



GRANGE
RESOURCES LIMITED
ABN 80 009 132 405

STOCK EXCHANGE ANNOUNCEMENT

\$10.8 MILLION SHARE PLACEMENT

21 November 2005

The directors of Grange Resources Limited ("Grange") are pleased to announce that the placement of 8 million fully paid ordinary shares at \$1.35 per share through Shaw Corporate Finance Pty Limited and BBY Limited has been completed. The placement will raise a net amount of up to \$10.4 million, after placement expenses. The placement will be made to institutions and other professional and sophisticated investors under section 708 of the Corporations Act.

The placement of shares to raise the full \$10.8 million is conditional upon approval by shareholders at Grange's Annual General Meeting (to be held on Monday 21 November 2005 at 10am WST) of Resolution 4 ratifying a share placement that occurred earlier this year. Approval of the resolution will enable Grange to complete the \$10.8 million share placement within the 15% limit available under Listing Rule 7.1. If Resolution 4 is not approved, Grange will be able to complete the placement to the extent of \$9.2 million.

The purpose of the share placement is to provide funding for the following activities:

- costs associated with identifying and securing funding for the construction phase of the Southdown Magnetite Project which includes the Albany mine and export facilities and the Kemaman pellet project and port facilities;
- the evaluation of a number of potential new projects identified by the Company; and
- the provision of additional working capital for the Company.

For further information visit the Grange website at www.grangeresources.com.au or alternatively contact Mark Smith on + 61 (8) 9321 1118.

MARK SMITH
Company Secretary