



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

STOCK EXCHANGE ANNOUNCEMENT

APPOINTMENT OF EXECUTIVE DIRECTOR

AND ISSUE OF OPTIONS TO EXECUTIVES

26 February 2004

The directors of Grange Resources Limited (“**Grange**” or “**the Company**”) are pleased to announce the appointment of Mr Geoff Wedlock as an Executive Director of the Company. Mr Wedlock’s previous roles have included executive positions with BHP Biliton Limited, Portman Mining Limited and most recently Western Metals Limited. Mr Wedlock brings more than 35 years of experience in minerals exploration and project management which the directors of Grange believe will be essential in identifying and evaluating new investment opportunities in the resources sector with the potential to deliver long-term growth to shareholders.

Under the terms of Mr Wedlock’s employment agreement, he will be issued 1.50 million options pursuant to the Grange Resources Limited Directors’ and Officers’ Option Plan (“**the Plan**”). In accordance with the rules of the Plan, the directors of Grange have the capacity to issue an additional 1.93 million options pursuant to the Plan. The principal terms of these options issued pursuant to the Plan are as follows:

- The options are exercisable at any time on or before 30 June 2007;
- The exercise price of the options is 50 cents;
- The options will be unlisted and non-transferable; and
- If either party elects to terminate the Employment Agreement at any time prior to its expiry, all options that are not exercised at that time will be cancelled.

The Company further wishes to advise that a general meeting of shareholders will be called in late March 2004 to seek shareholder approval for the issue of a further 3,000,000 options to senior executive staff of the Company including 2,000,000 to the Managing Director, Mr Adam Rankine-Wilson and 1,000,000 to the Chairman, Mr Anthony Bohnenn. These options will be issued on similar terms to those options mentioned above.

The purpose of these option issues is to provide adequate incentive to the Company’s senior executive staff to provide dedicated and ongoing commitment and effort.

Grange is well positioned to pursue its strategy of achieving growth through the identification and acquisition new investment opportunities in the resources sector such as the recent acquisition of the Southdown Magnetite Project in Western Australia. Over the previous eighteen month period, Grange has devoted considerable resources to conducting due diligence investigations on several potential investment opportunities that have not met the Company's investment criteria. Grange is currently undertaking some preliminary investigations on several new potential investment opportunities in the resources sector.

The Company has a strong balance sheet including current cash reserves exceeding \$9.60 million, the expectation of significant cash flows from the sale of copper concentrate from the Reward Deeps and Conviction Underground Mine for the remainder of this year and royalty receipts from the Freshwater and Red Hill gold projects. Assuming that mining activities at the Reward Deeps and Conviction Underground Mine continue throughout the year without interruption and according to established budgets and the price of copper and the exchange rate remain at around present levels, Grange anticipates its cash reserves will increase to approximately \$23.0 million by the end of the 2004 calendar year.

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

ALEC PISMIRIS
Company Secretary