The Kemaman Pellet Plant Project

An advanced project targeting a niche sector of the iron ore market

Asia Mining Congress
Singapore
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Grange Corporate Profile

Board of Directors

Anthony Bohnenn	**Non Executive Chairman**
Russell Clark	**Managing Director**
Alex Nutter	**Technical Director**
Richard Krasnoff	**Non Executive Director**
David Macoboy	**Non Executive Director**
Douglas Stewart	**Non Executive Director**

Shares

ASX Code:	GRR
Current shares on Issue:	115,201,099
Unlisted Options on Issue to Rio Tinto:	17,500,000
Share price (4 April 2008):	~A$1.75
Market Capitalisation (4 April 2008):	A$201.6 m

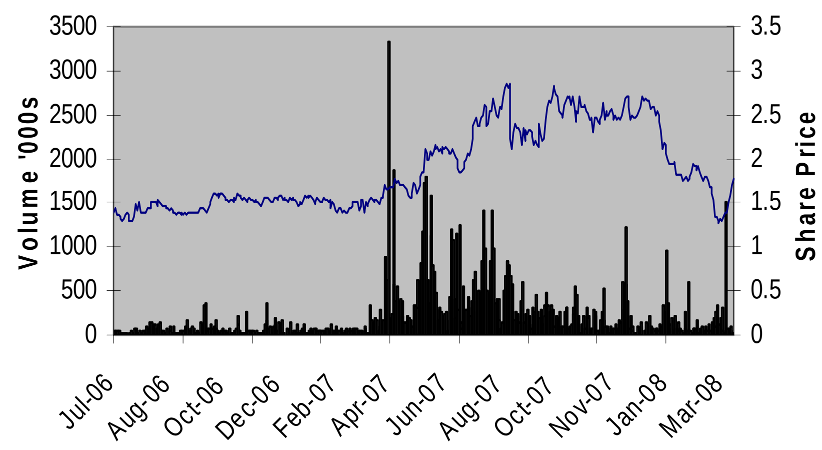
Major Shareholders

Management	12.5%
Rio Tinto Ltd	7.9%
Top 10 Shareholders	81.1%

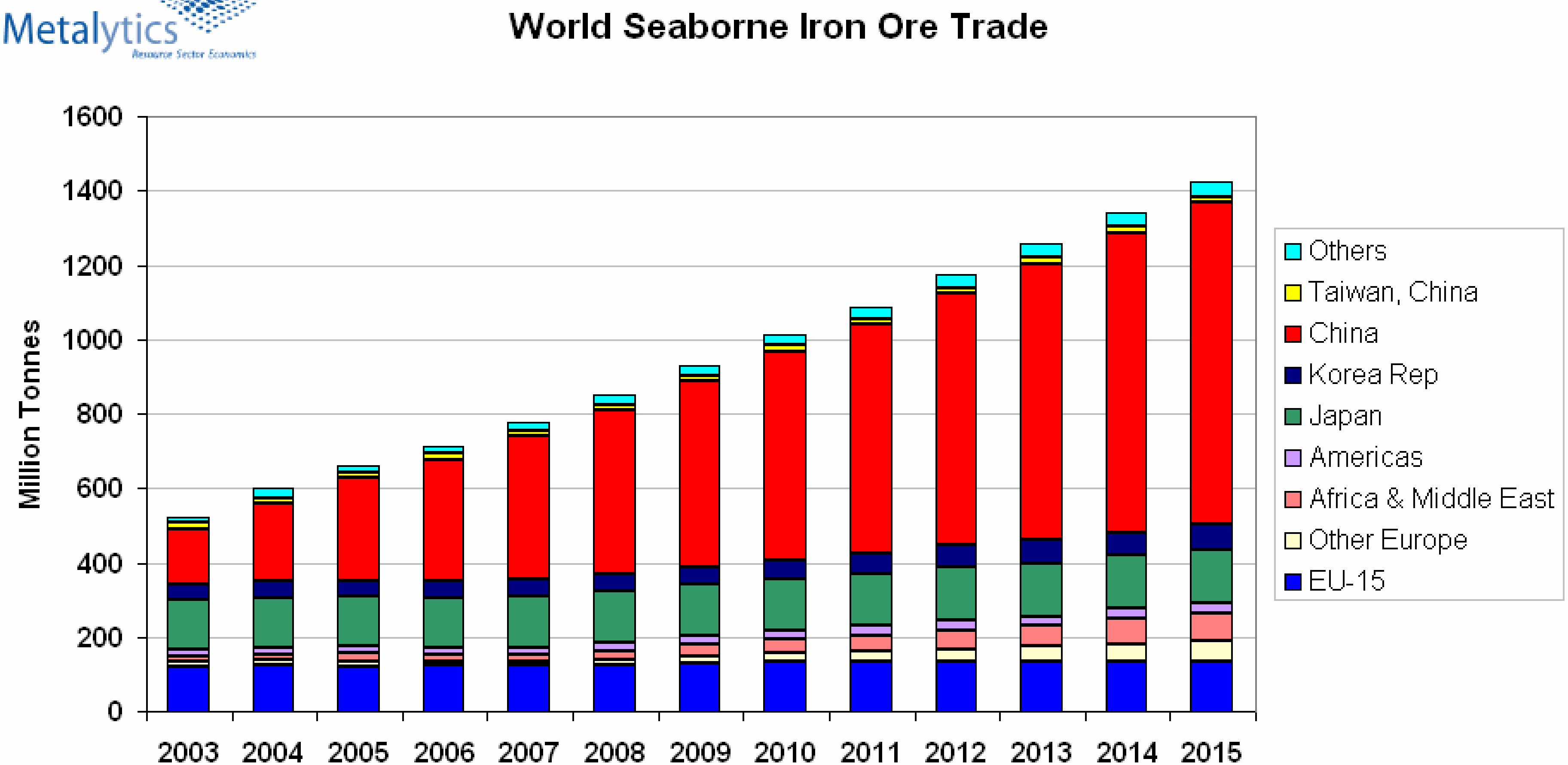
<u>After Exercise of Options:</u>

Rio Tinto Ltd	19.9%

Share Price

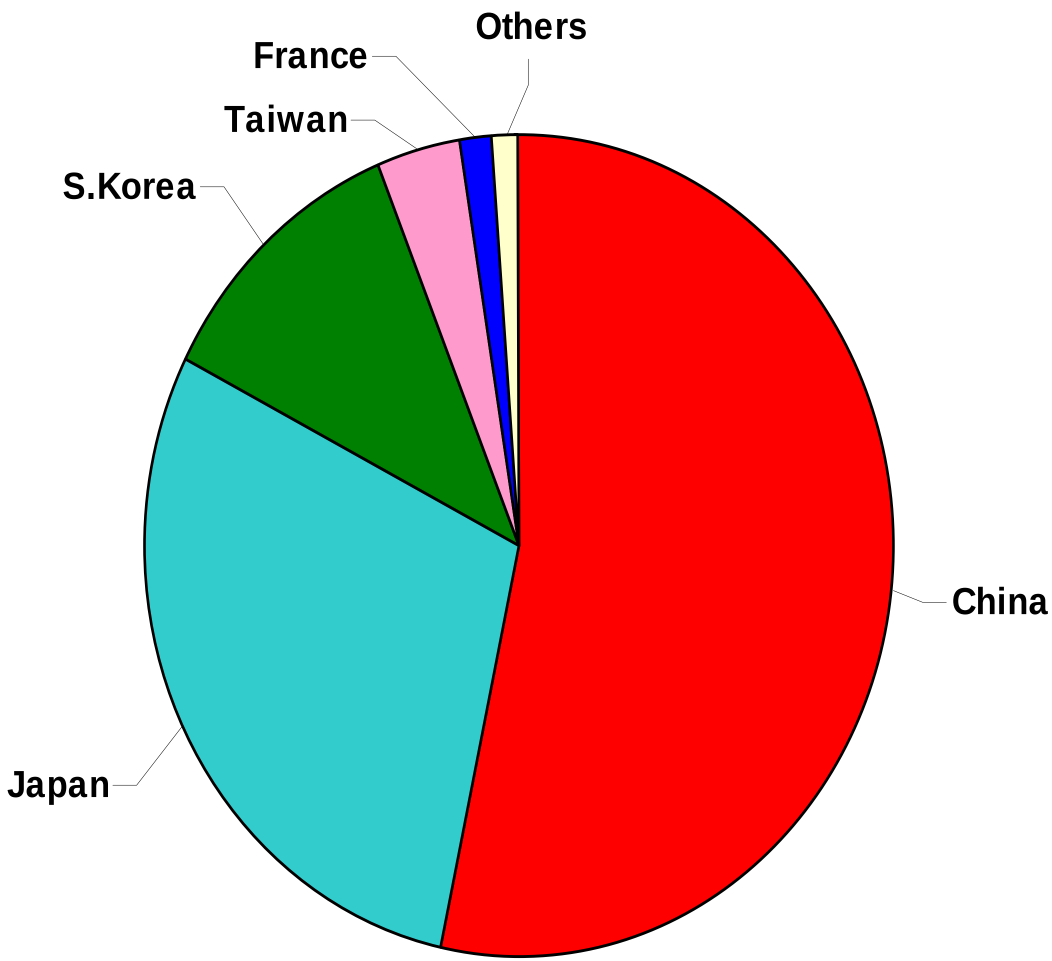


Growth in Global Seaborne Iron Ore Trade



Metalytics estimates and forecasts

Australian Iron Ore Exports 2007



Dry tonnes basis

Sources: Tex Report

No Australian Iron Ore is currently sold into Indonesia, Malaysia or the Gulf region

Why not?

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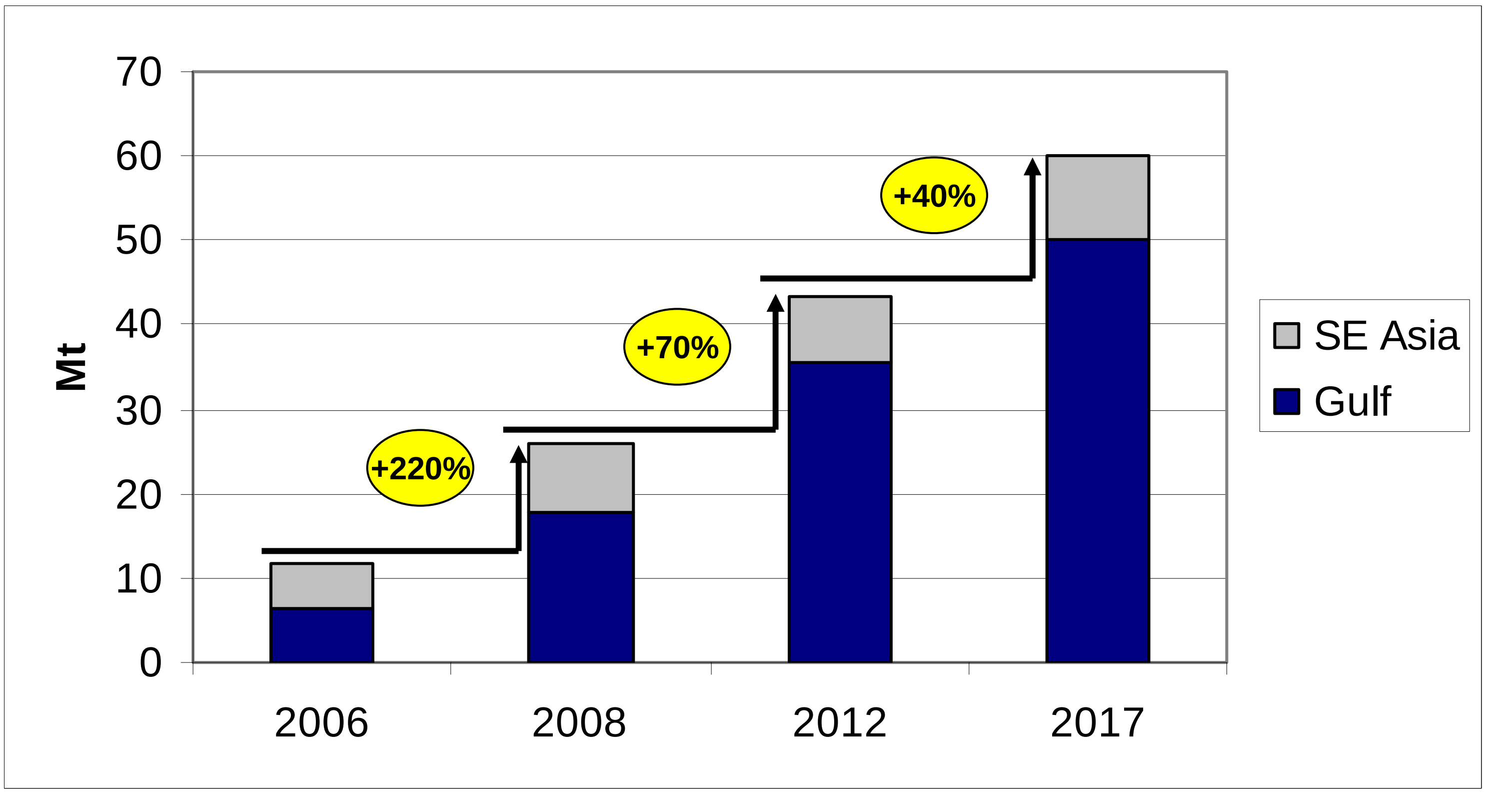
MALAYSIA
Perwaja Steel
Megasteel
Kemaman Pellet Plant
Amsteel
Pt Krakatau Steel

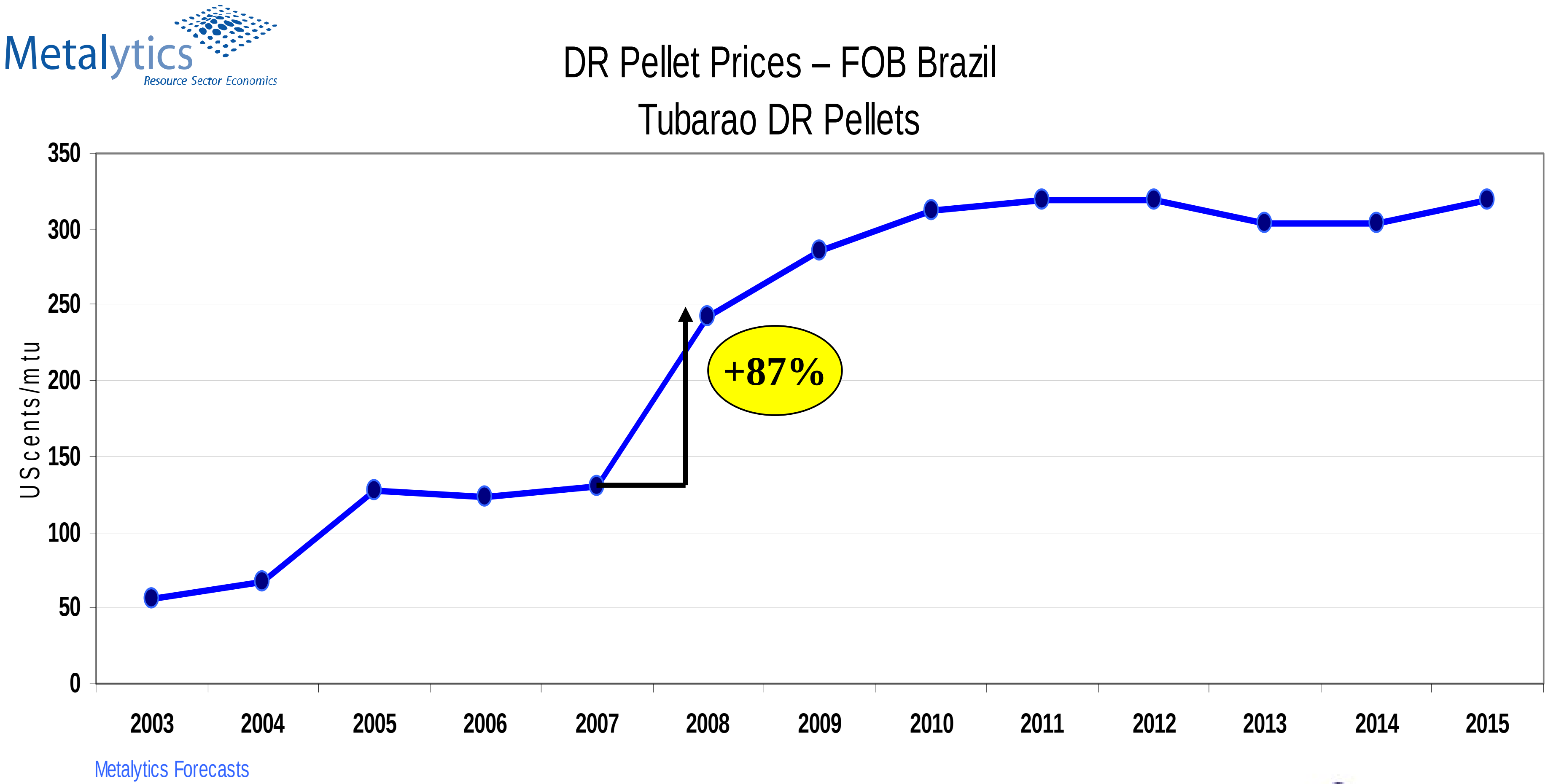
Demand for DR Pellets

DR pellet demand is projected to increase significantly in SE Asia and the Gulf Region.



Source – Sojitz Corporation

DR Grade Pellet Prices 2003 - 2015



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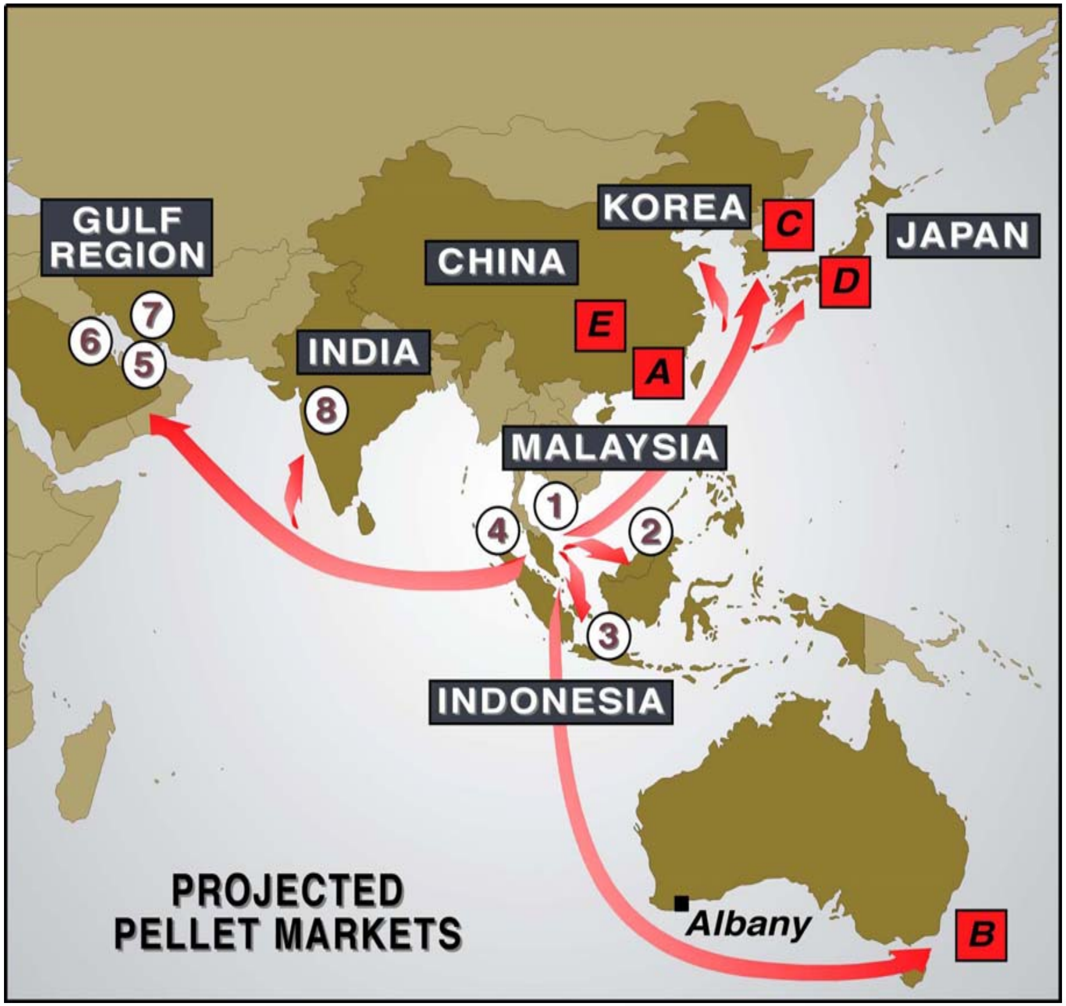
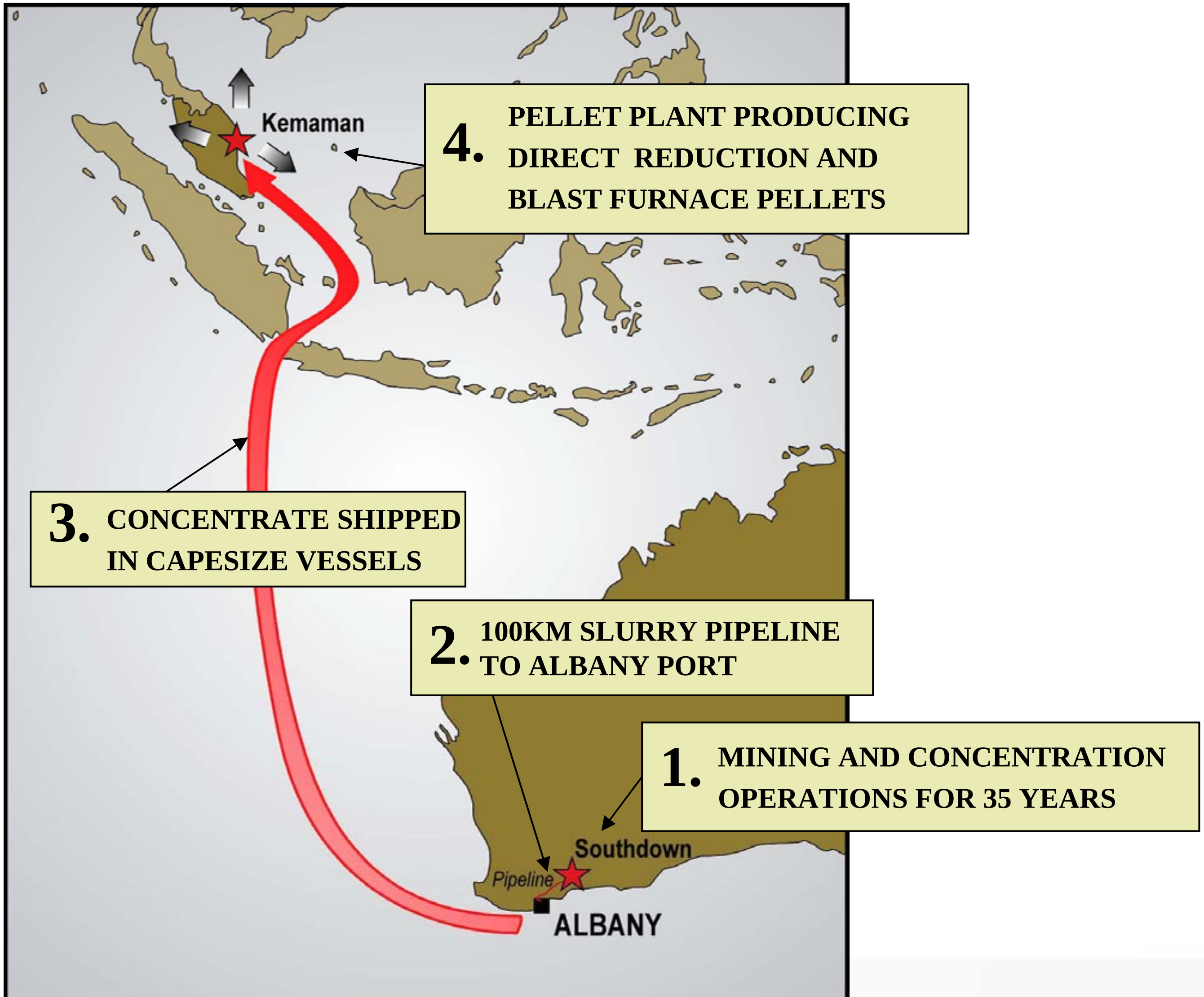
Kemaman Pellet Plant – Strategic Position Proximity to Customers



DR PELLET CONSUMERS	COUNTRY
① Perwaja Steel	Malaysia
② Amsteel	Malaysia
③ Krakatau Steel	Indonesia
④ Megasteel	Malaysia
⑤ Qasco	Qatar
⑥ Hadeed	Saudi Arabia
⑦ Various	UAE
⑧ Various	India

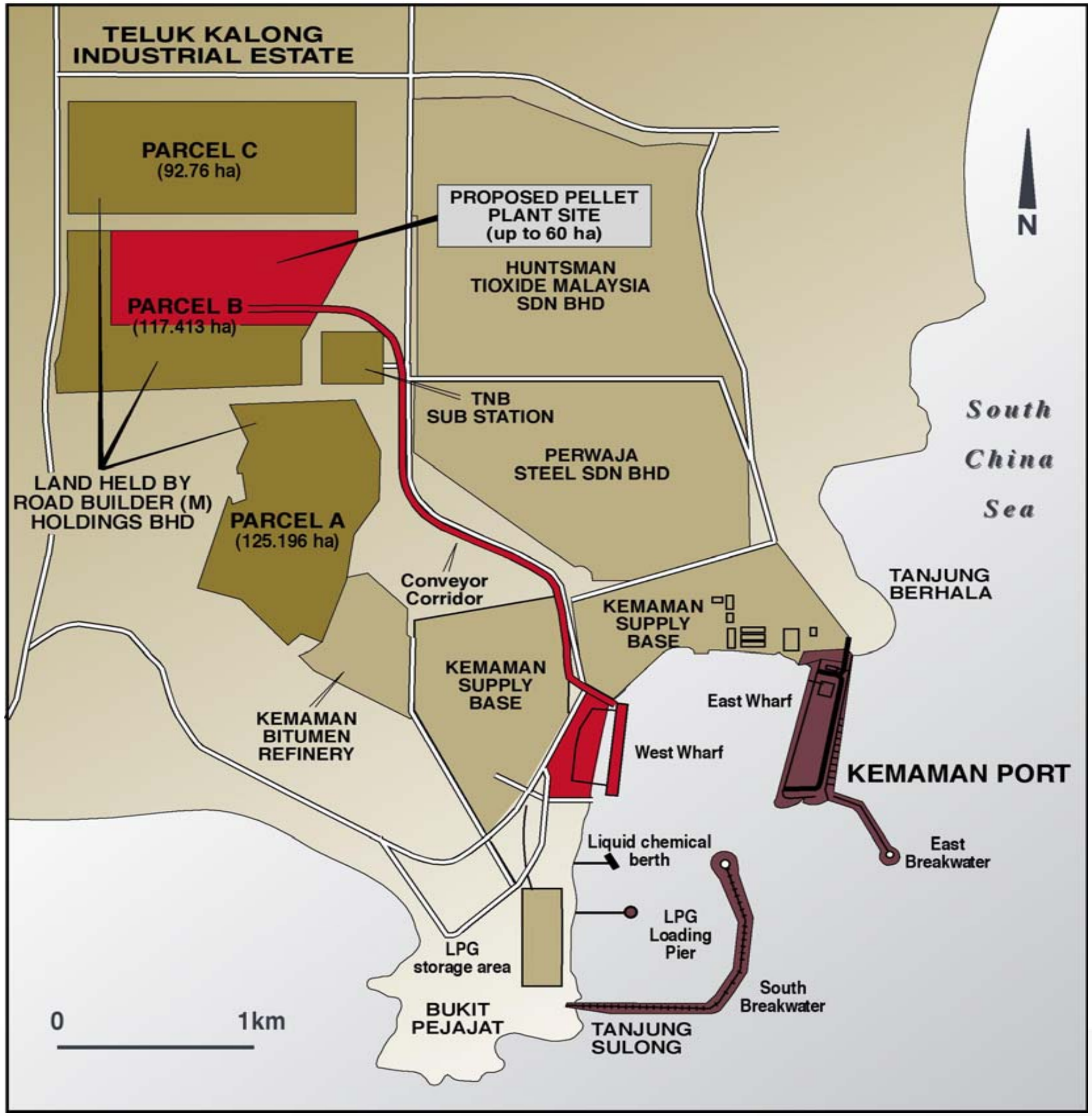
BF PELLET CONSUMERS	COUNTRY
A China Steel Corp.	Taiwan
B Bluescope Steel Ltd	Australia
C Posco	Sth Korea
D Japanese Steel Mills	Japan
E Chinese Steel Mills	China

Project Overview



WEST WHARF

Project Infrastructure – Kemaman Site



Project Infrastructure - Kemaman

All key infrastructure in place

☑ **Deep Water Port**	West Wharf suitable for Capesize vessels
☑ **Transport**	Conveyor corridor between Port and pellet plant
☑ **Power, Gas & Water**	Power – TNB (substation immediately next to site) Gas – Petronas, Water – mains supply available
☑ **Workforce**	Local population – skilled and unskilled
☑ **Investment Incentives**	15 Year Tax Holiday – granted by Malaysian Govt Various other concessions granted
☑ **Markets**	Excellent proximity to key DR and BF markets (One DR Plant, Perwaja on adjacent land)

Partners

- **Sojitz are earning a 30% interest in the project.**

- **Sojitz will pay a royalty to Grange of up to 3.5% on their 30% share of production**

Project Status

Item	Status	Expected Timing
Feasibility Study	☑	Addition testwork with Metso Minerals underway to secure Process Guarantees
Malaysian Environmental Approval	☑	
Malaysian Investment Incentives	☑	
Australian Environmental Approval	In progress	▪ H2 2008
Project Structure and Finance	In progress	▪ H1 2009
Commence Construction	Preliminary Planning	▪ 2009
First Production Year	Target Date	▪ 2011

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Project Highlights

- **Advanced Project** ✓
- **Feasibility Completed** ✓
- **Infrastructure in Place** ✓
- **Ability to produce High Quality (DR Grade) Pellets** ✓
- **Growing DR Pellet Market in SE Asia & Middle East** ✓
- **Pellet Plant Close to Key Markets** ✓
- **Joint Venture with Sojitz – a leader in the pellet market** ✓

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