GRANGE
RESOURCES LIMITED
A.C.N. 009 132 405

STOCK EXCHANGE ANNOUNCEMENT

ACQUISITION OF THE SOUTHDOWN MAGNETITE PROJECT

24 November 2003

The directors of Grange Resources Limited ("**Grange**" or "**Company**") are pleased to announce the Company has entered into a conditional purchase agreement to acquire the Southdown Magnetite Project ("**Southdown**") from Global Doctor Pty Ltd ("**Global Doctor**") a wholly owned subsidiary of MedAire Inc. (ASX Code: **MDE**).

Under the terms of the purchase agreement, Grange can acquire Southdown on a staggered purchase arrangement as follows:

- $50,000 within five business days from execution of the agreement.
- $100,000 on Settlement of the sale and purchase of Southdown. On Settlement Global is obliged to deliver to Grange the following:

  (i) all information relating to Southdown;
  (ii) executed transfers; and
  (iii) original title instruments.

- $100,000 within 12 months of Settlement
- $400,000 within 24 months of Settlement; and
- $1,000,000 upon the commencement of commercial mining operations on the Mining Tenements.

At any time after Settlement, Grange may notify Global Doctor in writing that it does not wish to proceed with the transaction, in which event Southdown will be reconveyed by Grange to Global Doctor and Grange will be under no further obligation to make further payments under the staggered purchase arrangement. In those circumstances, Global Doctor will not be required to repay any part of the purchase price it has received from Grange.

Southdown is located some 90 kilometres from the Port of Albany on the south coast of Western Australia. It comprises three granted mining leases ML70/433, ML70/718 and ML70/719 covering an area of 1700 hectares on freehold farming property. The ore body is a banded quartz-magnetite-gneiss and varies in thickness from 50 to 100m at the detailed drilled end of the deposit. The ore body dips at 60 to 65 degrees to the South and has been intersected to vertical depths of at least 150m. About 25 to 30 m of oxidized material overlays the main western deposit; towards the east up to 80m of tertiary sediments cover the ore horizon.

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During the 1980's several detailed exploration drilling programmes were undertaken to appraise the potential of Southdown. Based on data generated from previous exploration drilling, it is anticipated that minimum saleable concentrate grade of 64.6%Fe can be achieved by grinding the ore to 0.15mm and using magnetic separation. At a 30% magnetite cut-off grade the magnetite recovery to concentrate at 64.6%Fe is forecast at 46.9%. Using these parameters the recovered magnetite concentrate would be 25.1million tonnes (Mt.) from 53.6 Mt. of magnetic mineralisation mined at an overall 0.8:1.0 waste to ore ratio. Additional resources of about 25% may be possible to access at the end of the scheduled project depending on economic factors at the time. Based on these resource estimates, a production rate of about 2.0 Mt. per annum of concentrate could be sustained for 14 years.

Grange intends to undertake a detailed review of Southdown to assess its viability. Currently world iron ore production cannot satisfy demand and this problem is accentuated in the Asia/ Pacific area due to the phenomenal growth in steel making production in China. Projects such as Southdown, previously considered uneconomic are now likely to attract increased attention in this market.

For information in relation to this announcement or the Company visit the Grange website at www.grangeresources.com.au, or alternatively contact Alec Pismiris on (+618) 9321 1118.

ALEC PISMIRIS
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