	113,266	152,223
Amortisation expense	(99,511)	(57,332)
Closing net book amount	306,490	292,735

Note 20. Trade and other payables

	2024	2023
	\$'000	\$'000
Trade payables	38,027	38,249
Contract Liabilities	2,662	2,662
Tax payable	-	6,224
Other payables	1,909	3,245
	42,598	50,380

(a) Risk exposure

Trade payables are non-interest bearing and are normally settled on repayment terms between 7 and 30 days. Information about the Group's exposure to foreign exchange risk is provided in note 3.

Note 21. Provisions

	2024	2023
	\$'000	\$'000
Provisions (Current)		
Leave Obligations	20,472	19,131
Employee benefits	2,783	3,299
Decommissioning and restoration	1,025	3,130
	24,280	25,560

The leave obligations cover the Group's liabilities for long service leave and annual leave which are classified as either current or non-current benefits. The current portion of this liability includes all of the accrued annual leave, the unconditional entitlements to long service leave where employees have completed the required period of service and also for those employees that are entitled to pro-rata payments in certain circumstances. The entire amount of the provision of \$20.5 million (2023: \$19.1 million) is presented as current, since the Group does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

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Note 21. Provisions (continued)

The following amounts reflect leave that is not expected to be taken or paid within the next 12 months.

	2024	2023
	\$'000	\$'000
Current leave obligations expected to be settled after 12 months	10,703	9,581
Movements in provision for decommissioning and restoration (current) are set out below		
	2024	2023
	\$'000	\$'000
Balance at beginning of year	3,130	1,323
Payments	(152)	(342)
Transfers from non-current provisions	(1,953)	2,149
Balance at the end of the year	1,025	3,130

	2024	2023
	\$'000	\$'000
Provisions (Non-Current)		
Leave obligations	3,335	2,864
Employee benefits	141	98
Decommissioning and restoration	97,430	77,764
	100,906	80,726

Movements in provision for decommissioning and restoration are set out below

	2024	2023
	\$'000	\$'000
Balance at beginning of the year	77,764	77,586
Change in estimate	15,119	1,068
Unwinding of discount	3,088	2,981
Transfers to current provisions	1,953	(2,149)
Rehabilitation work completed	(494)	(1,722)
	97,430	77,764

The main component of the provision for decommissioning and restoration costs is for the Group's obligation to rehabilitate the Savage River and Port Latta sites for the disturbance caused by its operations. The rehabilitation provision also includes an obligation under the Tasmanian Goldamere Pty Ltd Act 1996 to repay the Tasmanian Government for part of the purchase of the mine through expenditure on remediation.

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Note 22. Deferred tax assets (liabilities)

	2024	2023
	\$'000	\$'000
The balance comprises temporary differences attributable to:		
Deferred Tax Assets		
Property, plant and equipment	7,010	15,150
Decommissioning and restoration	27,671	22,396
Employee benefits	8,019	7,617
Trade Receivables	53	56
Trade payable	18	14
Total deferred tax assets	42,771	45,233
Deferred tax liabilities		
Mine properties and development	(103,064)	(91,013)
Foreign exchange	(992)	(270)
Inventory	(7,116)	(6,838)
Derivatives	(999)	(1,048)
Prepayments	(2)	(2)
Total deferred tax liabilities	(112,173)	(99,171)
Total net deferred tax assets (liabilities)	(69,402)	(53,938)

Note 23. Government grants

During the year the Group received government grants of \$1.55m for the underground mining and decarbonisation projects and there are no unfulfilled conditions or contingencies attached to these grants.

These grants will be recognised as an income in equal amounts over the expected useful life of the related assets. During the year, no amount was released to the consolidated statement of comprehensive income.

Note 24. Share-based payment

Grange Resources Limited (Parent Company) granted performance rights in three tranches and to be settled by issuance of shares to key management personnel. Each right is entitled to one equity share with a vesting date of 31 December 2024, 31 December 2025 and 31 December 2026.

Tranche 1 requires a total share return (TSR) hurdle while Tranche 2 and Tranche 3 requires a series of non-market-based business objectives.

The fair value at grant date for tranche 1 is estimated using a Monte Carlo model, adjusted to take account of the Shareholder Return ("TSR") target required for the Performance Rights to vest while for tranche 2 and 3 using a Black-Scholes option pricing. The fair value at the grant date was estimated using the following assumptions:

	2024	2023
As at 1 January	2,030,090	295,729
Granted during the year	1,795,587	1,734,361
Forfeited during the year	(567,721)	-
Vested during the year	(142,057)	-
Balance end of the year (Unvested)	3,115,899	2,030,090
Balance end of the year (Vested)	142,057	-
As at 31 December	3,257,956	2,030,090

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Note 24. Share-based payment (continued)

2024 Performance Rights	Tranche 1	Tranche 2	Tranche 3
Grant Date	11 June 2024 / 15 July 2024	11 June 2024 / 15 July 2024	11 June 2024 / 15 July 2024
The life of performance rights (years)	2.6	2.6	2.6
Share price at grant dates	\$0.345	\$0.345	\$0.345
Expected volatility	60%	60%	60%
Dividend yield	5.8%	5.8%	5.8%
Risk free interest rates	4%	4%	4%
TSR at measurement dates (tranche 1 only relative to index)	-21.5%	N/A	N/A
The assessed fair value at grant date of options granted in 2024	\$0.166	\$0.299	\$0.299

2023 Performance Rights	Tranche 1	Tranche 2	Tranche 3
Grant Date	19 December 2023	19 December 2023	19 December 2023
The life of performance rights (years)	2	2	2
Share price at grant dates	\$0.435	\$0.435	\$0.435
Expected volatility	60%	60%	60%
Dividend yield	9.2%	9.2%	9.2%
Risk free interest rates	3.8%	3.8%	3.8%
TSR at measurement dates (tranche 1 only relative to index)	-46.2%	N/A	N/A
The assessed fair value at grant date of options granted in 2023	\$0.091	\$0.364	\$0.364

The fair values of the performance rights at grant date are expensed over the vesting period taking into account the vesting probability. The Group has recognised employee benefits expense of \$.32 million (2023: \$.24 million).

Note 25. Contributed equity

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds of winding up of the Company in proportion to the number of and amounts paid on the shares held. Ordinary shares entitle their holder to one vote per share, either in person or by proxy, at a meeting of the Company. Ordinary shares have no par value and the Company does not have a limited amount of authorised share capital.

(a) Movements in ordinary share capital	Number of Shares	\$'000
Balance at 1 Jan 2024 / 31 Dec 2024	1,157,338,698	331,513

Note 26. Retained earnings

Retained earnings attributable to owners of Grange Resources

	2024 \$'000	2023 \$'000
Movements in retained earnings were as follows		
Balance at the beginning of the year	701,790	574,833
Profit for the year	58,549	150,104
Dividends paid	(28,934)	(23,147)
Balance at the end of the year	731,405	701,790

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Note 27. Impairment of non-current assets

At each reporting date, the Group assesses whether there is any indication that an asset should be impaired. The Group considers the relationship between its market capitalisation and its book value, among other factors, when reviewing for indicators of impairment. As at 31 December 2024, the market capitalisation of the Group was below the book value of its net assets and the iron ore price prices decreased since the end of 2024 indicating a potential trigger for impairment of assets.

Impairment Testing

(i) Methodology

The recoverable amount of each CGU has been estimated using a fair value less costs of disposal basis. The costs of disposal have been estimated by management based on prevailing market conditions. The fair value assessment is categorised within level 3 in the fair value hierarchy. An impairment loss is recognised for a CGU when the recoverable amount is less than the carrying amount.

Fair value is estimated based on the net present value of estimated future cash flows for a CGU. Future cash flows are based on a number of assumptions, including commodity price expectations, foreign exchange rates, reserves and resources and expectations regarding future operating performance and capital requirements which are subject to risk and uncertainty. An adverse change in one or more of the assumptions used to estimate fair value could result in a reduction of the CGU's fair value.

Estimates of future commodity prices are based on the Group's best estimate of future market prices with reference to external market analysts' forecasts. Management has refined the pricing methodology to rely on blended pricing of two experts' price forecasts in 65% Fe Fines to ensure a balanced and reasonable outlook on commodity prices.

(ii) Key assumptions

The impairment model has been developed based on the assumption that project investment will commence in early 2026, with the initial extraction of underground ore anticipated between late 2028 and mid-2029.

The key assumptions which are used by the Directors in determining the recoverable amount for the Group's Savage River CGU were in the following ranges:

Assumptions	2025	as at 31 December 2024	
		2026 - 2030	Long Term 2031+
Iron ore pellets (FOB Port Latta) (US\$ per DMT)	US\$119	US\$115 - US\$124	US\$126 - US\$139
AUD:USD exchange rate	\$0.6350	\$0.6700 - \$0.6900	\$0.6900
Capital expenditures	\$95.5 million	\$1.1 billion	\$162.9 million
Post-tax nominal discount rate		10.5%	
Proven ore reserves in accordance with JORC 2012		34.7 million tonnes	
Probable ore reserves in accordance with JORC 2012		74.5 million tonnes	

Management has determined each of the above key assumptions as follows:

Commodity prices and foreign exchange rates

Commodity prices and foreign exchange rates are estimated with reference to analysis performed by an external party and are updated at least once every six months, in-line with the Group's reporting dates. The iron ore pellet price assumptions are based market indices adjusted for premiums supported by sales arrangements achieved by the Group, net of freight.

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Note 27. Impairment of non-current assets (continued)

Operating performance (production, operating costs and capital costs)

The Company completed the Definitive Feasibility Study (DFS) for underground mining below North Pit and its integration with the Company's current open-cut mine. The findings of the DFS were integrated with the transition from open-cut mining to demonstrate the effective implementation of the underground project alongside the current operation (see market release dated 28 February 2024).

Life of mine production, operating cost and capital cost assumptions are based on the Group's most recent life of mine plan approved by the Board. The underground mine will transition the current North Pit open cut mining to an underground block cave and sub-level cave mine over the next 5 years. The transition to underground mining has been integrated with the current open cut mining operations. The Company is also evaluating an extension of the Centre Pit mine plan as an alternative feed source to complement the North Pit Underground Development. Pursuing parallel development of the Centre Pit is expected to de-risk the broader Savage River Operations and enhance operational flexibility.

The Company has appointed a leading independent finance advisory group as financial adviser to assist in arranging an attractive and flexible funding package for the development of the Company's 100%-owned North Pit Underground Project.

While the Group acknowledges that factors such as future changes to the regulatory framework in response to climate change could impact future recoverability, these factors have not been included in our assumptions. While the Group acknowledges that the world is moving to a low-carbon future and it must address the risks and opportunities that climate change may bring, the Group has not identified any immediate financial impacts of climate change risk in the short term.

Climate-related matters

The Group constantly monitors the latest government legislation in relation to climate-related matters. At the current time, no legislation has been passed that will impact the Group. The Group will adjust the key assumptions used in fair value calculations and sensitivity to changes in assumptions should a change be required.

Discount rate

To determine the recoverable amount, the estimated future cash flows have been discounted to their present value using a post-tax real discount rate that reflects a current market assessment of the time value of money and risks specific to the asset.

(iii) Impacts

The Group has conducted a carrying value analysis and has not identified impairment to its net assets carrying value as at 31 December 2024.

(iv) Sensitivity Analysis

Increase in discount rates or changes in other key assumptions, such decrease iron ore pellet price, increase AUD:USD exchange rate or increase the operating costs may cause the recoverable amount to fall below carrying value.

The below sensitivities indicate the degree to actual outcomes would need to vary from management estimates for the recoverable amount of the mining properties to equal its carrying value.

The below sensitivities indicate the degree to actual outcomes would need to vary from management estimates for the recoverable amount of the mining properties to equal its carrying value.

- Iron ore pellet price decrease by \$0.6 per dmt
- The exchange rate (USD/AUD) increased by \$0.003
- The operating costs increase by 0.7%
- 13 basis point increase in discount rate

Due to the interrelated nature of the assumptions, movements in any one variable can have an indirect impact on others and individual variables rarely change in isolation. Additionally, management can be expected to respond to some movements to mitigate downsides and take advantage of upsides, as circumstances allow.

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Note 28. Dividends

	2024	2023
	\$'000	\$'000
Fully franked interim dividend for half year ended 30 June 2024 - 5.0 cents per share	5,787	-
Fully franked final dividend for the year ended 31 December 2023 - 2.0 cents per share	23,147	-
Fully franked final dividend for the year ended 31 December 2022 - 2.0 cents per share	-	23,147
	28,934	23,147

	31 December	31 December
	2024	2023
	\$'000	\$'000
Franking credits available for subsequent reporting periods		
Based on a tax rate of 30% (2023 - 30%)	102,481	103,818

The above amounts are calculated from the balance of the franking account as at the end of the reporting period, adjusted for franking credits and debits that will arise from the settlement of liabilities or receivables for income tax and dividends after the end of the year.

Note 29. Remuneration of auditors

During the period the following fees were paid or payable for services provided by the auditor of the parent entity, its related practices and non-related audit firms.

	2024	2023
	\$	\$
Assurance Services		
PwC Australia		
Audit and review of financial reports	294,450	267,950
Other assurance services	96,500	11,000
Network firms of PwC Australia	-	22,786
	390,950	301,736
Non-Assurance Services		
PwC Australia		
Taxation compliance services	-	18,797
Total remuneration paid	390,950	320,533

Note 30. Commitments and Contingencies

(a) Tenement expenditure commitments

In order to maintain the mining and exploration tenements in which the Group is involved, the Group is committed to meet conditions under which the tenements were granted. If the Group continues to hold those tenements, the minimum expenditure requirements (including interests in joint venture arrangements) will be approximately:

	2024	2023
	\$'000	\$'000
Within one year	459	514
After one year but not later than 5 years	1,646	1,671
Later than 5 years	1,287	1,696
	3,392	3,881

Grange Resources Limited
Notes to the consolidated financial statements
31 December 2024

Note 30. Commitments and Contingencies (continued)

(b) Capital expenditure commitments

Capital expenditure obligations at the end of the reporting period but not recognised as liabilities are as follows:

	2024	2023
	\$'000	\$'000
Within one year	8,367	9,642

(c) Bank Guarantees

Bank guarantees have been provided on the Group's behalf to secure, on demand by the Minister for Mines and Energy for the State of Queensland, any sum to a maximum aggregate amount of \$2,012,963 (2023: \$2,012,963), in relation to the rehabilitation of the Highway Reward project.

A Bank guarantee has been provided by Grange Resources (Tasmania) Pty Ltd, held by the Tasmanian Government, as required under Environmental Management and Pollution Control Act 1994 (EMPCA) for the amount of \$3,412,151 (2023: \$3,268,311)

A Bank guarantee has been provided by Grange Resources (Tasmania) Pty Ltd, held by the National Australia Bank, as required under the Goldamere Agreement and applicable Deeds of Variation, for the amount of \$2,800,000 (2023: \$2,800,000). This amount is a guarantee against the purchase price outstanding with the Tasmanian government as specified in the Goldamere Agreement.

A Bank guarantee has been provided by Grange Resources Limited, held by the National Australia Bank, as required under the Capacity Auction Agreement governed by the Australian Energy Market Operator Limited (AEMO) for the amount of \$1,000,000 (2023: \$1,000,000).

A Bank guarantee has been provided by Grange Resources Limited for the lease of office in Perth, Western Australia for \$39,182 (2023: \$39,182)

No material losses are anticipated in respect to the above bank guarantees and the rehabilitation provisions include these amounts.

(d) Contingent Assets and Liabilities

The Group did not have any material contingent assets or liabilities at the Balance Sheet Date.

Note 31. Related party transactions

(a) Ultimate Parent

Grange Resources Limited (Grange) is the ultimate Australian parent company.

(b) Subsidiaries

Interests in subsidiaries are set out in note 32.

Grange Resources Limited
Notes to the consolidated financial statements
31 December 2024

Note 31. Related party transactions (continued)

(c) Key management personnel compensation

	2024	2023
	\$	\$
Short term employee benefits	2,446,487	2,038,303
Post-employment benefits	203,616	171,255
Long-term benefits	(59,293)	(58,151)
Long-term incentives	47,278	75,588
Share-based payments	320,086	242,202
	2,958,174	2,469,197

(d) Transactions with related parties

During the year the following transactions occurred with related parties:

	2024	2023
	\$	\$
Sales of iron ore products	145,130,239	220,269,938

Sales of iron ore products to Jiangsu Shagang International Trade Co., Ltd, a wholly owned subsidiary of Jiangsu Shagang Group, under long-term off-take agreements.

During the year, 700,873 dry metric tonnes of iron ore products were sold to Shagang in accordance with the terms of the long term off-take agreements (2024 Contract Year (1 April 2023 to 31 March 2024): 950,240) (2023 Contract Year (1 April 2022 to 31 March 2023): 1,027,521).

(e) Outstanding balances arising from transactions with related parties

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

	2024	2023
	\$	\$
Trade receivables (payables) (sales of iron ore products)		
Pellets	(414,256)	7,769,554

Amounts outstanding under the long term off-take agreement with Shagang are unsecured whereas amounts outstanding in respect of spot sales are secured against an irrevocable letter of credit. All outstanding balances will be settled in cash. The credit balance of the receivables in the current year represents the final price adjustments due to the quotation periods and final discharge port results.

There is no allowance account for impaired receivables in relation to any outstanding balances with related parties, and no expense has been recognised during the year in respect of impaired receivables due from related parties (2023: Nil).

Long term off-take agreement

Grange Resources (Tasmania) Pty Ltd (Grange Tasmania) is party to a long term off-take agreement (Pellets and Chips) with Jiangsu Shagang International Trade Co. Ltd (Shagang), a wholly owned subsidiary of Jiangsu Shagang Group Co. Ltd, who, as at 28 February 2025, holds 47.93% (28 February 2024: 47.93%) of the issued ordinary shares of Grange.

Grange Resources Limited
Notes to the consolidated financial statements
31 December 2024

Note 31. Related party transactions (continued)

Pellets

The key terms of the agreement with Shagang, as advised to the ASX on 23 April 2021, are as follows:

- (i) The sale of 1 million dry metric tonnes of iron ore pellets per annum until 2032¹
- (ii) The price for the iron ore pellets will be based on a price index used by other market participants as agreed by the parties having regard to:
 - a) seaborne iron ore supply and demand conditions
 - b) available published price benchmarks for iron ore; and
 - c) product quality differentials.

Transactions between Shagang and Grange must be approved by non-associated shareholders of Grange, or approved by the Grange independent directors.

¹The contract was amended to 0.6 million tonnes with the remaining 0.4 million tonnes assigned to another buyer for a period of 3 years commencing 1 April 2024.

Note 32. Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1.

Name	Percentage of equity interest held by the Group	
	2024	2023
	%	%
Ever Green Resources Co., Limited ⁽¹⁾	100	100
Grange Tasmania Holdings Pty Ltd ⁽²⁾	-	100
Bevion Pty Ltd ⁽²⁾	-	100
Grange Resources (Tasmania) Pty Ltd	100	100
Grange Capital Pty Ltd	100	100
Grange Administrative Services Pty Ltd	100	100
Barrack Mines Pty Ltd	100	100
Bamine Pty Ltd	100	100
BML Holdings Pty Ltd	100	100
Horseshoe Gold Mine Pty Ltd	100	100
Grange Resources (Southdown) Pty Ltd	100	100
Southdown Project Management Pty Ltd	100	100
Grange Resources Investments Pty Ltd	100	100

⁽¹⁾ Ever Green Resources Co., Limited is incorporated in Hong Kong, and registered as a foreign company under the Corporations Act 2001. It is currently progressing through the process of deregistration.

⁽²⁾ Bevion Pty Ltd and Grange Tasmania Holding Pty Ltd were deregistered in 2024.

Grange Resources Limited
Notes to the consolidated financial statements
31 December 2024

Note 33. Interest in Joint Operations

Name of Joint Operation	% Interest	
	2024	2023
Reward - Copper / Gold	31.15	31.15
Highway – Copper	30.00	30.00
Reward Deeps / Conviction - Copper	30.00	30.00
Mt Windsor Exploration - Gold / Base Metals	30.00	30.00
Durack / Wembley – Exploration Gold	15.00	15.00

The joint operations are not separate legal entities. They are contractual arrangements between the participants for the sharing of costs and output and do not in themselves generate revenue and profit.

Mt Windsor Exploration is a joint venture between BML Holdings Pty Limited, a subsidiary of Grange Resources Limited, and Thalanga Copper Mines Pty Ltd. The joint venture was engaged in ore mining and is now being rehabilitated for future lease relinquishment. The principal place of business of the joint venture is at Norton Rose Fullbright, Level 6, 60 Martin Place, Sydney, New South Wales, 2000.

The Southdown Magnetite Project, situated 90km from the city of Albany in Western Australia, is an advanced project with over 1.2 billion tonnes of high quality resource and access to established infrastructure. Progress of the definitive feasibility study on a 5 Mtpa development case is under review. In 2023, the Company completed the reacquisition of 30% interest in the Project. Grange Resources Limited now holds 100 per cent ownership in the Project. The reacquisition was as an acquisition of asset and the consideration paid of \$15.1 million and transfer duty \$0.8 million of were allocated to identifiable assets and liabilities as follows:

	2023
	\$'000
Property, plant and equipment	15,740
Other assets	139
Liabilities	(16)
Total acquisition costs	15,863

Grange Resources Limited
Notes to the consolidated financial statements
31 December 2024

Note 34. Reconciliation of profit after income tax to net cash inflow from operating activities

	2024	2023
	\$'000	\$'000
Profit for the year	58,549	150,104
Unwinding of discount	3,088	2,981
Depreciation and amortisation	48,683	55,552
Mine properties and development amortisation	110,829	66,746
Other non-cash income	(404)	(145)
Interest expense	75	815
Proceeds from sale of property, plant and equipment	(112)	(11)
Loss on disposal of property plant and equipment	72	3,558
Loss on derecognition of right of use assets	-	810
Loss on financial instruments	19	68
Net unrealised foreign exchange gain	(5,928)	(1,274)
Change in operating assets and liabilities		
(Increase) decrease in trade and other receivables	61,009	(16,191)
Increase in inventories	(45,902)	(16,912)
Increase in deferred tax liability	15,464	36,422
Decrease in trade and other payables (excluding tax payable)	(1,558)	(7,383)
Increase in other provisions	1,339	1,928
Decrease in provision for income tax payable	(6,853)	(9,960)
Increase in deferred grants	1,550	-
Net cash inflow from operating activities	239,920	267,108

Note 35. Earnings per share

	2024	2023
	Cents	Cents
Basic earnings per share		
From continuing operations attributable to the ordinary equity holders of the Company	5.06	12.97
Diluted earnings per share		
From continuing operations attributable to the ordinary equity holders of the Company	5.04	12.96

(a) Reconciliations of earnings used in calculating earnings per share

	2024	2023
	\$'000	\$'000
Basic earnings per share		
Profit attributable to the ordinary equity holders of the Company used in calculating basic earnings per share from continuing operations	58,549	150,104
Diluted earnings per share		
Profit attributable to the ordinary equity holders of the Company used in calculating diluted earnings per share from continuing operations	58,549	150,104

Grange Resources Limited
Notes to the consolidated financial statements
31 December 2024

Note 35. Earnings per share (continued)

(b) Weighted average number of shares used as the denominator

	2024	2023
	Number	Number
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	1,157,338,698	1,157,338,698
Weighted average number of ordinary shares used as the denominator in calculating diluted earnings per share	1,160,596,654	1,158,380,716

Weighted average number of ordinary shares in calculating diluted earnings per shares includes options of 3,257,956 over ordinary shares.

Note 36. Parent entity information

(a) Summary financial information

The individual financial statements for the parent entity show the following aggregate amounts:

	2024	2023
	\$'000	\$'000
Balance Sheet		
Current Assets	7,377	8,090
Total Assets	818,606	860,602
Current liabilities	1,010	7,588
Total liabilities	32,362	38,988
Shareholders' equity		
Contributed equity	392,475	392,475
Reserves	31,807	31,434
Retained profits	361,962	397,705
Total Equity	786,244	821,614
Loss for the year	(6,810)	(178,650)
Total comprehensive loss for the year	(6,810)	(178,650)

(b) Contingent liabilities of the parent entity

Pursuant to the terms of an agreement dated 21 November 2003, under which the Company purchased certain tenements comprising the Southdown project, the Company is required to make a further payment of \$1,000,000 to MedAire, Inc upon commencement of commercial mining operations from those tenements.

Note 37. Events Occurring After the Reporting Period

No matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Grange Resources Limited
Consolidated entity disclosure statement
As at 31 December 2024

Name of entity	Type of entity	Trustee, partner or participant in JV	Country of Incorporation	% of share capital	Australian resident or foreign resident	Foreign resident Jurisdiction
Grange Resources Limited	Body corporate		Australia	-	Australian	n/a
Grange Resources (Tasmania) Pty Ltd	Body corporate		Australia	100.00%	Australian	n/a
Grange Capital Pty Ltd	Body corporate		Australia	100.00%	Australian	n/a
Grange Administrative Services Pty Ltd	Body corporate		Australia	100.00%	Australian	n/a
Barrack Mines Pty Ltd	Body corporate		Australia	100.00%	Australian	n/a
Bamine Pty Ltd	Body corporate		Australia	100.00%	Australian	n/a
BML Holdings Pty Ltd	Body corporate	JV Partner	Australia	100.00%	Australian	n/a
Horseshoe Gold Mine Pty Ltd	Body corporate		Australia	100.00%	Australian	n/a
Grange Resources (Southdown) Pty Ltd	Body corporate		Australia	100.00%	Australian	n/a
Southdown Project Management Pty Ltd	Body corporate		Australia	100.00%	Australian	n/a
Grange Resources Investments Pty Ltd	Body corporate		Australia	100.00%	Australian	n/a
Ever Green Resources Co. Limited	Body corporate		Hong Kong	100.00%	Foreign	Hong Kong

Grange Resources Limited
Directors' declaration
31 December 2024

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 31 December 2024 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- the information disclosed on page 71 consolidated entity disclosure statement is true and correct.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors



Michelle Li
Chairperson of the Board of Directors

28 February 2025



Independent auditor's report

To the members of Grange Resources Limited

Report on the audit of the financial report

Our opinion

In our opinion:

The accompanying financial report of Grange Resources Limited (the Company) and its controlled entities (together the Group) is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2024 and of its financial performance for the year then ended
- (b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What we have audited

The Group financial report comprises:

- the consolidated statement of financial position as at 31 December 2024
- the consolidated statement of comprehensive income for the year then ended
- the consolidated statement of changes in equity for the year then ended
- the consolidated statement of cash flows for the year then ended
- the notes to the consolidated financial statements, including material accounting policy information and other explanatory information
- the consolidated entity disclosure statement as at 31 December 2024
- the directors' declaration.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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Our audit approach

An audit is designed to provide reasonable assurance about whether the financial report is free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial report as a whole, taking into account the geographic and management structure of the Group, its accounting processes and controls and the industry in which it operates.

<i>Audit scope</i>	<i>Key audit matters</i>
<ul style="list-style-type: none"> Our audit focused on where the Group made subjective judgements; for example, significant accounting estimates involving assumptions and inherently uncertain future events. 	<ul style="list-style-type: none"> Amongst other relevant topics, we communicated the following key audit matters to the Audit and Risk Committee: <ul style="list-style-type: none"> Carrying value assessment for the Savage River cash generating unit (CGU) Accounting for the cost of rehabilitation These are further described in the <i>Key audit matters</i> section of our report.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. The key audit matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Further, any commentary on the outcomes of a particular audit procedure is made in that context.

<i>Key audit matter</i>	<i>How our audit addressed the key audit matter</i>
<p><i>Carrying value assessment for the Savage River cash generating unit (CGU)</i> <i>(Refer to note 27)</i></p> <p>The carrying value assessment of the Savage River CGU, which consists of the mine and pelletising plant, was a key audit matter given the significance of the carrying amount to the consolidated statement of financial position and the significant judgements and assumptions. The revised life of mine plan has incorporated the Stage 2 Central Pit mining up to 2029, followed closely with the commencement of underground mining in 2029. The impairment model has been developed based on the assumption that project investment will commence in early 2026, with</p>	<p>We performed the following procedures, amongst others:</p> <p>We developed our understanding of the process by which the cash flow forecasts were prepared, tested the mathematical accuracy of the discounted cash flow model, and assessed that the methodology utilised to determine the recoverable amount was consistent with Australian Accounting Standards.</p> <p>We assessed:</p> <ul style="list-style-type: none"> the long term pellet price and AUD/USD exchange rate assumptions by agreeing them to analysis performed by external

Key audit matter	How our audit addressed the key audit matter
<p>the initial extraction of underground ore anticipated between late 2028 and mid-2029.</p> <p>There were a number of factors in the assessment requiring judgement by the Group including:</p> <ul style="list-style-type: none"> the pellet (final product) price and the AUD/USD exchange rates the discount rate estimation uncertainty associated with forecast of capital expenditure Proven and probable ore reserves in accordance with JORC 2012 <p>The Group prepared a discounted cash flow model ('the model') to determine the recoverable amount of the Savage River CGU balance, which requires a number of assumptions as described in Note 27.</p>	<p>parties and comparing them to economic and industry forecasts</p> <ul style="list-style-type: none"> the discount rate by assessing the cost of capital for the Group, assisted by PwC valuation experts, and comparing the rate to market data the operating and capital expenditure forecasts were consistent with the board approved life of mine plan. the level of reserve assumed in the life of mine plan by comparing to the most recent Annual Resource & Reserve Statement. the reasonableness of disclosures made in the financial report in line with requirements of Australian Accounting Standards
<p>Accounting for the cost of rehabilitation (Refer to note 21)</p> <p>The main component of the provision for decommissioning and restoration costs is for the Group's obligation to rehabilitate the Savage River and Port Latta sites for the disturbance caused by its operations. The rehabilitation provision also includes an obligation under the Tasmanian Goldamere Pty Ltd Act 1996 to repay the Tasmanian Government for part of the purchase of the mine through expenditure on remediation.</p> <p>Given the financial significance of this balance and the judgments involved in accounting for the cost of rehabilitation, this was a key audit matter.</p>	<p>To assess the accounting for the cost of rehabilitation, we performed the following procedures, amongst others:</p> <ul style="list-style-type: none"> Obtained the Group's calculation of the rehabilitation provision. We checked the mathematical accuracy on a selection of calculations and whether the timing of the cash flows in the rehabilitation models was consistent with the latest life of mine plan. Assessed whether the discount rates used in the rehabilitation models were reasonable by comparing them to market data. Where external and internal experts were used by the Group to estimate remediation costs, we assessed our ability to use their estimates, considering their objectivity, competency and capability and assessing that the scope of work they performed was appropriate for the purposes of the estimate. Compared the Group's significant assumptions on rehabilitation costs to other similar costs in the business or external data where appropriate.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 31 December 2024, but does not include



the financial report and our auditor's report thereon. Prior to the date of this auditor's report, the other information we obtained included the Directors' Report, Corporate Governance Statement. We expect the remaining other information to be made available to us after the date of this auditor's report.

Our opinion on the financial report does not cover the other information and we do not and will not express an opinion or any form of assurance conclusion thereon through our opinion on the financial report. We have issued a separate opinion on the remuneration report.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the other information not yet received, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors and use our professional judgement to determine the appropriate action to take.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the financial report in accordance with Australian Accounting Standards and the *Corporations Act 2001*, including giving a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

https://auasb.gov.au/media/bwvjcgre/ar1_2024.pdf. This description forms part of our auditor's report.



Report on the remuneration report

Our opinion on the remuneration report

We have audited the remuneration report included in the directors' report for the year ended 31 December 2024.

In our opinion, the remuneration report of Grange Resources Limited for the year ended 31 December 2024 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of *the Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

A stylized, handwritten signature of the PricewaterhouseCoopers firm.

PricewaterhouseCoopers

A handwritten signature of Chris Dodd.

Chris Dodd
Partner

Melbourne
28 February 2025