

29 April 2025

Q1 2025 Quarterly Report

REPORT FOR THE QUARTER ENDED 31 March 2025

Grange Resources Limited (ASX: GRR) (“**Grange**” or the “**Company**”) releases its report for the quarter ending 31 March 2025, with a summary of key highlights and performance metrics provided in this announcement.

HIGHLIGHTS

- **Industry Leading Safety Record:** The Savage River operations remain Lost Time Injury (LTI) free, achieving 722 days without an incident during the quarter.
- **Improvement in Market Pricing:** The average sales price (FOB Port Latta) improved to **US\$124.15/t** (A\$198.01/t)¹, up from **US\$118.91/t** (A\$180.59/t)¹ for the December quarter, demonstrating strong support at these price levels despite ongoing market sentiment.
- **Planned Annual Maintenance Program:** Planned annual preventative maintenance program conducted, as a result:
 - Lower production concentrate production of 495kt, as compared to 683kt for the December quarter.
 - Lower pellet sales of 426kt for the quarter, as compared with 668kt for the December quarter.
 - Higher unit cash operating cost for the quarter of A\$178.08/t², as compared with A\$133.65/t² for the December quarter.
- **Growth Capex:** Planned expenditure of approximately A\$14.8 million was made on capital projects including continuation of the Underground Exploration Decline and Underground Drilling, as well as completion of the 2023/24 789 Truck Tray Replacement Program and other equipment replacement.

¹ 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.

² 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.



- **Project Development:** Work progressed on optimising the integrated LoMP. Grange has completed a review of the transition plan for the North Pit Underground project (NPUG Project). With the significant progress already made in advancing the decline, and other preparatory works in setting up the underground mine, the timeline supports project execution in 2026 with first ore expected from the NPUG development in late 2028 or mid-2029.
- **Project Financing:** Financing for the development of the North Pit Underground project is progressing well.
- **Strong Cash Reserve:** Cash and liquid investments of **A\$265.03 million** and trade receivable of A\$0.69 million¹ compared with cash and liquid investments of A\$298.05 million and trade receivable of A\$0.75 million¹ for the December quarter. The decrease in cash and liquid investments is due to Growth Capex and less sales in the quarter.

Commenting on the company's performance in the first quarter of 2025, CEO Mr. Weidong Wang said:

“While our scheduled annual preventative maintenance program resulted in lower concentrate and pellet production, this was as planned. Our teams ensured that the maintenance works were completed both safely, and in a timely manner and we now look to achieving the full year production and cost targets as planned.

During the quarter, we began the financing process to securing funding for our exciting North Pit underground development. As our funding initiatives are progressively implemented, we anticipate an increased recognition of the underlying value of the NPUG development well into the future.

Following the completion of the quarter, we released the results of the feasibility study of our Southdown Magnetite Project³. The results underpin the value of a long mine life asset producing a very high-grade product attractive for the direct reduction iron (DRI) market.”

³ See ASX Release dated 14 April 2025.



OPERATIONAL PERFORMANCE

	March Quarter 2025	December Quarter 2024
Total BCM Mined	3,380,023	3,772,607
Total Ore BCM	320,482	524,515
Concentrate Produced (t)	495,148	683,117
Weight Recovery (%)	37.1	41.1
Pellets Produced (t)	458,762	598,303
Pellet Stockpile (t)	276,031	242,913
Concentrate Stockpile (t)	132,051	115,862

- Achieved 722 days Lost Time Injury free for the quarter.
- There was a decline in mining production for the quarter, due to a focus on safe completion of the current Centre Pit stage mining including some substantial phases of pre-split drilling in NP.
- Site teams supported the management of bushfire conditions during the quarter, which surrounded the Savage River area. Teams worked closely with authorities to both monitor the fires and allow continued, safe operations.
- Centre Pit wall stability was closely monitored as usual during the quarter with the amended pit design implemented. This amendment stepped off an area in the south end of the pit to ensure continued safe ore delivery. Ore from Centre Pit supported strong production results from the concentrator in spite of the planned maintenance reduction.
- The focus for 2025 continues to be higher milling rates at lower scheduled weight recovery. Key outcomes from the concentrator planned maintenance included the successful replacement of a Ball Mill Shell to ensure expected plant reliability.
- The Mining focus of Centre Pit has now shifted to the West Wall cutback, where overall mining rates are expected to increase due to increased stripping. Dig conditions in both pits has improved during the latter stages in the quarter.
- Pellet production was in line with plans given the scheduled maintenance activities. Projects, such as Balling Drum replacements, were completed within the planned maintenance shutdowns - in line with continued sustaining capital investments to ensure Pellet Plant reliability.

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SHIPPING & SALES

	March Quarter 2025	December Quarter 2024
Iron Ore Pellet Sales (dmt)	425,644	668,085
Iron Ore Concentrate Sales (dmt)	-	20
Iron Ore Chip Sales (dmt)	21,363	64,757
TOTAL Iron Ore Product Sales (dmt)	447,007	732,862
Average Realised Product Price (US\$/t FOB Port Latta) *	124.15	118.91
Average Realised Exchange Rate (AUD:USD)	0.6270	0.6584
Average Realised Product Price (A\$/t FOB Port Latta)	198.01	180.59

- The average sales price achieved during the quarter of A\$198.01/t (US\$124.15/t), increased by 9.64% from A\$180.59/t (US\$118.91/t) for the December quarter2.
- Grange continued to deliver into secured term offtake agreements, with pellets sales during the quarter of 426kt due to mentioned planned annual maintenance program.
- Sales tonnage in the quarter was lower due to lower pellet production and adverse weather conditions with a ship (~80kt) arriving late at the end of March due to a weather delay and was not completed loading until early April.

NORTH PIT UNDERGROUND PROJECT

- Grange has completed a review of the transition plan for the NPUG Project.
- With the significant progress made already in advancing the decline, and other preparatory works in setting up the underground mine, the timeline supports project execution in 2026 with first ore expected from the NPUG development in late 2028 or mid-2029.
- Financing for the development of the NPUG Project is progressing well.

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SOUTHDOWN MAGNETITE PROJECT

- Southdown Magnetite Project feasibility study completed (see market release dated 14 April 2025) achieving increase of 6% in Ore Reserves to 412 million tonnes for the production of 134 million tonnes of high-grade concentrate, near 70% Fe over a 28-year mine life.
- The Company continues 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.

CORPORATE

Director update

- Mr Chongtao Xu resigned from the Board and will continue to serve as a senior executive within the Company (see market release dated 10 April 2025).

Shareholders

- As at 31 March 2025 there were approximately 10,300 shareholders.

-ENDS-

This announcement has been authorised by the Board of Directors of the Company

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**About Grange Resources**

Grange Resources Limited “Grange or the Company”, (ASX Code: GRR) is Australia’s most experienced magnetite producer with more than 57 years of mining and production from its Savage River mine and has a projected mine life to 2040.

Grange’s operations consist principally of owning and operating the Savage River integrated iron ore mining and pellet production business located in the north-west region of Tasmania.

The Savage River magnetite iron ore mine is a long-life mining asset. At Port Latta, on the north-west coast of Tasmania, Grange owns a downstream pellet plant and port facility producing more than 2.5 million tonnes of premium quality iron ore pellets annually, with plans to increase annual production.

Grange has a combination of spot and term contracted sales arrangements in place to deliver its pellets to customers throughout the Asia Pacific region and beyond.

In addition, Grange owns a major magnetite development project at Southdown, near Albany in Western Australia. The Southdown magnetite project, once developed, is expected to have the capacity to supply double the amount of iron ore produced at Savage River, at an initial annual production rate of 5 million tonnes of premium magnetite concentrate. The Company is continuing to evaluate the strategic options in the project.

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