GRANGE
RESOURCES LIMITED
ABN 80 009 132 405

STOCK EXCHANGE ANNOUNCEMENT

KRAKATAU STEEL

12 June 2008

This week there have been a number of articles published in the Indonesian Business newspaper "Bisnis Indonesia", and also reported by Bloomberg that PT Krakatau Steel may buy a 20% to 30 % stake in Grange Resources Limited (ASX:GRR) to secure iron ore supplies.

Grange has not had any discussion or communication with Krakatau Steel in recent months about any facet of the company or the Southdown project.

As previously announced in the quarterly report issued on 30 April 2008 Grange is continuing to progress discussions regarding the company's Southdown project with a number of significant international companies.

As the outlook for the future demand for pellets and in particular for the premium quality DR pellets, has improved dramatically, Grange remains confident of securing the necessary investment to advance the project.

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

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