Grange Resources Limited
ABN 80 009 132 405

Australia’s most experienced magnetite producer

Half Year Financial Report – 30 June 2026

Grange Resources Limited and its Controlled Entities
Directors' report
30 June 2026

The directors present their report on the consolidated entity (the “Group”) consisting of Grange Resources Limited (“Grange” or the “Company”) and the entities it controlled at the end of, or during, the half-year ended 30 June 2026.

Directors

The following persons were directors of Grange Resources Limited during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Michelle Li	Chairperson
Fong Hoon	Non-Executive Director
Ajanth Saverimutto	Non-Executive Director
Guo Wei	Non-Executive Director (Appointed on 10 March 2026)
Jiajia Jiang	Non-Executive Director (Resigned on 15 April 2026)
Jie Yu	Non-Executive Director (Appointed on 2 June 2026)

Principal activities

During the six months ended 30 June 2026, the principal activities of the Group were as follows:

- mining, processing and sale of iron ore from its operations in Tasmania; and
- the ongoing exploration and evaluation of mineral resources, principally the Southdown Magnetite Project near Albany, Western Australia.

Review of operations

Key Highlights

- The Company continues to optimise a self-funded alternate plan to transition to a smaller underground sub-level cave. It expects to extend the life-of-mine to 2035 and preserve optionality to progress to the Block Cave once market conditions and funding support a larger investment.
- Sustained safety performance of 1,135 days Lost Time Injury (LTI) Free prior to an LTI occurring on 18 May 2026.
- Pellet production of 1.15 million tonnes (2025: 1.07 million tonnes) driven by increased concentrate availability and improved furnace utilisation.
- Pellet sales of 1.14 million tonnes (2025: 0.99 million tonnes) driven by higher pellet production throughput and increased sale of spot shipments.
- Unit cash operating costs for the six months ended 30 June 2026 of $146.95 per tonne (2025: $180.25 per tonne) principally due to higher concentrate produced.
- Cash, cash equivalents and liquid investments of $267.9 million (31 December 2025: $275.1 million) impacted by lower price and operational expenditure to secure future ore delivery.
- Underlying profit after tax for the six months ended 30 June 2026 of $10.5 million (2025: $13.8 million) was achieved despite the stronger AUD:USD FX rate and higher diesel price, primarily driven by stronger sales volume. The statutory result for the period was materially impacted by the recognition of non-cash impairment of assets (note 17).

  A reconciliation of underlying profit after tax to statutory loss after tax for the year ended 30 June 2026 is set out below:

	30 June 2026 $'000
Underlying profit after tax	**10,503**
Significant item	
Impairment of assets	(690,678)
Deferred tax impact	138,330
Impairment of assets (net of deferred tax impact)	552,348
Statutory loss after tax	**(541,845)**

Consolidated Statement of Comprehensive Income

Statutory loss after tax of $541.8 million was recorded for the half-year (2025: $13.8 million profit). Revenue increased to $230.8 million (2025: $206.4 million), however the operating result was materially impacted by the recognition of a non-cash impairment of assets (note 17) $552.3 million (net of deferred tax impact).

Key revenue metrics for the 30 June 2026 half year and preceding 2025 half year were as follows:

	6 months to 30 June 2026	6 months to 30 June 2025
Iron Ore Pellet Sales (dmt)	1,135,678	999,045
Iron Ore Chip Sales (dmt)	45,488	53,283
TOTAL Iron Ore Product Sales (dmt)	**1,181,166**	**1,052,328**
Average Realised Product Price (US$/t FOB Port Latta)*	119.95	113.31
Average Realised Exchange Rate (AUD:USD)	0.7023	0.6343
Average Realised Product Price (A$/t FOB Port Latta)*	170.79	178.63

* A portion of sales were made on CFR (Cost and Freight) terms whereby the Group incurred shipping expenses to transport the shipments to the discharge ports. The above FOB Port Latta unit prices realised reflect prices net of shipping expenses.

Grange will continue to deliver into secured term offtake agreements for its products for 2026.

	6 months to 30 June 2026	6 months to 30 June 2025
Total BCM Mined	6,482,715	7,346,057
Total Ore BCM	578,209	635,991
Concentrate Produced (t)	1,194,342	1,014,997
Pellet Produced (t)	1,145,712	1,066,259
Pellet Stockpile (t)	303,403	310,127
Weight Recovery (%)	37.80	35.80
"C1" Costs (A$/tonne Product Produced)	146.95	180.25

Note: “C1” costs are the cash costs associated with producing iron ore products without allowance for mine development, deferred stripping and stockpile movements, and does not include royalties, depreciation and amortisation costs.

Lower C1 costs per tonne principally due to higher concentrate produced.

BCM represents the volume of material moved, covering both waste and ore, measured in bank cubic metre.

Quarter one mining activity focused on the completion of Centre Pit and the progression of waste stripping in North Pit. During the June quarter, efficient advancement of the North Pit waste stripping programme and favourable ore grade reconciliation continued. Ore blending and controlled drawdown of higher-grade stockpiles resulted in a lower average weight recovery during the second quarter, while maintaining premium pellet quality and production performance. For the half year, the weight recovery increased to 37.80% (2025: 35.80%).

Concentrate and pellet production remained strong during the first half of 2026. Following completion of annual maintenance activities in the March quarter, the concentrator continued to perform well and milling throughput exceeded plan. This supported concentrate production of 1.19 million tonnes and pellet production of 1.15 million tonnes for the half year. Operations benefited from strong plant performance, increased concentrate production, and consistent pellet plant utilisation of four furnaces.

North Pit Underground Development Project

During the first half of 2026, the North Pit Underground Project (NPUG) was reviewed by an Independent Technical Expert. That report confirmed that the project is technically robust and identified no fatal technical, operational or permitting flaws. In addition, the Grange Resources (Tasmania) Pty Ltd (Alternative Application Period) Bill 2026 progressed through the Tasmanian Parliament, providing an important step towards increased long-term tenure certainty for the Savage River operation and potential future underground development. Maintenance activities on underground assets and development planning are also continuing.

NPUG would utilise the block-cave mining method as reviewed above and, if fully funded, could extend the Company’s life-of-mine to 2040. However, global market uncertainty, commodity price volatility, and funding requirements including potential guarantee structures that may be required for a project of this scale, are impacting the risk appetite and long-term value assessments of this plan.

The Company is currently focused on optimising a self-funded alternative plan based on a smaller sub-level cave (SLC). The Company expects this plan to extend its life-of-mine to 2035 while preserving the option to progress the Block Cave development in the future if market conditions and funding arrangements can support the larger investment.

The Company continues to assess the SLC Standalone development case against the opportunity to optimize the Open Pit. The SLC Standalone case remains the development pathway currently being progressed by management, with further optimisation work continuing to reduce funding requirements and preserve long-term value.

Neither the Block Cave nor SLC Standalone development has reached a final investment decision. The impairment assessment for HY26 has been based on the SLC Standalone case, reflecting the development pathway currently being progressed by management. The assessment has also considered the Open Pit standalone case. The Company has recognised a non-cash impairment charge in this half-year financial report. The non-cash impairment charge will apply to the carrying values of mining assets of the Savage River operations and will be excluded from HY26 underlying profit after tax.

Port Latta Improvement Projects

Progress continued on the balling drum replacement programme at Port Latta, with the successful replacement of the Furnace Line 5 Drum during the half year. The project forms part of an ongoing asset renewal and furnace optimisation strategy, supported by prior investments in electrical and control system infrastructure to improve reliability, operational efficiency and future plant performance.

Supporting sustaining capital projects were also progressed to enable future Furnace Efficiency Upgrades aligned with the converted Furnace Line 4 configuration. These works included investment in transformers and upgrades to the Furnace Line 5 Motor Control Centres and Control System.

Consolidated Statement of Financial Position

Grange’s net assets have decreased significantly from $1,108.2 million as at 31 December 2025 to $566.4 million as at 30 June 2026. The reduction of $541.7 million was driven primarily by a $552.3 million non-cash impairment of assets (net of deferred tax impact).

Consolidated Statement of Cash Flows

Net cash flows from operating activities

Net cash inflows from operating activities for the six months ended 30 June 2026 were $77.1 million (six months ended 30 June 2025: net inflow of $41.4 million) which is mainly due to receipts from customer and other debtors of $244.2 million (June 2025: $191.3 million) and interest received of $6.3 million (June 2025: $9.3 million) offset by payments to supplier and employees of $173.3 million (June 2025: $153.6 million).

Net cash flows from investing activities

Net cash outflows from investing activities for the six months ended 30 June 2026 were $73.5 million (six months ended 30 June 2025: net inflow of $1.8 million), principally related to proceeds from term deposits $1.4 million (June 2025: $100.0 million) reduced by significant expenditure for mine properties and development of $51.6 million (June 2025: $72.4 million), and purchase of property plant equipment of $22.2 million (June 2025: $25.4 million).

Net cash flows from financing activities

Net cash outflows from financing activities for the six months ended 30 June 2026 were $0.9 million (six months ended 30 June 2025: net outflow of $0.9 million). Net outflow was principally related to lease payments.

Rounding of amounts

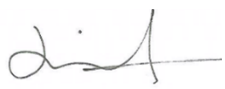
The Group is of a kind referred to in Australian Securities and Investment Commission (ASIC) Legislative Instrument 2016/191 Class relating to the ‘rounding off’ of amounts in the directors' report. Amounts in the directors' report have been rounded off in accordance with the instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors



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Michelle Li
Chairperson of the Board of Directors

31 August 2026

Auditor's Independence Declaration

As lead auditor of Grange Resources Limited's financial report for the half-year ended 30 June 2026, I declare that, to the best of my knowledge and belief, there have been:

a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review of the financial report; and

b) no contraventions of any applicable code of professional conduct in relation to the review of the financial report.

Chris Dodd
Partner
PricewaterhouseCoopers

Melbourne
31 August 2026

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Grange Resources Limited and its Controlled Entities
Consolidated statement of comprehensive income
For the half-year ended 30 June 2026

	Note	Six months to 30 June 2026 $'000	Six months to 30 June 2025 $'000
Revenue from Operations	2,3	230,788	206,426
Cost of Sales	4	(213,185)	(194,152)
Gross profit from operations		**17,603**	**12,274**
Administrative Expenses		(2,076)	(3,686)
Exploration and Evaluation Expenditures		(878)	(1,386)
Other Income		190	124
Impairment of assets	17	(690,678)	-
Operating (loss)/profit before finance costs		**(675,839)**	**7,326**
Finance Income		3,641	14,018
Finance Expenses		(2,841)	(2,632)
(Loss)/profit before income tax benefit/(expense)		**(675,039)**	**18,712**
Income tax benefit/(expense)	5	133,194	(4,945)
(Loss)/profit after income tax benefit/(expense) for the half-year	16	**(541,845)**	**13,767**
Other comprehensive (loss)/income for the half-year, net of tax		-	-
Total comprehensive (loss)/income for the half-year		**(541,845)**	**13,767**
		Cents	**Cents**
Basic (loss)/earnings per share		**(46.82)**	**1.19**
Diluted (loss)/earnings per share		**(46.59)**	**1.18**

The above Consolidated statement of comprehensive income should be read in conjunction with the accompanying notes

Grange Resources Limited and its Controlled Entities
Consolidated statement of financial position
As at 30 June 2026

	Note	30 June 2026 $'000	31 December 2025 $'000
Assets			
Current assets			
Cash and cash equivalents	6	98,696	94,549
Trade and other receivables	7	42,916	49,596
Inventories	9	250,922	247,597
Other financial assets	8,18	170,050	184,478
Total current assets		**562,584**	**576,220**
Non-current assets			
Other financial assets	8,18	-	828
Property, plant and equipment	10	89,418	232,611
Right-of-use assets		1,063	171
Mine properties and development	11	81,110	574,549
Deferred tax assets	12	34,599	-
Receivables		18,645	11,108
Total non-current assets		**224,835**	**819,267**
Total assets		**787,419**	**1,395,487**
Liabilities			
Current liabilities			
Trade and other payables	13	36,972	37,793
Lease liability		1,780	91
Provisions	14	26,237	26,991
Total current liabilities		**64,989**	**64,875**
Non-current liabilities			
Deferred grants		1,715	1,550
Lease liability		1,583	85
Other financial liabilities	18	225	-
Deferred tax liabilities	12	-	98,444
Provisions	14	152,544	122,378
Total non-current liabilities		**156,067**	**222,457**
Total liabilities		**221,056**	**287,332**
Net assets		**566,363**	**1,108,155**
Equity			
Contributed Equity	15	331,513	331,513
Reserves		(1,310)	(1,363)
Retained earnings	16	236,160	778,005
Total equity		**566,363**	**1,108,155**

The above Consolidated statement of financial position should be read in conjunction with the accompanying notes

Grange Resources Limited and its Controlled Entities
Consolidated statement of changes in equity
For the half-year ended 30 June 2026

	Contributed Equity $'000	Reserves $'000	Retained earnings $'000	Total equity $'000
Balance at 1 January 2025	**331,513**	**(1,657)**	**731,405**	**1,061,261**
Profit after income tax expense for the half-year	-	-	13,767	13,767
Other comprehensive (loss)/income for the half-year, net of tax	-	-	-	-
Total comprehensive (loss)/income for the half-year	-	-	13,767	13,767
Transactions with owners in their capacity as owners:				
Share-based payments	-	93	-	93
Balance at 30 June 2025	**331,513**	**(1,564)**	**745,172**	**1,075,121**

	Contributed Equity $'000	Reserves $'000	Retained earnings $'000	Total equity $'000
Balance at 1 January 2026	**331,513**	**(1,363)**	**778,005**	**1,108,155**
Loss after income tax benefit for the half-year	-	-	(541,845)	(541,845)
Other comprehensive (loss)/income for the half-year, net of tax	-	-	-	-
Total comprehensive loss for the half-year	-	-	(541,845)	(541,845)
Transactions with owners in their capacity as owners:				
Share-based payments	-	53	-	53
Balance at 30 June 2026	**331,513**	**(1,310)**	**236,160**	**566,363**

The above Consolidated statement of changes in equity should be read in conjunction with the accompanying notes

Grange Resources Limited and its Controlled Entities
Consolidated statement of cash flows
For the half-year ended 30 June 2026

	Six months to 30 June 2026 $'000	Six months to 30 June 2025 $'000
Cash flows from operating activities		
Receipts from customers and other debtors (inclusive of goods and services tax)	244,225	191,299
Payments to suppliers and employees (inclusive of goods and services tax)	(173,320)	(153,586)
	70,905	**37,713**
Interest received	6,314	9,333
Interest paid	(131)	(140)
Income taxes paid	-	(5,539)
Net cash inflow from operating activities	**77,088**	**41,367**
Cash flows from investing activities		
Payments for mine properties and development	(51,627)	(72,441)
Payments for property, plant and equipment	(22,185)	(25,409)
Proceeds from security and term deposits	1,400	99,950
Payments for commodity options	(1,082)	(273)
Net cash (used in)/from investing activities	**(73,494)**	**1,827**
Cash flows from financing activities		
Lease payments	(942)	(891)
Net cash used in financing activities	**(942)**	**(891)**
Net increase in cash and cash equivalents	**2,652**	**42,303**
Cash and cash equivalents at the beginning of the financial half-year	94,549	71,449
Effects of exchange rate changes on cash and cash equivalents	1,495	(581)
Cash and cash equivalents at the end of the financial half-year	**98,696**	**113,171**

The above Consolidated statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Summary of Significant Accounting Policies

(a) Basis of preparation for the interim financial report

This consolidated interim financial report for the half-year reporting period ended 30 June 2026 has been prepared in accordance with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Act 2001.

The consolidated interim financial report does not include all information and disclosures required in the annual financial statements. Accordingly, this report is to be read in conjunction with the annual report for the year ended 31 December 2025 and any public announcements made by Grange Resources Limited during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

(b) Accounting policies

The accounting policies adopted in the preparation of the consolidated interim financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025.

Where required, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

A number of amended standards became applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these amendments.

(c) Critical accounting estimates and judgements

The preparation of this interim financial report requires the use of estimates and judgements. The estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within this interim financial report are consistent with those of the previous financial year as disclosed in the Annual Report for the year ended 31 December 2025 with the exception of the assessment of Cash-Generating Unit (CGU) recoverable value (note 17).

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

(d) Rounding of amounts

The Group is of a kind referred to in Australian Securities and Investment Commission (ASIC) Legislative Instrument 2016/191 Class relating to the 'rounding off' of amounts in the directors' report. Amounts in the directors' report have been rounded off in accordance with the instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

Note 2. Segment Information

(a) Description of segments

Operating segments are determined based on the reports reviewed by the Chief Executive Officer, who is the Group's chief operating decision maker in terms of allocating resources and assessing performance.

The Group has one reportable segment which is the exploration, evaluation, and development of mineral resources and iron ore mining operations

The Chief Executive Officer allocates resources and assesses performance, in terms of revenues earned, expenses incurred, and assets employed, on a consolidated basis in a manner consistent with that of the measurement and presentation in the financial statements.

Segment assets and capital are allocated based on where the assets are located. The consolidated assets of the Group were predominately located in Australia as at 30 June 2026 and 31 December 2025. The total costs incurred during the current and comparative periods to acquire segment assets also predominately incurred in Australia.

Exploration, evaluation and development projects (including the Southdown project) are not deemed reportable operating segments at this time as the financial performance of these operations is not separately included in the reports provided to the Chief Executive Officer. These projects may become segments in the future.

Note 2. Segment Information (continued)

	Ore Mining	
	Six months to 30 June 2026 $'000	Six months to 30 June 2025 $'000
Revenue from contracts with customers	**230,788**	**206,426**
Inter-segment revenue	-	-
Revenue from External Customers	**230,788**	206,426
Timing of Revenue Recognition		
At a point in time	201,731	187,978
Over time	29,057	18,448
	230,788	**206,426**
Adjusted EBITDA	**32,741**	**37,444**

Adjusted EBITDA is a non-IFRS financial measure used by the Chief Operating Decision Maker to assess segment performance. It represents earnings before interest, tax, depreciation and amortisation, adjusted for impairment and other items not allocated to the operating segments. Adjusted EBITDA is reconciled to statutory (loss)/profit after income tax below.

	Six months to 30 June 2026 $'000	Six months to 30 June 2025 $'000
Reconciliation of adjusted EBITDA		
Adjusted EBITDA	**32,741**	**37,444**
Impairment of assets (note 17)	(690,678)	-
Depreciation and amortisation (note 4)	(24,129)	(26,224)
Interest revenue	7,310	7,646
Interest expense	(131)	(97)
Income tax benefit/(expense) (note 5)	133,194	(4,945)
Others	(152)	(57)
(Loss)/profit after Income Tax Expense	**(541,845)**	**13,767**

Note 3. Revenue from Operations

	Ore Mining	
	Six months to 30 June 2026 $'000	Six months to 30 June 2025 $'000
Revenue from contracts with customers	230,707	211,477
Other revenue/(loss)	81	(5,051)
	230,788	**206,426**

Revenue from contracts with provisional pricing is recognised based on the estimated forward prices, where available, which the Group expects to receive at the end of the quotation period. Where an estimated forward price is not available, spot prices are applied as management's best estimate of the provisional prices. The quotation period exposure is considered to be an embedded derivative and forms part of trade receivables. The subsequent changes in the fair value were recognised in the statement of profit or loss and other comprehensive income as other revenue/(loss). Changes in fair value over, and until the end of the quotation period, are estimated by reference to updated forward market prices.

Note 4. Cost of Sales

	Six months to 30 June 2026 $'000	Six months to 30 June 2025 $'000
Cost of sales - mining		
Mining costs	96,586	107,485
Production costs	82,027	77,194
Changes in inventories	(5,944)	10,398
Freight Costs	29,057	18,448
Government Royalties	3,110	3,617
Depreciation and amortisation expense	19,718	22,370
Mine properties and development		
- Amortisation expense	4,403	3,854
Deferred Stripping		
- Amounts capitalised during the period	(51,627)	(72,441)
- Amortisation expense	35,234	22,278
Foreign exchange loss	621	949
Total Cost of Sales	**213,185**	**194,152**

Note 5. Income Tax (Benefit)/Expense

	Six months to 30 June 2026 $'000	Six months to 30 June 2025 $'000
(a) Income Tax (Benefit)/Expense		
Adjustment to tax of prior period	29	(701)
Deferred income tax included in income tax expense comprises:		
(Decrease)/increase in deferred tax liability	(133,042)	13,451
North Pit Underground decline claim in prior year income tax return	-	(8,176)
Other adjustments in prior year income tax return	(177)	371
Movements in unrecognised deferred tax	(4)	-
	(133,223)	**5,646**
Total Income Tax (Benefit)/Expense	**(133,194)**	**4,945**

Note 5. Income Tax (Benefit)/Expense (continued)

(b) Numerical reconciliation of income tax (benefit)/expense to prima facie tax (receivable)/payable

Profit from continuing operations before income tax (benefit)/expense	(675,039)	18,712
Tax (benefit)/expense at the Australian tax rate of 30% (June 2025: 30%)	(202,512)	5,614
Tax effect of amounts which are not deductible (taxable) in calculating taxable income	420	32
	(202,092)	**5,646**
Movements in previously unrealised deferred tax assets	(4)	-
Adjustment to tax of prior period	29	(701)
Unrecognised deferred tax benefit on impairment of assets	68,873	-
Total Income Tax (Benefit)/Expense	**(133,194)**	**4,945**

(c) Taxation Losses

Unused taxation losses for which no deferred tax assets has been recognised	1,070	1,085
Potential tax benefit @ 30%	**321**	**326**

Note 6. Cash and cash equivalents

	30 June 2026 $'000	**31 December 2025 $'000**
Cash at bank and on hand	15,133	9,584
Short-term deposits	83,563	84,965
	98,696	**94,549**

Note 7. Trade and other receivables

	30 June 2026 $'000	**31 December 2025 $'000**
Trade receivables	23,720	38,623
Security deposits	2,766	304
Income tax receivable	3,753	3,602
Other receivables	5,020	4,049
Prepayments	4,272	629
Interest receivables	3,385	2,389
	42,916	**49,596**

Security deposits comprise of restricted deposits that are used for monetary backing for performance guarantees.

Note 8. Other financial assets

	30 June 2026 $'000	31 December 2025 $'000
Current Assets		
Derivatives (note 18)	850	3,878
Short-term investment in term deposits	169,200	180,600
	170,050	**184,478**
Non-current Assets		
Derivatives (note 18)	**-**	**828**

The Group holds investments in AUD term deposits with 91 to 365 day terms and carries an average annual interest rate of 4.86%.

Note 9. Inventories

	30 June 2026 $'000	31 December 2025 $'000
Stores and spares	56,459	60,702
Ore stockpiles	133,016	142,643
Work in progress	4,387	1,714
Finished goods (at lower of cost and net realisable value)	57,060	42,538
	250,922	**247,597**

Ore stockpiles, work in progress, finished goods and stores and spares are valued at the lower of weighted average cost and estimated net realisable value. A credit of $5.9 million in 2026 and a debit of $10.4 million in 2025 were recognised for the movements in inventories (note 4).

Note 10. Property, plant and equipment

	Land and Building $'000	Plant and Equipment $'000	Computer Equipment $'000	Assets Under Construction $'000	Total $'000
At 1 January 2026					
Cost	88,026	641,222	20,245	38,769	788,262
Accumulated depreciation and impairment	(47,508)	(493,102)	(15,041)	-	(555,651)
Net book amount	**40,518**	**148,120**	**5,204**	**38,769**	**232,611**
Half-year ended 30 June 2026					
Opening net book amount	40,518	148,120	5,204	38,769	232,611
Additions	-	-	-	22,694	22,694
Depreciation charge	(1,119)	(16,575)	(1,072)	-	(18,766)
Transfer to PPE	48	10,431	433	(10,912)	-
Transfer to MP&D	-	-	-	(2,657)	(2,657)
Other transfers	-	-	-	(509)	(509)
Impairment losses (note 17)	(11,726)	(96,775)	(3,104)	(32,350)	(143,955)
Closing net book amount	**27,721**	**45,201**	**1,461**	**15,035**	**89,418**
At 30 June 2026					
Cost	88,074	651,653	20,678	47,385	807,790
Accumulated depreciation and impairment	(60,353)	(606,452)	(19,217)	(32,350)	(718,372)
Net book amount	**27,721**	**45,201**	**1,461**	**15,035**	**89,418**

Note 11. Mine properties and development

	30 June 2026 $'000	31 December 2025 $'000
Mine properties and development (at cost)	787,862	747,077
Accumulated amortisation and impairment	(706,752)	(527,683)
Net book amount	**81,110**	**219,394**
Deferred Stripping Costs (Net Book Amount)	-	355,155
Total mine properties and developments	**81,110**	**574,549**

Movements in mine properties and development are set out below:	30 June 2026 $'000	31 December 2025 $'000
Mine properties and development		
Opening net book amount	219,394	154,541
Current year expenditure capitalised	-	53,959
Change in rehabilitation estimate	38,128	18,357
Amortisation expense	(4,403)	(7,463)
Transfer from PPE	2,657	-
Impairment losses (note 17)	(174,666)	-
	81,110	**219,394**
Deferred stripping costs		
Opening net book amount	355,155	306,490
Current year expenditure capitalised	51,627	110,243
Amortisation expense	(35,234)	(61,578)
Impairment losses (note 17)	(369,779)	-
Write-off	(1,769)	-
Closing net book amount	**-**	**355,155**

Note 12. Deferred tax assets (liabilities)

	30 June 2026 $'000	31 December 2025 $'000
The balance comprises temporary differences attributable to:		
Deferred Tax Assets		
Property, plant and equipment	18,505	3,581
Mine properties and development	9,404	-
Decommissioning and restoration	2,342	33,857
Employee benefits	9,011	8,961
Foreign exchange	-	96
Trade payables	7	1
Tax losses	4,428	1,272
Total deferred tax assets	**43,697**	**47,768**
Deferred Tax Liabilities		
Mine properties and development	-	(137,166)
Inventory	(8,048)	(7,627)
Derivatives	(187)	(1,412)
Foreign exchange	(855)	-
Prepayment	(8)	(7)
Total deferred tax liabilities	**(9,098)**	**(146,212)**
Total net deferred tax assets (liabilities)	**34,599**	**(98,444)**

The movement in deferred tax balances for the period primarily reflects the deferred tax impact of the impairment of non-current assets recognised during the year.

Note 13. Trade and other payables

	30 June 2026 $'000	31 December 2025 $'000
Trade payables and accruals	31,861	32,959
Contract Liabilities	2,912	2,988
Other payables	2,199	1,846
	36,972	**37,793**

Note 14. Provisions

Provisions (Current)	30 June 2026 $'000	31 December 2025 $'000
Leave Obligations	23,188	22,416
Employee benefits	2,155	3,583
Decommissioning and restoration	894	992
	26,237	**26,991**

The following amounts reflect leave that is not expected to be taken or paid within the next 12 months.

Current leave obligations expected to be settled after 12 months	10,606	11,156

Note 14. Provisions (continued)

	30 June 2026 $'000	31 December 2025 $'000
Movements in the current provision for decommissioning and restoration are set out below		
Balance at beginning of the year / period	992	1,025
Payments	(112)	(336)
Transfers to current provisions	14	303
	894	**992**

	30 June 2026 $'000	31 December 2025 $'000
Provisions (Non-current)		
Leave obligations	4,485	3,870
Employee benefits	208	-
Decommissioning and restorations	147,851	118,508
	152,544	**122,378**

Movements in non-current provision for decommissioning and restoration are set out below

	30 June 2026 $'000	31 December 2025 $'000
Balance at beginning of the year / period	118,508	97,430
Change in estimate	38,281	19,185
Rehabilitation work completed	(8,792)	(720)
Unwinding of discount	2,511	2,916
Transfers to current provisions	(14)	(303)
Derecognition of the joint venture rehabilitation provision	(2,643)	-
Balance at the end of the period / year	**147,851**	**118,508**

The change in estimate reflects a change in valuation of the decommissioning and restoration liability due to a change in discount rate.

Derecognition of the Joint Venture Rehabilitation Provision

A sale agreement has been reached for the Mt Windsor JV, with final terms still under negotiation. Under the agreed terms, the JV parties will only remain responsible for rehabilitation activities through September 2026. As a result, the portion of the rehabilitation provision relating to post September 2026 obligations of $2.6 million no longer meets the definition of a present obligation under AASB 137 and has been derecognised, with the corresponding credit recognised as non-tax-deductible other income.

Note 15. Contributed equity

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds of winding up of the Company in proportion to the number of and amounts paid on the shares held. Ordinary shares entitle their holder to one vote per share, either in person or by proxy, at a meeting of the Company. Ordinary shares have no par value and the Company does not have a limited amount of authorised share capital.

Note 15. Contributed equity (continued)

	30 June 2026 No. of Shares	31 December 2025 No. of Shares	30 June 2026 $'000	31 December 2025 $'000
Shares	**1,157,338,698**	**1,157,338,698**	**331,513**	**331,513**

Note 16. Retained earnings

Retained earnings attributable to owners of Grange Resources Limited

	30 June 2026 $'000	31 December 2025 $'000
Retained profits		
Balance at the beginning of the year	778,005	731,405
(Loss)/profit for the year	(541,845)	46,600
Balance at the end of the period / year	**236,160**	**778,005**

Note 17. Impairment of Non-Current Assets

At each reporting date, the Group assesses whether there is any indication that an asset should be impaired. The Group considers the relationship between its market capitalisation and its book value, among other factors, when reviewing for indicators of impairment. As at 30 June 2026, the market capitalisation of the Group was below the book value of its net assets indicating a potential trigger for impairment of assets.

During the first half of 2026, the North Pit Underground Project (NPUG) was reviewed by an Independent Technical Expert. That report confirmed that the project is technically robust and identified no fatal technical, operational or permitting flaws. In addition, the Grange Resources (Tasmania) Pty Ltd (Alternative Application Period) Bill 2026 progressed through the Tasmanian Parliament, providing an important step towards increased long-term tenure certainty for the Savage River operation and potential future underground development. Maintenance activities on underground assets and development planning are also continuing.

NPUG would utilise the block-cave mining method as reviewed above and, if fully funded, could extend the Company's life-of-mine to 2040. However, global market uncertainty, commodity price volatility, and funding requirements including potential guarantee structures that may be required for a project of this scale, are impacting the risk appetite and long-term value assessments of this plan.

The Company is currently focused on optimising a self-funded alternative plan based on a smaller sub-level cave (SLC). The Company expects this plan to extend its life-of-mine to 2035 while preserving the option to progress the Block Cave development in the future if market conditions and funding arrangements can support the larger investment.

The Company continues to assess the SLC Standalone development case against the opportunity to optimize the Open Pit. The SLC Standalone case remains the development pathway currently being progressed by management, with further optimisation work continuing to reduce funding requirements and preserve long-term value.

Neither the Block Cave nor SLC Standalone development has reached a final investment decision. The impairment assessment for HY26 has been based on the SLC Standalone case, reflecting the development pathway currently being progressed by management. The assessment has also considered the Open Pit standalone case. The Company has recognised a non-cash impairment charge in this half-year financial report. The non-cash impairment charge will apply to the carrying values of mining assets of the Savage River operations and will be excluded from HY26 underlying profit after tax.

Note 17. Impairment of Non-Current Assets (continued)

(a) Impairment Testing

(i) Methodology

The Group's Savage River CGU has been estimated using a fair value less costs of disposal basis. The costs of disposal have been estimated by management based on prevailing market conditions. The fair value assessment is categorised within level 3 in the fair value hierarchy. An impairment loss is recognised for a CGU when the recoverable amount is less than the carrying amount.

The recoverable amount of the CGU was determined based on the fair value less cost of disposal method. Fair value is estimated based on the net present value of estimated future cash flows for the CGU. Future cash flows are based on a number of assumptions, including commodity price expectations, foreign exchange rates, reserves and resources and expectations regarding future operating performance and capital requirements which are subject to risk and uncertainty. An adverse change in one or more of the assumptions used to estimate fair value could result in a reduction of the CGU’s fair value.

Costs of disposal comprise only the incremental, directly attributable costs required to sell the CGU. These include broker commissions, legal transfer fees, applicable stamp duties and other incidental disposal-specific costs. Finance costs, income tax and general operating expenditures are excluded in accordance with AASB 136.

Estimates of future commodity prices are based on the Group’s best estimate of future market prices with reference to independent external market analysts’ forecasts. Management has refined the pricing methodology to rely on blended pricing of two experts’ price forecasts to ensure a balanced and reasonable outlook on commodity prices.

(ii) Key assumptions

The impairment model has been developed based on the assumption that NPUG project sublevel cave investment will commence in 2027, with the initial extraction of the sub level cave ore anticipated in Q1 2028.

The key assumptions which are used by the Directors in determining the recoverable amount for the Group's Savage River CGU were in the following ranges:

		as at 30 June 2026	
Assumptions	**2026**	**2027-2031**	**2032-2035**
Iron ore pellets (FOB Port Latta) (US$ per DMT)	$119.64	$119.23 - $125.52	$128.72 - $134.07
AUD:USD exchange rate	$0.71	$0.71 - $0.73	$0.73
Capital expenditures	$93.3 million	$413.7 million	$21.7 million
Operating expenditures	$355.9 million	$1,846.1 million	$1,116.0 million
Post-tax nominal discount rate		11%	
Proven ore reserves in accordance with JORC 2012		31.8 million tonnes	
Probable ore reserves in accordance with JORC 2012		68.3 million tonnes	

Management has determined each of the above key assumptions as follows:

Commodity prices and foreign exchange rates

Commodity prices and foreign exchange rates are estimated with reference to analysis performed by external parties and are updated at least once every six months, in-line with the Group’s reporting dates. The iron ore pellet price assumptions are based market indices adjusted for premiums supported by sales arrangements achieved by the Group, net of freight.

Note 17. Impairment of Non-Current Assets (continued)

Operating performance (production, operating costs and capital costs)

Life of mine production, operating cost and capital cost assumptions are based on the Group's most recent life of mine plan approved by the Board.

The sub-level cave underground mine will transition the current North Pit open-cut mining over the next 2 years. The transition to sublevel cave mining has been integrated with the current open-cut mining operations. While the Group acknowledges that future changes to the regulatory framework in response to climate change could affect the recoverability of assets, these potential impacts have not been incorporated into our current assumptions. Although the Group recognises the global transition toward a low-carbon future and the need to assess the risks and opportunities associated with climate change, no immediate financial impacts have been identified in the short term.

Climate-related matters

The Group constantly monitors the latest government legislation in relation to climate-related matters. At the current time, no legislation has been passed that will impact the Group. The Group will adjust the key assumptions used in fair value calculations and sensitivity to changes in assumptions should a change be required.

Discount rate

To determine the recoverable amount, the estimated future cash flows have been discounted to their present value using a post-tax real discount rate that reflects a current market assessment of the time value of money and risks specific to the asset.

(iii) Impacts

As at the reporting date, the Group has conducted a carrying value analysis and recognised non-current assets impairment of the carrying value of Savage River assets of $690.7 million (before tax impact) as summarised in the table below.

	30 June 2026 $'000
Impairment	
Deferred stripping	369,779
Mine, properties and development	174,666
Property, plant and equipment	143,955
Right-of-use of assets	2,278
Total assets impairment	**690,678**
Net deferred tax impact	(138,330)
Total asset impairments (net of deferred tax impact)	**552,348**

The impairment is primarily attributable to the revision of the life-of-mine plan following the decision to adopt a sublevel-cave mining, driven by the financing constraints that prevent progression to the block cave phase and the lower forecast iron ore prices arising from recent changes in the supply and demand dynamics of the market. The previous plan incorporated both sublevel cave and block cave phases, supporting a longer life of mine and higher recoverable ore volumes. Removal of the block cave component has materially shortened the life of the mine.

The deferred tax impact included an impairment of deferred tax assets $40.6m relating to the decommissioning liability and excluded $28.3 million increase in deferred tax assets arising from impairment, as both amounts have been assessed as non-recoverable.

Note 17. Impairment of Non-Current Assets (continued)

(iv) Sensitivity Analysis

After recognising the asset impairments, the fair value of the Savage River Asset is assessed as being equal to its carrying amount as at 30 June 2026.

The following movements in key assumptions would result in the recoverable value amount of the CGU to be lower than its carrying amount:

US$1 per dmt decrease in iron ore pellet prices FOB Port Latta	$19.4 million
$0.01 increase in the AUD:USD Exchange rate	$37.5 million
1% increase in estimated operating costs	$21.6 million
25 bps increase in the discount rate	$4.8 million

Due to the interrelated nature of the assumptions, movements in any one variable can have an indirect impact on others and individual variables rarely change in isolation. Additionally, management can be expected to respond to some movements to mitigate downsides and take advantage of upsides, as circumstances allow.

Note 18. Fair Value Measurement

Fair value hierarchy
This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value in the consolidated financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standards.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Specific valuation techniques used to value the derivative financial instruments mainly include determining the fair value of forward contracts using forward rates at the balance sheet date provided by the dealers.

Note 18. Fair Value Measurement (continued)

The following table presents the Group's financial assets and financial liabilities measured and recognised at fair value at 30 June 2026 and 31 December 2025 on a recurring basis:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
Level 3: Unobservable inputs for the asset or liability

30 June 2026	**Level 1 $'000**	**Level 2 $'000**	**Level 3 $'000**	**Total $'000**
Assets				
Derivative financial instruments	-	850	-	850
Liabilities				
Derivative financial instruments	-	225	-	225
Trade payables - embedded derivatives	-	2,512	-	2,512
	-	**2,737**	**-**	**2,737**

31 December 2025	**Level 1 $'000**	**Level 2 $'000**	**Level 3 $'000**	**Total $'000**
Assets				
Derivative financial instruments	-	4,706	-	4,706
Trade receivables - embedded derivatives	-	9,125	-	9,125
Total assets	**-**	**13,831**	**-**	**13,831**

Derivatives are only used for economic hedging purposes and not as speculative investments. The Group has the following derivative financial instruments:

	30 June 2026 $'000	**31 December 2025 $'000**
Electricity fixed forward	125	3,650
Foreign currency options	(554)	38
Commodity option	518	(903)
Diesel commodity swap	531	(127)
Foreign currency forward	-	2,048
Electricity swap	5	-
	625	**4,706**
Derivatives (current asset)	850	3,878
Derivatives (non-current asset)	-	828
Derivatives (non-current liability)	(225)	-
	625	**4,706**

The Company enters into forward contracts, foreign currency options, commodity options and swaps to manage exposures arising from energy and fuel consumption, commodity price volatility and movements in the AUD/USD exchange rate.

(i) Classification of derivatives

Derivatives are classified as financial assets held at fair value through profit or loss (FVTPL). They are presented as current assets or liabilities if they are expected to be settled within 12 months after the end of the reporting period.

Note 19. Contingent liabilities

There were no significant changes to the contingent liabilities previously disclosed since the last annual reporting date.

Note 20. Events Occurring After the Reporting Period

No matter or circumstance has arisen since 30 June 2026 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Grange Resources Limited and its Controlled Entities
Directors' declaration
30 June 2026

In the opinion of the Directors:

(a) The interim financial statements and notes of Grange Resources Limited set out on pages 8 to 25 are in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2026 and of its performance for the half-year ended on that date;

(ii) complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

(b) There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration has been made after receiving the declaration made to the directors for the half year ended 30 June 2026 in accordance with the 4th Edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations.

This declaration is made in accordance with a resolution of the directors.

Michelle Li
Chairperson of the Board of Directors

31 August 2026

Independent auditor's review report to the members of Grange Resources Limited

Report on the half-year financial report

Conclusion

We have reviewed the half-year financial report of Grange Resources Limited (the Company) and the entities it controlled during the half-year (together the Group), which comprises the consolidated statement of financial position as at 30 June 2026, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, material accounting policy information and selected explanatory notes and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Grange Resources Limited does not comply with the *Corporations Act 2001* including:

1. giving a true and fair view of the Group's financial position as at 30 June 2026 and of its performance for the half-year ended on that date; and
2. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the Auditor's responsibilities for the review of the half-year financial report section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the

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Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Other emphasis of matter – Impairment assessment of non-current assets

We draw attention to Notes 1c and 17 of the half-year financial report, which describe the critical accounting estimate and judgements in management's impairment assessment of non-current assets. Our conclusion is not modified in respect of this matter.

Responsibilities of the directors for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year financial report, in accordance with Australian Accounting Standards and the *Corporations Act 2001*, including giving a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement whether due to fraud or error.

Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 30 June 2026 and of its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Matters relating to the electronic presentation of the reviewed half-year financial report

This review report relates to the half-year financial report of the Company for the half-year ended 30 June 2026 included on Grange Resources Limited's web site. The Company's directors are responsible for the integrity of Grange Resources Limited's web site. We have not been engaged to report on the integrity of this web site. The review report refers only to the statements named above. It does not provide a conclusion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the reviewed half-year financial report to confirm the information included in the reviewed half-year financial report presented on this web site.

PricewaterhouseCoopers

Chris Dodd | Melbourne
Partner | 31 August 2026