

**RANGE RESOURCES LIMITED
AND CONTROLLED ENTITIES**

ABN 88 002 522 009

**FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2010**

RANGE RESOURCES LIMITED
AND CONTROLLED ENTITIES
ABN 88 002 522 009

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RANGE RESOURCES LIMITED
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C O R P O R A T E D I R E C T O R Y

Directors

Samuel JONAH
(Non-Executive Chairman)
Peter LANDAU
(Executive Director)
Marcus EDWARDS-JONES
(Non-Executive Director)
Anthony EASTMAN
(Executive Director)

Company Secretary

Jane FLEGG
Anthony EASTMAN

Registered Office

Ground Floor, 1 Havelock Street
WEST PERTH WA 6005
Telephone: (08) 9488 5220
Facsimile: (08) 9324 2400

Principal Place of Business

Ground Floor, 1 Havelock Street
WEST PERTH WA 6005
Telephone: (08) 9488 5220

Facsimile: (08) 9324 2400
Website: www.rangeresources.com.au

Country of Incorporation

Australia

Auditors

BDO Audit (WA) Pty Ltd
38 Station Street
SUBIACO WA 6008
Telephone: (08) 6382 4600
Facsimile: (08) 6382 4601

Share Registry (Australia)

Computershare Investor Services Pty Ltd
Level 2, Reserve Bank Building
45 St Georges Terrace
PERTH WA 6000
Telephone: (08) 9323 2000
Facsimile: (08) 9323 2033

Share Registry (United Kingdom)

Computershare Investor Services plc
The Pavilions
Bridgewater Road
Bristol BS99 6ZZ
United Kingdom
Telephone: +44 (0) 870 703 6300
Facsimile: +44 (0) 870 703 6114

Home Exchange

Australian Stock Exchange Limited
Exchange Plaza
2 The Esplanade
PERTH WA 6000

ASX Code: RRS

Overseas Exchange

Alternative Investment Markets (AIM)
c/- London Stock Exchange
LONDON UK

AIM Code: RRL

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DIRECTORS' REPORT

DIRECTORS

The names of the directors in office and at any time during, or since the end of, the year are:

Sir Samuel Jonah
Mr Peter Landau
Mr Marcus Edwards-Jones
Mr Anthony Eastman

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

COMPANY SECRETARY

The following persons held the position of company secretary at the end of the financial year:

Mr Anthony Eastman
Ms Jane Flegg

PRINCIPAL ACTIVITIES

The principal activity of the economic entity during the financial year was hydrocarbon exploration and development within Somalia, Republic of Georgia and Texas.

The following significant changes in the nature of the principle activity occurred during the financial year:

- The Company expanded its hydrocarbon exploration and development focus through acquisitions in the Republic of Georgia, Texas and subsequent to year end in Trinidad.

OPERATING RESULTS

The consolidated loss of the economic entity for the financial year after providing for income tax amounted to \$8,838,586 (2009: \$8,523,198)

DIVIDENDS PAID OR RECOMMENDED

The directors recommend that no dividend be paid for the year ended 30 June 2010, nor have any amounts been paid or declared by way of dividend since the end of the previous financial year.

DIRECTORS' REPORT

REVIEW OF OPERATIONS

- Puntland Onshore Production Sharing Agreements ratified by the New Puntland Government and extended a year.
- Heads of Agreement signed to acquire a 50% farm in interest in two key Georgian Oil & Gas blocks, with the completion of a 410km 2D seismic program in the second half of the year.
- Acquisition of a 25% interest in the first well (Smith #1 well – 20% on subsequent wells) in well known Texan oil and gas field.
- Commercial success – second well Russel Bevly spudded and commercial discovery with first production achieved subsequent to year end.
- Acquisition of 13.56% interest in second Texan property during the year
- Acquisition of 10% in Holding Company which holds interests in three onshore Trinidad projects plus drilling company subsequent to year end.
- The Company successfully completed three capital raisings – one in September 2009, January 2010 and June 2010

Puntland - Somalia

Following the conclusion of negotiations between the Company's Joint Venture Partner, Africa Oil Corp. ("Africa Oil") and the Government of the Puntland State of Somalia, Range, Africa Oil and the Puntland State of Somalia entered into amending agreements modifying the terms of the existing Production Sharing Agreements ("PSAs") made in respect of the Dharoor and Nugaal Valley Exploration Areas. The revised agreements were signed by the parties in Garowe, Puntland, subsequently approved by the Cabinet of the Puntland Government and ratified by the Parliament of the Puntland State of Somalia during December 2009.

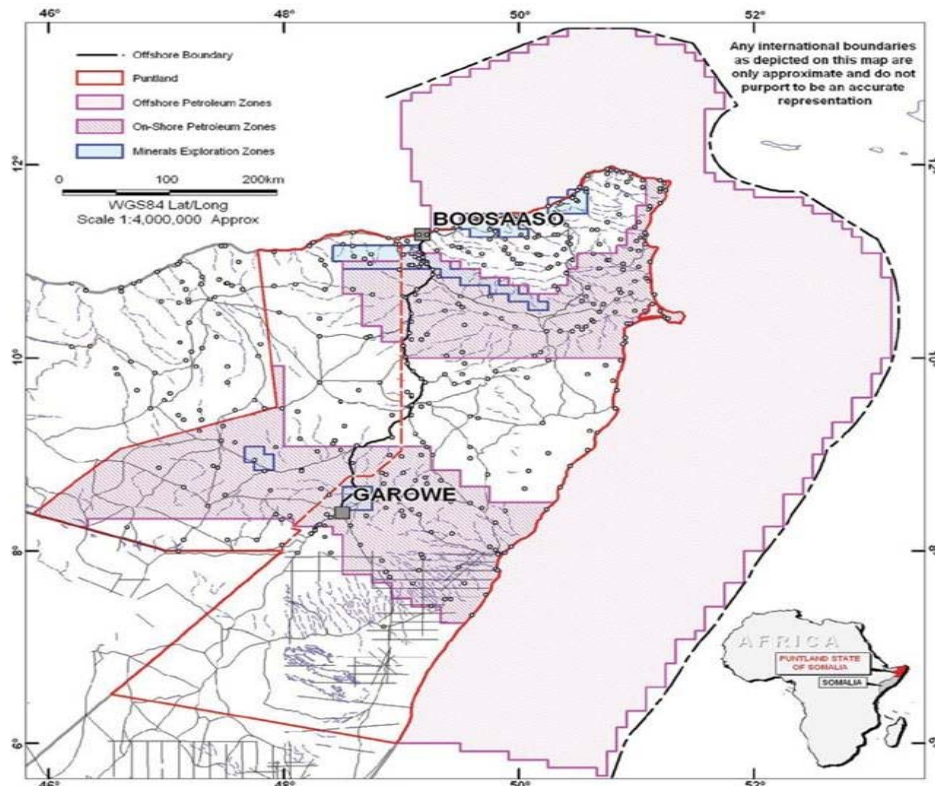


Figure 1 – Puntland Concessions

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DIRECTORS' REPORT

With the conclusion of the negotiations and the execution of the amending agreements, the PSAs, as amended, now provide for initial exploration periods in respect of both blocks that have been extended from 36 months to 48 months with a revised expiry of 17 January 2011. In addition, the terms of the exploration programs have been amended so that Africa Oil can, at its option, drill one exploratory well in each of the Nugaal and Dharoor Valley Exploration Areas, or two exploratory wells in the Dharoor Valley, during the initial exploration period. In consideration of the extension of the exploration period, the parties agreed to voluntarily relinquish 25% of the original agreement area on or before 17 January 2010.

Onshore Puntland Interest: Range – 20%
 Africa Oil Corp – 65%
 Lion Energy Inc – 15%

The successful conclusions of these negotiations paved the way for Africa Oil to commence operations and drilling of the first exploration well in Puntland for over 18 years.

Following the successful completion of negotiations regarding the onshore licences and previous technical presentations to the Government on the proposed offshore areas of interest, Range will look to continue negotiations regarding the formalisation of a new PSA with respect to the exploration and development of off shore Puntland in late 2010.

Subsequent to year end, Africa Oil Corp announced the farm-out of a 10% interest in the joint venture to ASX listed entity, Red Emperor Resources ("Red Emperor" ASX: RMP)). Under the terms of the Letter of Intent, Red Emperor will earn a 10% interest in both the Dharoor and Nugaal Valley Blocks. Red Emperor may, at its own discretion, exercise a right to increase its participating interest by an additional 10% in each of the Dharoor and Nugaal Blocks.

Georgia

On 9 July 2009, the Company signed a Heads of Agreement with unlisted UK Company, Strait Oil and Gas (UK) Limited ("Strait"), to acquire a 50% farm-in interest in two key oil and gas blocks in the Republic of Georgia, Eastern Europe.

The two blocks subject to this agreement, Blocks VIa and VIb, cover a contiguous area of 7,000 sq km (approx 10% of the surface area of the Country) and were subject to significant exploration in the Soviet era. Please refer Figure 2 for outline of block locations.

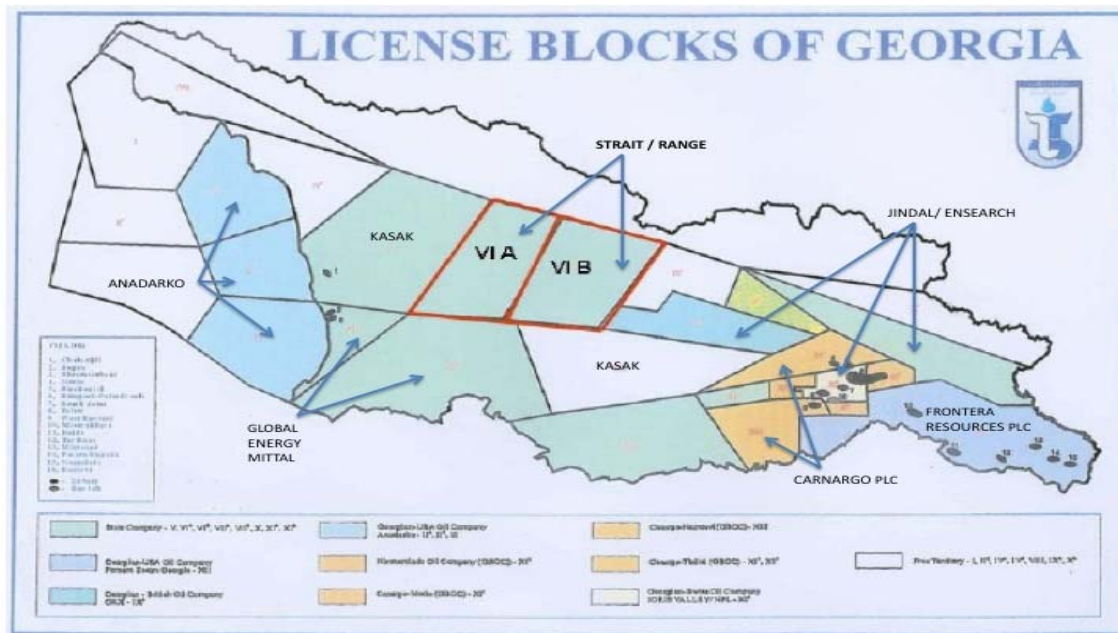


Figure 2 – Georgian Licences

DIRECTORS' REPORT

Subsequent to completion of the Heads of Agreement to complete Phase II of the PSA, approval was obtained from the Georgian Government for The Geophysical Institute of Israel to commence the 2D seismic operation on both Blocks.

Mobilisation of the vibrosis equipment was completed in October and after independent testing and technical audit the seismic operation started in November 2009, with the successful acquisition of 410km of 2D seismic completed late March 2010, with the Georgian Government providing signoff of the successful completion of Phase II of Phase II of the PSA.



Figure 3 – Seismic vehicle

Data quality has been consistently good to very good and the highly structured overthrust features, that will require competent data processing, are expected to provide many potentially viable structures as drilling targets.

Following the successful acquisition of 410km of seismic at the end of March 2010, seismic processing and interpretation has been ongoing.

Regional field mapping was completed over the entire two block area on a 1:100,000 scale which was followed up by state of the art remote sensing applications by Fugro-NPA which were integrated with all available historical Soviet era data to produce a refined surface geology map of the two blocks which will then be used to focus the mapping follow-up programme. Detailed geological and structural mapping along all seismic profiles have been completed with 75% of the terrain between the seismic profiles having been mapped in detail with the primary focus on the most prospective areas.

Ultra-high resolution, multi-spectra imagery is being used in areas of higher potential to refine the regional geology with several 3-D cross sections currently under construction which integrate all available surface and sub-surface data and historical drilling.

Exhaustive searches of all possible archives have successfully turned up critically important historical well data which has provided invaluable direct well ties with new seismic data.

In support of the identification of drill targets, initial logistics planning has commenced with regards to the development of anticipated drilling programs. Assuming the successful identification of drillable targets, already indicated in three areas of the Blocks, the Company will elect to either:

- progress the targets at the current 50:50 equity basis with its partner Strait Oil and Gas (UK) Limited; or
- look to attract potential farm-in partners to joint fund a drilling program.

The minimum requirements of Phase III of the PSA involves the drilling of one well in each licence block by April 2012.

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DIRECTORS' REPORT

Texas

North Chapman Ranch Project

In September 2009, the Company signed a Exploration/Development Agreement with U.S. based, private oil and gas company, Crest Resources, Inc ("Crest"), to acquire a 25% working interest in the Smith # 1 well and a 20% interest in subsequent wells in the North Chapman Ranch project located in Nueces County, Texas.

During the year, the Company spudded the first well (Smith #1) which resulted in a commercial discovery in December 2009. Subsequently, production commenced in February 2010 and flowed naturally, until the well was shut in for artificial fracture stimulation.



Figure 4 – processing facilities at the Smith #1 well site

In May 2010, independent certification by Independent Petroleum Engineers, Lonquist & Co LLC ("Lonquist") confirmed the North Chapman Ranch field contains significant oil and gas reserves.

Range, through its technical consultants Texas Energy Advisors LLC, engaged Lonquist to compile geological, geophysical and engineering data and provide an Independent Reserves Report and Valuation for the project.

Lonquist's independent reserves report has estimated the following gross commercially recoverable reserves from the North Chapman Ranch Field:

Category	Natural Gas (Bcf)	Oil (mmbbls)	Natural Gas Liquids (mmbbls)
Proved (P1)	33.3	2.5	2.4
Probable (P2)	31.8	2.4	2.3
Possible (P3)	150.4	11.1	10.8
Total Reserves	215.5	16.0	15.5

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DIRECTORS' REPORT

Set out below is Range's attributable interest in the gross recoverable reserves on 25% of the Smith #1 well and on 20% of the remaining wells assuming the exercise of certain clawback provisions by joint venture partners occurs following the success of the Smith #1 well:

Category	Natural Gas (Bcf)	Oil (mmbbls)	Natural Gas Liquids (mmbbls)
Proved (P1)	8.3	0.6	0.6
Probable (P2)	6.4	0.5	0.5
Possible (P3)	30.1	2.2	2.1
Total Reserves	44.8	3.3	3.2

The planned multi-well program is anticipated to move Possible (P3) Reserves into the Probable (P2) and Proved (P1) Reserve categories.

Based on the reserve numbers cited above, Lonquist's estimated net undiscounted cash flow value to Range, along with PW10 discounted cash flow (at a 10% discount rate) based on Nymex forward strip prices reported on 31 December 2009, following reductions for royalties, opex, capex, production taxes etc are as follows:

Reserve Category	Undiscounted US\$	PW10 US\$
Proved (P1)	52m	36m
Probable (P2)	53m	37m
Possible (P3)	258m	153m
Estimated Future Cashflow (Range's net interest)	363m	226m

As part of the North Chapman Ranch Joint Venture's multi-well program in Texas, the Russell Bevly #1 appraisal well was spudded in May 2010 which resulted in a further commercial discovery with the operator having concluded open hole logging operations that indicated the presence of approximately 130 ft. of net oil and gas pay in the Howell Hight formation. This exceeded the net pay thickness of the Smith #1 discovery well and identified a new, potentially productive interval. Subsequent to year end, production commenced in September 2010 and flowed naturally from just one of four identified pay zones. The first zone placed in production represents just 11 ft. of perforated Howell Hight formation within total net pay thickness of approximately 130 feet.



Figure 5: Precision #37 rig drilling ahead on Russell Bevly #1 Well

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It is anticipated that, similar to the Company's first well (Smith #1), the well will flow naturally for a number of months before it is shut in and a completion rig moved into place. Once the completion rig is in place, the well will be fracture stimulated and additional pay zones added to boost rate.

East Cotton Valley Prospect

Building on its success at North Chapman Ranch, in June 2010, Range acquired a 13.56% interest in approximately 1,570 gross acres encompassing a recent oil discovery located in Red River County, Texas.

The East Texas Cotton Valley oil accumulation was discovered in March of 2008 with the drilling of a vertical well to approximately 5,500 ft. The initial well encountered more than 100 ft. of gross oil pay at approximately 5,300 ft and was immediately placed into production. A horizontal appraisal well spudded in December of 2008 encountered good quality reservoir in a lateral section approximately 1,500 ft. long, but was badly damaged during completion.

In conjunction with the acquisition of the Company's interest in East Cotton Valley, Range, through its technical consultants Texas Energy Advisors LLC, engaged Lonquist to compile geological, geophysical and engineering data and provide an Independent Reserves Report and Valuation for the prospect.

Lonquist's independent reserves report has estimated the following gross commercially recoverable reserves from the East Texas Cotton Valley Prospect:

<u>Category</u>	<u>Oil (mmbbls)</u>
Proved (P1)	1.5
Probable (P2)	1.2
Possible (P3)	2.7
Total Reserves	5.4

Set out below is Range's attributable interest in the gross recoverable reserves on 13.56% of the East Texas Cotton Valley Prospect:

<u>Category</u>	<u>Oil (mmbbls)</u>
Proved (P1)	0.20
Probable (P2)	0.16
Possible (P3)	0.36
Total Reserves	0.72

Based on the reserve numbers cited above, Lonquist's estimated net undiscounted cash flow value to Range, along with PW10 discounted cash flow (at a 10% discount rate) based on Nymex forward strip prices reported on 31 December 2009, following reductions for royalties, opex, capex, production taxes etc are as follows:

<u>Reserve Category</u>	<u>Undiscounted US\$</u>	<u>PW10</u>	<u>US\$</u>
Proved (P1)	8.5m		5.4m
Probable (P2)	7.0m		4.4m
Possible (P3)	14.7m		8.1m
Estimated Future Cashflow (Range's net interest)	30.2m		17.9m

Development of the shallow oil reservoir in the Cotton Valley formation is expected to begin during Q4 2010 with the drilling of a horizontal appraisal well, Morris 3H, expected to encounter good quality Cotton Valley sandstones along a horizontal well path approximately 2,500 ft. long. The well is projected to pass within 500 ft. of the Morris 2H well, the first horizontal well drilled in the project area. The Morris 2H encountered good quality Cotton Valley reservoir rock and oil saturation, but was badly damaged during completion. If successful, the Morris 3H could trigger a horizontal development drilling program of 20-25 wells, each of which could recover more than 225,000 barrels of oil at an expected completed well cost of approximately \$US1.6 million (Range 13%).

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DIRECTORS' REPORT

Capital Raising

During the year the Company successfully complete a number of capital raisings, including a fully subscribed non-renounceable rights issue, netting the Company circa \$26.7m. These funds were used to fund the acquisition of various assets acquired during the year, along with exploration and development expenditure and general working capital requirements.

FINANCIAL POSITION

The net assets of the economic entity have increased by \$28,637,384 from \$80,871,375 at 30 June 2009 to \$109,508,759 in 2010. This increase has largely resulted from the acquisitions and associated exploration and development expenditure during the year.

The directors believe the economic entity is in a strong and stable financial position to expand and grow its current operations.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

The following significant changes in the state of affairs of the parent entity occurred during the financial year:

- In July 2009, the Company signed a Heads of Agreement with unlisted UK Company, Strait Oil and Gas (UK) Limited ("Strait"), to acquire a 50% farm-in interest in two key oil and gas blocks in the Republic of Georgia, Eastern Europe.
- In September 2009, the Company signed a Exploration/Development Agreement with U.S. based, private oil and gas company, Crest Resources, Inc ("Crest"), to acquire a 25% working interest in the Smith # 1 well and a 20% interest in subsequent wells in the North Chapman Ranch project located in Nueces County, Texas.
- In June 2010, Range acquired a 13.56% interest in approximately 1,570 gross acres encompassing a recent oil discovery located in Red River County, Texas.
- During the year the Company successfully complete a number of capital raisings, including a fully subscribed non-renounceable rights issue, netting the Company circa \$26.7m.

AFTER BALANCE DATE EVENTS

- Range entered into a binding Heads of Agreement ("HOA") through SOCA Petroleum ("SOCA") to acquire its rights to a 10 percent interest in companies whose wholly owned subsidiaries hold production licences for three blocks in producing onshore oilfields in Trinidad and a major local drilling company.
 - Under the terms of the HOA, Range is required to pay two instalments:
 - US\$2m upon execution of definitive agreements; and
 - US\$2.25m upon formal completion of the acquisition.
- First production was achieved from the Company's second well in the North Capman Ranch Project - the Russel Bevely in September 2010. The well flowed naturally from just one of four identified pay zones. The first zone placed in production represents just 11 ft. of perforated Howell Hight formation within total net pay thickness of approximately 130 feet.

FUTURE DEVELOPMENTS, PROSPECTS AND BUSINESS STRATEGIES

To further improve the economic entity's profit and maximise shareholders wealth, the Company is committed to further developing the exploration potential of its Puntland Project and invite interested parties into joint venture arrangements. The Company has also expanded its oil and gas prospects with the acquisitions of the Georgian and Texan projects during the year, and subsequent to year end, the acquisition of interests in Trinidad.

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DIRECTORS' REPORT

LIKELY DEVELOPMENTS

Other than information disclosed elsewhere in this annual report, information on likely developments in the operations of the economic entity and the expected results of those operations in future financial years has not been included in this directors' report because the directors believe, on reasonable grounds, that to include such information would be likely to result in unreasonable prejudice to the economic entity.

ENVIRONMENTAL ISSUES

The economic entity's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

The Directors have considered compliance with the National Greenhouse and Energy Reporting Act 2007 which requires entities to report annual greenhouse gas emissions and energy use. For the first measurement period 1 July 2008 to 30 June 2009 and subsequent periods the directors have assessed that there are no current reporting requirements, but may be required to do so in the future.

INFORMATION ON DIRECTORS

Sir Samuel Jonah Hon D Sc (Exeter) MSc (Mineral Production Management) Experience	Non-Executive Chairman. Age 61 Sir Samuel Jonah is non-executive Chairman of Range Resources Limited. He is Executive Chairman of Jonah Capital (Pty) Limited, and investment holding company in South Africa and serves on the boards of various public and private companies, including The Standard Bank Group and Vodafone Group Plc. He previously worked for Ashanti Goldfields Company Limited, becoming Chief Executive Officer in 1986, and was formerly Executive President of AngloGold Ashanti Limited and oversaw its growth and listing as the first operating sub-Saharan African company on the NYSE. He is also a member of the Advisory Council of the President of the African Development Bank. He is an advisor to the Presidents of Ghana, South Africa, Nigeria and Namibia. An Honorary Knighthood was conferred on him by Her Majesty the Queen in 2003 and in 2006 he was awarded Ghana's highest national award, the Companion of the Order of the Star.
Interest in shares and options	Sir Samuel Jonah holds 15,506,298 ordinary shares, 4,135,013 \$0.05 listed options (expiring 31 December 2011) and 15,000,000 \$0.10 unlisted options (expiring 31 December 2011) in the Company.
Directorships held in other listed entities	During the past three years, Sir Samuel Jonah has served as a Director of other listed companies as follows: <ul style="list-style-type: none">• Moto Goldmines Ltd From: 01 August 2005

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DIRECTORS' REPORT

REMUNERATION REPORT (AUDITED)

This report details the nature and amount of remuneration for each director of Range Resources Limited.

(a) Remuneration Policy

The remuneration policy of Range Resources Limited has been designed to align director and executive objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific long-term incentives based on key performance areas affecting the economic entity's financial results. The Board of Range Resources Limited believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best executives and directors to run and manage the economic entity, as well as create goal congruence between directors, executives and shareholders.

The board's policy for determining the nature and amount of remuneration for board members and senior executives of the Company is as follows:

The remuneration policy, setting the terms and conditions for the executive directors and other senior executives, was developed and approved by the board.

Non-executive directors, executive directors and senior executives receive a base salary (which is based on factors such as length of service and experience), which is calculated on a total cost basis and includes any FBT charges related to employee benefits including motor vehicles, as well as employer contributions to superannuation funds.

Executive directors can be employed by the Company on a consultancy basis, on board approval, with remuneration and terms stipulated in individual consultancy agreements.

The board exercises its discretion in determining remuneration performance of executives. Given the size and nature of the entity, the board does not deem it to be realistic to measure performance against defined criteria. As such remuneration and performance are not linked.

All remuneration paid to directors and executives is valued at the cost to the Company and expensed. Shares given to directors and executives are valued as the difference between the market price of those shares and the amount paid by the director or executive. Unlisted options are valued using the Black-Scholes methodology.

The board policy is to remunerate non-executive directors at market rates for comparable companies for time, commitment and responsibilities. The Board determines payments to the non-executive directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. Fees for non-executive directors are not linked to the performance of the consolidated entity. The Directors are not required to hold any shares in the Company under the Constitution of the Company; however, to align directors' interests with shareholder interests, the directors are encouraged to hold shares in the Company.

Options are issued to directors and executives as part of remuneration. The options are not based on performance criteria, but are issued to directors and executives to increase goal congruence between executives, directors and shareholders.

Under the Company's share trading policy, all employees and Directors of the Company and its related companies are prohibited from trading in the Company's shares or other securities if they are in possession of "inside information".

The Board believes that it has implemented suitable practices and procedures that are appropriate for an organisation of this size and maturity.

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DIRECTORS' REPORT

REMUNERATION REPORT (AUDITED) (continued)

(i) Remuneration Committee

During the year ended 30 June 2010, the consolidated entity did not have a separately established nomination or remuneration committee. Considering the size of the consolidated entity, the number of directors and the consolidated entity's early stages of its development, the Board are of the view that these functions could be efficiently performed with full Board participation.

(ii) Company Performance, Shareholder Wealth and Directors and Executives Remuneration

No relationship exists between shareholder wealth, director and executive remuneration and Company performance.

(b) Key Management Personnel

NAME	POSITION HELD
Sir Samuel Jonah	Chairman
Mr Peter Landau	Executive Director
Mr Marcus Edward-Jones	Non-Executive Director
Mr Anthony Eastman	Executive Director / Company Secretary (appointed 15 June 2009)
Mr Liban Bogor	Executive Director (resigned 22 July 2008)
Mr Michael Povey	Executive Director (resigned 29 October 2008)
Ms Jane Flegg	Company Secretary (appointed 15 June 2009)

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DIRECTORS' REPORT

REMUNERATION REPORT (AUDITED) (continued)

(c) Details of Remuneration

The remuneration for each director (key management personnel) of the economic entity during the year was as follows:

2010	Short-Term Employee Benefits			Post Employment Benefits	Long Term Benefits	Share-based Payments	Total	% Share-based	Performance Related
	Cash Salary and Fees	Cash Bonus	Termination Benefits	Super-annuation	Long Service Leave	Options			
	\$	\$	\$	\$	\$	\$	\$	%	%
Directors & officers									
Sir Sam Jonah	-	-	-	-	-	345,000	345,000	100	-
Mr Landau	300,000	-	-	-	-	345,000	645,000	53	-
Mr Edwards-Jones	69,996	-	-	-	-	345,000	414,996	83	-
Mr Eastman	40,000	-	-	-	-	345,000	385,000	90	-
Ms Flegg ⁽ⁱ⁾	-	-	-	-	-	-	-	-	-
	409,996	-	-	-	-	1,380,000	1,789,996		

(i) Ms Flegg is an employee of Okap Ventures Pty Ltd and is paid a salary through Okap's consulting agreement with Range Resources Limited.

2009	Short-Term Employee Benefits			Post Employment Benefits	Long Term Benefits	Share-based Payments	Total	% Share-based	Performance Related
	Cash Salary and Fees	Cash Bonus	Termination Benefits	Super-annuation	Long Service Leave	Fully Paid Shares			
	\$	\$	\$	\$	\$	\$	\$	%	%
Directors & officers									
Sir Sam Jonah	-	-	-	-	-	-	-	-	-
Mr Landau	300,000	-	-	-	-	-	300,000	-	-
Mr Edwards-Jones	69,996	-	-	-	-	-	69,996	-	-
Mr Eastman	3,333	-	-	-	-	-	3,333	-	-
Mr Bogor	21,539	-	-	-	-	-	21,539	-	-
Mr Povey	100,000	-	324,869	-	-	50,000	474,869	11	-
Ms Flegg ⁽ⁱ⁾	-	-	-	-	-	-	-	-	-
	494,868	-	324,869	-	-	50,000	869,737		

(i) Ms Flegg is an employee of Okap Ventures Pty Ltd and is paid a salary through Okap's consulting agreement with Range Resources Limited.
There were no other Key Management Personnel during the year.
There were no specified executives during the year.

(d) Cash Bonuses

There were no cash bonuses paid during the year.

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DIRECTORS' REPORT

REMUNERATION REPORT (AUDITED) (continued)

(e) Share-based Payments

During the year, Sir Samuel, Mr Landau, Mr Edwards-Jones and Mr Eastman were issued 15,000,000 \$0.10 unlisted options (expiring 31 December 2011) as approved by shareholders at the general meeting held 19 March 2010 which were valued at \$1,380,000 at date of grant, in aggregate. The options vested immediately.

In the prior year, Mr Povey received \$25,000 worth of 1.5 cent unlisted options (expiry 31 May 2009), which were converted into shares (at a cost to the company of \$25,000), as part of his settlement agreement with Range Resources Limited. As per the rights issue, one 5 cent listed option (expiry 31 December 2011) was issued per 4 options purchased and three 5 cent listed options (expiry 31 December 2011) were issued per 4 options exercised.

There were no other share-based payments made during the year to key management personnel.

(f) Options issued as part of remuneration

The terms and conditions of each grant of options affecting remuneration in the previous, this or future reporting periods are as follows:

Grant Date	Date vested and exercisable	Expiry date	Exercise price	Value per option at grant date
19/03/10	19/03/10	31 December 2011	\$0.10	\$0.023

Additional Information

For grant of partly paid shares and options, the percentage of the available grant that was paid, or that was vested, in the financial year, and the percentage that were forfeited or expired is set out below. The options vest immediately and there were no performance conditions attached to the granting of vesting of the options.

The options and partly paid shares on issue to key management personnel as part of remuneration for years ended 30 June 2009 and 2010 are shown below:

Name	Year granted & vested immediately	Number granted	Options			Minimum total value of grant yet to vest	Maximum total value of grant yet to vest
			Vested	Forfeited	Expired		
Mr Edwards-Jones	2010	15,000,000	100%	-	-	-	-
Mr Landau	2010	15,000,000	100%	-	-	-	-
Sir Samuel Jonah	2010	15,000,000	100%	-	-	-	-
Mr Eastman	2010	15,000,000	100%	-	-	-	-
Mr Povey	2009	1,666,667	100%	-	-	-	-

In the current and prior financial years neither, Liban Bogor nor Jane Flegg had anything to be disclosed in the above table. There were no shares issued during the current or prior year as a result of the exercise of the above options by directors or key management personnel.

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DIRECTORS' REPORT

REMUNERATION REPORT (AUDITED) (continued)

(g) Employment Contracts of Directors and Senior Executives

On appointment to the Board, new Executive Directors enter into a consultancy agreement with the company. The agreement sets out their duties, remuneration and place of service. Remuneration and other terms of employment for the Managing Director and Executive Director are formalised in employment agreements. These contracts may be terminated early wherein the employee must give six months notice. When the company terminates the contract, he will be entitled to his salary for the balance of any part of the term remaining.

P. Landau as Executive Director and Officer

Contract term – 3 years from 1 July 2006

Base payment - \$300,000 per annum, laptop computer and mobile phone.

Notice period – 6 months

Termination benefits – payment in lieu of any untaken Annual Leave in addition to salary for the balance of the term of the contract

Mr Landau's contract expired on 30 June 2009. New terms are currently being negotiated and in the mean time, the existing terms and conditions are applied.

M. Edwards-Jones as Non-Executive Director

Contract term – 3 years from 15 August 2006

Base payment - \$70,000 per annum

Notice period – 6 months

Termination benefits – salary for the balance of the term of the contract

Mr Edwards-Jones' contract expired on 14 August 2009. New terms are currently being negotiated and in the mean time, the existing terms and conditions are applied.

A. Eastman as Executive Director

Contract term – 3 years from 15 June 2009

Base payment - \$40,000 per annum

Notice period – 6 months

Termination benefits – salary for the balance of the term of the contract

(h) Partly Paid Shares Issued to Directors

During the year ended 30 June 2007, Partly Paid Shares were allotted and issued to directors at an issue price of \$0.60 each and were deemed to have been paid up to \$0.30 each leaving \$0.30 payable by the holder within 13 months of the date of issue as follows:

Michael Povey	1,500,000
Peter Landau	1,500,000
Marcus Edward-Jones	750,000

**RANGE RESOURCES LIMITED
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DIRECTORS' REPORT

REMUNERATION REPORT (AUDITED) (continued)

(h) Partly Paid Shares Issued to Directors (continued)

The primary purpose of the partly paid shares was to provide a cost effective consideration of work to be done by the Directors for the Company and for recognition of Directors efforts in negotiating and securing the acquisition of the Puntland Project. The terms of the partly paid shares are ambiguous, given they state that the holder is able to elect, at their sole and absolute discretion, to pay up the shares. It was never the intention of the Board to issue partly paid shares that would require the Directors (without any discretionary election) to pay up any unpaid portion of the shares. Accordingly, on 10 February 2008, and following uncertainty as to the ability to exercise the partly paid shares, those directors entitled to consider the matter (and not having a material personal interest) being Messrs Sam Jonah and Liban Bogor, resolved in accordance with clause 32.9 of the Company's constitution that the shares be forfeited and that payment will not be enforced with regards to the unpaid balance of capital. The Board will obtain the necessary resolutions for a selective reduction and cancellation of these partly paid shares through a meeting of shareholders at some time in the future. The accounts at 30 June 2010 do not reflect the cancellation of the partly paid shares.

End of Audited Remuneration Report

MEETINGS OF DIRECTORS

During the financial year, 5 meetings of the board of directors were held. Attendances by each director during the year were as follows:

Director	Board Meetings	
	Attended	Held ⁽ⁱ⁾
Samuel Jonah	3	3
Peter Landau	3	3
Marcus Edwards-Jones	3	3
Anthony Eastman	3	3

(i) Number held during period in which the director held office

INDEMNIFYING OFFICERS OR AUDITOR

In accordance with the constitution, except where prohibited by the Corporations Act 2001, every director, principal executive officer or secretary of the Company shall be indemnified out of the property of the Company against any liability incurred by him/her in his/her capacity as director, principal executive officer or secretary of the Company or any related corporation in respect of any act or omission whatsoever and howsoever occurring or in defending any proceedings whether civil or criminal.

During the financial year, the Company has paid premiums to insure the Directors against certain liabilities arising out of the conduct of acting as an officer of the Company. Under the terms and conditions of the insurance contract, the nature of liabilities insured against and the premium paid cannot be disclosed.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied for leave of Court to ring proceedings on behalf of the Company intervene in any proceedings to such the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

**RANGE RESOURCES LIMITED
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DIRECTORS' REPORT

OPTIONS

At the date of this report, the unissued ordinary shares of Range Resources Limited under option are as follows:

Date of Expiry	Exercise Price	Number Under-Option
01/10/2010	\$1.00	64,897,125
31/12/2011	\$0.05	437,257,818
31/12/2011	\$0.10	60,000,000
30/06/2012	\$0.50	3,177,029
31/03/2015	\$0.05	18,845,645
		584,177,617

During the year ended 30 June 2010, 7,523,480 (2009: 105,517,218) ordinary shares of Range Resources Limited were issued on the exercise of options.

The holders of these options do not have any rights under the options to participate in any share issues of the company.

CORPORATE GOVERNANCE

In recognising the need for the highest standards of corporate behaviour and accountability, the directors of Range Resources Limited support and have adhered to the principles of Corporate Governance. The Company's Corporate Governance Statement is contained in the Corporate Governance section of the Financial Report (pages 78 to 80).

LOANS TO DIRECTORS AND EXECUTIVES

Information on loans to directors and executives including amounts, interest rates and repayment terms are set out in Note 27 to the financial statements.

RANGE RESOURCES LIMITED
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DIRECTORS' REPORT

NON-AUDIT SERVICES

There were no non-audit services provided by BDO Audit (WA) Pty Ltd or associated entities during the year.

The following fees in relation to audit/review services were paid/payable to the external auditors during the year ended 30 June 2010:

BDO Audit (WA) Pty Ltd	\$76,221
------------------------	----------

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration, as required under Section 307C of the *Corporations Act 2001*, for the year ended 30 June 2010 has been received and can be found on page 23 of the directors' report.

Signed in accordance with a resolution of the Board of Directors.



Mr P Landau
Executive Director

Dated this 30th day of September 2010

30 September 2010

The Directors
Range Resources Limited
Ground Floor, 1 Havelock Street
WEST PERTH WA 6005

Dear Sirs

DECLARATION OF INDEPENDENCE BY GLYN O'BRIEN TO THE DIRECTORS OF RANGE RESOURCES LIMITED

As lead auditor of Range Resources Limited for the year ended 30 June 2010, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Range Resources Limited and the entities it controlled during the period.



Glyn O'Brien
Director



BDO Audit (WA) Pty Ltd
Perth, Western Australia

RANGE RESOURCES LIMITED
AND CONTROLLED ENTITIES
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STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED
30 JUNE 2010

	Note	Consolidated	
		2010	2009
		\$	\$
Revenue from continuing operations			
Revenue from continuing operations	3	581,102	155,016
Other income	3	138,332	27,147
Expenses from continuing operations			
Operating costs	4	(237,643)	-
Finance costs	4	(75,769)	(8,441)
Depreciation expense	4	(49,407)	(40,964)
Directors fees	6	(409,996)	(494,868)
Directors remuneration	6	-	(324,869)
Directors share based payment	6 & 26	(1,380,000)	(50,000)
Corporate management services		(700,000)	(388,000)
Consultants		(3,542,487)	(1,612,772)
Foreign exchange loss		(337,600)	-
Marketing and public relations		(550,431)	(124,477)
Costs associated with AIM listing		(181,775)	(152,422)
Travel expenditure		(397,377)	(293,447)
Write down of available for sale assets		(1,097,624)	(2,552,750)
Other expenses	4	(597,911)	(1,522,219)
Loss before income tax expense from continuing operations		(8,838,586)	(7,383,066)
Income tax expense	5	-	-
Loss after tax from continuing operations		(8,838,586)	(7,383,066)
Loss from discontinued operations	8	-	(1,140,132)
Loss for the year attributable to equity holders of Range Resources Limited		(8,838,586)	(8,523,198)
Other comprehensive income			
Revaluation of available for sale assets		12,250	835,439
Other comprehensive income for the year, net of tax		12,250	835,439
Total comprehensive loss attributable to equity holders of Range Resources Limited		(8,826,336)	(7,687,759)
Overall operations			
EPS from continuing operations:			
Basic loss per share (cents per share)	9	(1.4)	(3.2)
Diluted loss per share (cents per share)		n/a	n/a
EPS from discontinued operations:			
Basic loss per share (cents per share)	9	-	(0.5)
Diluted loss per share (cents per share)		-	n/a

The Company's potential ordinary shares were not considered dilutive (refer Note 9).

The accompanying notes form part of these financial statements.

RANGE RESOURCES LIMITED
AND CONTROLLED ENTITIES
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STATEMENT OF FINANCIAL POSITION
AS AT
30 JUNE 2010

	Note	Consolidated	
		2010 \$	2009 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	10	7,398,470	416,417
Trade and other receivables	11	2,038,997	42,451
Other current assets	12	200,000	52,225
TOTAL CURRENT ASSETS		9,637,467	511,093
NON-CURRENT ASSETS			
Financial assets available for sale	13	420,147	1,191,689
Property, plant and equipment	15	24,837	49,779
Exploration & Evaluation Expenditure	16	83,848,855	79,888,841
Development Assets	17	3,359,401	-
Prepayments for Investments	18	13,811,660	-
TOTAL NON-CURRENT ASSETS		101,464,900	81,130,309
TOTAL ASSETS		111,102,367	81,641,402
CURRENT LIABILITIES			
Trade and other payables	19	1,587,397	770,027
Provision		6,211	-
TOTAL LIABILITIES		1,593,608	770,027
NET ASSETS		109,508,759	80,871,375
EQUITY			
Contributed equity	20	137,327,825	104,063,285
Reserves	21	16,490,760	12,279,180
Accumulated losses		(44,309,826)	(35,471,090)
TOTAL EQUITY		109,508,759	80,871,375

The accompanying notes form part of these financial statements.

RANGE RESOURCES LIMITED
AND CONTROLLED ENTITIES
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STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED
30 JUNE 2010

Consolidated

	Note	Contributed Equity \$	Share-based Payment Reserve \$	Option Premium Reserve \$	Available for Sale Investment Revaluation Reserve \$	Accumulated Losses \$	Total Equity \$
Balance at 30 June 2008		101,619,057	931,939	10,918,214	(835,439)	(28,347,985)	84,285,786
Revaluation in investments		-	-	-	835,439	-	835,439
Transferred to accumulated losses	21	-	(762,854)	(637,239)	-	1,400,093	-
Loss attributable to members of the company		-	-	-	-	(8,523,198)	(8,523,198)
<i>Total comprehensive income and expense for the year</i>		-	(762,854)	(637,239)	835,439	(7,123,105)	(7,687,759)
Transactions with owners in their capacity as owners:							
Issue of share capital	20(a)	955,000	-	-	-	-	955,000
Exercise of options	20(a)	1,585,237	-	-	-	-	1,585,237
Issue costs	21(b)	(96,009)	-	(39,351)	-	-	(135,360)
Issue of options	21(b)	-	-	1,569,787	-	-	1,569,787
Cost of share-based payment		-	298,684	-	-	-	298,684
Balance at 30 June 2009		104,063,285	467,769	11,811,411	-	(35,471,090)	80,871,225
Revaluation in investments		-	-	-	12,250	-	12,250
Loss attributable to members of the company		-	-	-	-	(8,838,586)	(8,838,586)
<i>Total comprehensive income and expense for the year</i>		-	-	-	12,250	(8,838,586)	(8,826,336)
Transactions with owners in their capacity as owners:							
Issue of share capital	20(a)	34,904,421	-	-	-	-	34,904,421
Exercise of options	20(a)	380,032	-	-	-	-	380,032
Issue costs	20	(2,019,913)	-	-	-	-	(2,019,913)
Cost of share-based payment		-	4,199,330	-	-	-	4,199,330
Balance at 30 June 2010		137,327,825	4,667,099	11,811,411	12,250	(44,309,826)	109,508,759

The accompanying notes form part of these financial statements.

**RANGE RESOURCES LIMITED
AND CONTROLLED ENTITIES
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**STATEMENT OF CASH FLOWS
FOR YEAR ENDED
30 JUNE 2010**

	Note	Consolidated	
		2010 \$	2009 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		513,678	-
Payments to suppliers and employees		(4,227,015)	(2,411,819)
Interest received		18,407	56,484
Interest & other finance costs		(72,943)	(2,860)
Net cash outflow from operating activities	25	<u>(3,767,873)</u>	<u>(2,358,195)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for property, plant & equipment		(5,842)	(168,420)
Payment for development assets		(3,371,814)	-
Payment for investments		(10,282,357)	-
Payments for exploration and evaluation assets		(3,718,227)	(3,974,922)
Loans to external parties		(193,185)	-
Net cash outflow from investing activities		<u>(17,571,425)</u>	<u>(4,143,342)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of equity		28,264,974	2,915,955
Payment of equity issue costs		(1,543,625)	(135,361)
Proceeds from borrowings		1,600,000	-
Net cash inflow from financing activities		<u>28,321,350</u>	<u>2,780,594</u>
Net increase / (decrease) in cash and cash equivalents		6,982,053	(3,720,943)
Cash and cash equivalents at beginning of financial year		416,417	4,137,360
Cash and cash equivalents at end of financial year	10	<u>7,398,470</u>	<u>416,417</u>

The accompanying notes form part of these financial statements.

RANGE RESOURCES LIMITED
AND CONTROLLED ENTITIES
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2010

Note 1: Statement of Significant Accounting Policies

The financial statements are a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

The financial statements cover the consolidated entity of Range Resources Limited and controlled entities. Separate financial statements of Range Resources Limited are no longer presented as a result of a change to the Corporations Act 2001. Financial information for Range Resources Limited as an individual entity is disclosed in note 28. Range Resources Limited is a listed public company, incorporated and domiciled in Australia.

The following is a summary of the material accounting policies adopted by the consolidated entity in the preparation of the financial statements. The accounting policies have been consistently applied, unless otherwise stated.

Basis of Preparation

Reporting Basis and Conventions

The financial statements have been prepared on an accruals basis and are based on historical costs modified by the revaluation of selected non-current assets, and financial assets and financial liabilities for which the fair value basis of accounting has been applied.

Compliance with IFRS

The financial statements of Range Resources Limited also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). The financial statements were approved by the Board of Directors on 30 September 2010.

Functional and presentation currency

These consolidated financial statements are presented in Australian dollars, which is the functional currency of the consolidated entity.

Going concern

The consolidated entity had a net working capital surplus at 30 June 2010 of \$8,043,859 (2009: deficit of \$258,934), a loss after tax of \$8,838,856 (2009: \$7,383,066) and a net cash outflow from operating activities of \$3,767,873 (2009: \$2,358,195). The capital, expenditure and remuneration commitments of the consolidated entity for the 2011 financial year as at reporting date are \$8,435,578 (2009: \$16,650,729), refer Note 22. The ability of the entity to continue as a going concern is dependant on the ability of the entity to raise further funds and/or the sale of assets as and when required.

Adoption of new and revised accounting standards

In the current year, the consolidated entity has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for the current annual reporting period.

Financial statement presentation

The consolidated entity has applied the revised AASB 101: Presentation of Financial Statements, which became effective on 1 January 2009. The revised standard required that separate presentation of a statement of comprehensive income and a statement of changes in equity. All non-owner changes in equity must now be presented in the statement of comprehensive income. As a consequence, the consolidated entity had to change the presentation of its financial statements. Comparative information has been re-presented so that it is also in conformity with the revised standard.

RANGE RESOURCES LIMITED
AND CONTROLLED ENTITIES
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2010

Note 1: Statement of Significant Accounting Policies (continued)

The impact of standards and interpretations that have been published but are not mandatory for 30 June 2010 reporting periods and have not been early adopted are disclosed within Note 31. There were no standards that were early adopted as of 30 June 2010.

Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements, and have been applied consistently by the consolidated entity.

(a) Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Range Resources Limited ("parent entity") as at 30 June 2010 and the results of all subsidiaries for the year then ended. Range Resources Limited and its subsidiaries together are referred as "consolidated entity".

Subsidiaries are all those entities (including special purpose entities) over which the consolidated entity has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the consolidated entity controls another entity.

Where controlled entities have entered or left the consolidated entity during the year, their operating results have been included/excluded from the date control was obtained or until the date control ceased. A list of controlled entities is contained in Note 14 to the financial statements. All controlled entities have a June financial year-end.

All inter-company balances and transactions between entities in the consolidated entity, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistencies with those policies applied by the parent entity.

Associates are all entities over which the consolidated entity has significant influence but not control or joint control, generally accompanying a shareholding of between 20-50% of the voting rights. Investments in associates are accounted for in the consolidated financial statements using the equity method of accounting, after initially being recognised at costs.

The consolidated entity has changed its accounting policy for transactions with non-controlling interests and the accounting for loss of control, joint control or significant influence from 1 July 2009 when a revised AASB 127: Consolidated and Separate Financial Statements became operative. The revisions to AASB 127 contained consequential amendments to AASB 128: Investments in Associates and AASB 131: Interests in Joint Ventures.

The consolidated entity has applied the new policy prospectively to transactions occurring on or after 1 July 2009. As a consequence, no adjustments were necessary to any of the amounts previously recognised in the financial statements.

(b) Income tax

The charge for current income tax expense is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using tax rates that have been enacted or are substantively enacted by the reporting date within each jurisdiction.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled. Deferred tax is credited in the profit or loss except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

**RANGE RESOURCES LIMITED
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2010**

Note 1: Statement of Significant Accounting Policies (continued)

(b) Income tax (continued)

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the consolidated entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the consolidated entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

(c) Property, plant and equipment

Plant and equipment are measured on the historical cost basis less accumulated depreciation and impairment losses.

The cost of fixed assets constructed within the consolidated entity includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the consolidated entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the profit or loss during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets including capitalised lease assets is depreciated on a straight-line basis over their useful lives to the consolidated entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable asset are:

Class of Fixed Asset	Depreciation Rate
Plant & Equipment	11.25% - 33%

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the profit or loss. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to accumulated losses.

RANGE RESOURCES LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2010

Note 1: Statement of Significant Accounting Policies (continued)

(d) Exploration and evaluation expenditure and the recognition of assets

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

The recoverability of the carrying amount of the exploration and evaluation assets is dependent on the successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

The carrying values of expenditures carried forward are reviewed for impairment at each reporting date when the facts, events or changes in circumstances indicate that the carrying value may be impaired.

Accumulated expenditures are written off to the profit or loss to the extent to which they are considered to be impaired.

Range Resources Limited is applying *AASB 6 Exploration for and Evaluation of Mineral Resources* which is equivalent to IFRS 6. The carrying value of exploration and evaluation expenditure is historical cost less accumulated amortisation less impairment.

(e) Development assets

Upon the commencement of commercial production from each identifiable area of interest, the exploration and evaluation expenditure incurred up to that point is reclassified to development assets.

When production commences, the accumulated costs for the relevant area of interest are amortised on a units of production method based on the ratio of actual production to remaining proved reserves (P1) as estimated by independent petroleum engineers over the life of the area according to the rate of depletion of the economically recoverable reserves.

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the item will flow to the consolidated entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the profit and loss during the financial period in which they are incurred.

The carrying amount of development assets is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the profit or loss. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to accumulated losses.

Costs of site restoration are provided over the life of the facility from when exploration commences and are included in the costs of that stage. These costs are included in development assets on the statement of financial position. Site restoration costs include the dismantling and removal of plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with clauses of the mining permits. Such costs determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

**RANGE RESOURCES LIMITED
AND CONTROLLED ENTITIES
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2010**

Note 1: Statement of Significant Accounting Policies (continued)

(e) Development assets (continued)

Any changes in the estimates for the restoration costs are accounted on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly the costs have been determined on the basis that the restoration will be completed within one year of abandoning the site.

(f) Financial instruments

Financial instruments are included in cash and cash equivalents, trade and other receivables and financial assets available-for-sale in the statement of financial position of the consolidated entity.

Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition, these instruments are measured as set out below.

The consolidated entity classifies its financial assets in the following categories, loans and receivables and available-for-sale investments. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Available-for-sale financial assets

Available-for-sale financial assets include non-derivative financial assets designated in this category not included in any of the other categories. Available-for-sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are taken directly to the available for sale investment revaluation reserve in equity. Investments are designated as available-for-sale if they do not have fixed maturities and fixed determinable payments and management intends to hold them for the medium to long term.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities held at cost less impairment, including recent arm's length transactions, reference to similar instruments and option pricing models.

Changes in the fair value of monetary securities denominated in a foreign currency and classified as available-for-sale are analysed between translation differences resulting from changes in amortised cost of the security and other changes in the carrying amount of the security. The translation differences related to changes in the amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in the available for sale investment revaluation reserve in equity. Changes in the fair value of other monetary and non-monetary securities classified as available-for-sale are recognised in equity.

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**NOTES TO THE FINANCIAL STATEMENTS
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Note 1: Statement of Significant Accounting Policies (continued)

(f) Financial instruments (continued)

Impairment of assets

The consolidated entity assesses at each reporting date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of a security below its cost is considered as an indicator that the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and included in the profit or loss. Impairment losses recognised in the income statement on equity instruments classified as available-for-sale are not reversed through the profit or loss.

Recognition and derecognition

Regular purchases and sales of financial assets are recognised on trade-date – the date on which the consolidated entity commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the consolidated entity has transferred substantially all the risks and reward of ownership.

When the securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in equity are included in the profit or loss as gains and losses for investment securities.

(g) Foreign currency transactions and balances

Functional and presentation currency

The functional currency of each entity within the consolidated entity is determined using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

Transaction and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the profit or loss.

Exchange differences arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity; otherwise the exchange difference is recognised in the profit or loss.

Group companies

All economic entity companies operate in a functional currency that is the same as the consolidated entity's presentation currency, Australian dollars (AUD).

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Note 1: Statement of Significant Accounting Policies (continued)

(h) Provisions

Provisions for legal claims, service warranties and make good obligations are recognised when the consolidated entity has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects the current market assessments of the time value of money and the risk specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

(i) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

(j) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Trade receivables are generally due for settlement within 30 days.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off by reducing the carrying amount directly. An allowance account (provision for impairment of trade receivables) is used when there is objective evidence that the consolidated entity will not be able to collect all amounts due, according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The amount of impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

The amount of impairment loss is recognised in the profit or loss within other expenses. When a trade receivable, for which an impairment allowance had been recognised, becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in the profit or loss.

(k) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates and amounts collected on behalf of third parties. Revenue is recognized when the amount of revenue can be reliably measured, and it is probable that future economic benefits will flow to the consolidated entity.

Revenue from the sale of oil and gas and related products is recognised when the consolidated entity has transferred to the buyer the significant risks and rewards of ownership and the amounts can be measured reliably. In the case of oil, this usually occurs at the time of lifting.

Interest revenue is recognised on a time proportion basis taking into account the interest rates applicable to the financial assets.

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Note 1: Statement of Significant Accounting Policies (continued)

(l) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(m) Comparative figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(n) Discontinued operations

A discontinued operation is a component of the consolidated entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately on the face of the statement of comprehensive income.

(o) Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement for disclosure purposes.

The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the consolidated entity is the current bid price.

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. The consolidated entity uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash follows at the current market interest rate that is available to the consolidated entity for similar financial instruments.

(p) Trade and other payables

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

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Note 1: Statement of Significant Accounting Policies (continued)

(q) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the financial year but not distributed at reporting date.

(r) Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(s) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing the profit or loss attributable to equity holders of the company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares.

(t) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the strategic steering committee.

Change in accounting policy

The Group adopted AASB 8: Operating Segments from 1 July 2009. AASB replaces AASB 114: Segment Reporting. The new standard requires the management approach, under which segment information is presented on the same basis as that used for internal reporting purposes. This has resulted in an increased number of reportable segments presented. In addition, the segments are reported in a manner that is consistent with the internal reporting provided to the chief operating decision maker.

Note 2: Critical accounting estimates and judgements

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the consolidated entity. Areas involving a higher degree of judgement or complexity, or areas where estimations and assumptions are significant to the financial statements are disclosed here.

Exploration and evaluation expenditure

Exploration and evaluation expenditure for each area of interest is carried forward as an asset provided certain conditions listed in Note 1(d) are met. Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. These calculations and reviews require the use of assumptions and judgement. The related carrying amounts are disclosed in Note 16.

Development asset expenditure

The classification of exploration and evaluation expenditure to development asset is based on the time of first commercial production. Development asset expenditure for each area of interest is carried forward as an asset provided certain conditions listed in Note 1(e) are met and depreciated on a unit of production basis on P1 reserves. P1 reserves have been determined by an independent expert.

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Note 2: Critical accounting estimates and judgements (continued)

Development assets are assessed for impairment when facts and circumstances suggest that the carrying amount of a development asset may exceed its recoverable amount. These timings, calculations and reviews require the use of assumptions and judgement. The related carrying amounts are disclosed in Note 17.

Share-based payments

The Black-Scholes valuation model was used to value share-based payments made in the period to consultants when there was no active market available. As such, certain assumptions are made based on historical data which may not be reflective of future events. Note 26 details these assumptions.

Financial assets available-for-sale

The value of the investment in Pangaea Energy Limited, an unlimited company incorporated in the UK, is carried at cost, as there is no active market for re-valuation. Given the developments in Kyrgystan in the later half of the financial year, where Pangea has areas of interest, Range believes the investment in Pangaea Energy shows indication of impairment and as such provided in full against the cost of the investment. Refer to Note 13.

Note 3: Revenue

	Consolidated	
	2010	2009
	\$	\$
From continuing operations		
– revenue from sale of goods	562,695	-
– interest received	18,407	155,016
	581,102	155,016
– other income	138,332	27,147
	719,434	182,163

Note 4: Expenses

	Consolidated	
	2010	2009
	\$	\$
Loss before income tax includes the following specific expenses:		
(a) Expenses		
Depreciation		
- continuing operations	49,407	40,964
- discontinued operations	-	24,385
Total depreciation	49,407	65,349
Operating Cost		
- operating expenditure	237,643	-
Total operating cost	237,643	-
Finance costs		
- external	75,769	8,441
Total finance costs	75,769	8,441
Other expenses		
Audit fees	76,221	70,453
Taxation advice	29,098	228,699
Insurance	82,300	76,391
Share registry expenses	91,128	120,612
Loss on settlement of Ram loan	-	387,007
Write off bad debt	-	240,668
Other expenses	319,164	398,389
Total other expenses	597,911	1,522,219

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Note 4: Expenses (continued)

(b)	Significant revenue and expenses		
	The following significant revenue and expense items are relevant in explaining the financial performance:		
	Director options/shares granted	1,380,000	50,000

For details, refer to Note 6.

Note 5: Income Tax Expense

		Consolidated	
		2010	2009
		\$	\$
(a)	Income tax expense		
	Current tax	-	-
	Deferred tax	-	-
	Adjustments for current tax of prior periods	-	-
		-	-
(b)	The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax as follows:		
		(8,838,586)	(8,523,198)
	Prime facie tax payable on profit from ordinary activities before income tax at 30% (2009: 30%)		
	– economic entity	(2,651,576)	(2,556,959)
		(2,651,576)	(2,556,959)
	Add:		
	Tax effect of:		
	– other non-allowable items	1,066,091	1,220,229
		(1,585,485)	(1,336,730)
	Less:		
	Tax effect of:		
	– timing differences not brought to account as deferred tax assets	(71,157)	-
	– other non-allowable items	(205,612)	(8,911)
	Deferred tax asset in relation to tax losses not recognised	1,862,254	1,345,641
	Income tax attributable to entity	-	-
	The applicable weighted average effective tax rates are as follows:	-	-

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Note 5: Income Tax Expense (continued)

		Consolidated	
		2010	2009
		\$	\$
(c)	Deferred tax assets		
	- temporary differences	-	-
	- tax losses:		
	- operating losses	7,056,649	5,194,395
	- capital losses	947,385	947,385
		8,004,034	6,141,780
	Deferred tax liabilities		
	- temporary differences	-	-
	Net deferred tax assets	8,004,034	6,141,780

Deferred tax assets not brought to account, the benefits of which will only be realised if the conditions for deductibility set out in Note 1(b) occur

Note 6: Key Management Personnel Compensation

(a) Directors

The following persons were directors of Range Resources Limited during the financial year:

(i) *Executive Directors*

Mr Peter Landau
Mr Anthony Eastman

(ii) *Non-executive Directors*

Sir Samuel Jonah
Mr Marcus Edwards-Jones

(iii) *Other Key Management Personnel – Joint Company Secretary*

Jane Flegg
Anthony Eastman

(b) Other key management personnel

There were no other key management personnel during the financial year.

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Note 6: Key Management Personnel Compensation (continued)

(c) Key management personnel compensation

	Consolidated	
	2010	2009
	\$	\$
Short-term employee benefits	409,996	494,868
Post-employment benefits	-	-
Termination benefits	-	324,869
Share-based payments	1,380,000	50,000
	1,789,996	869,737

The company has transferred the detailed remuneration disclosures to the Audited Remuneration Report contained in the Directors' Report.

(d) Equity instrument disclosures relating to key management personnel

(i) Options provided as remuneration and shares issued on exercise of such options

Details of options provided as remuneration and shares issued on the exercise of such options, together with terms and conditions of the options, can be found below and section (f) of the Audited Remuneration Report.

(ii) Option holdings

The numbers of options over ordinary shares in the company held during the financial year or at time of resignation by each director and officer of Range Resources Limited, including their personally related parties, are set out below

Option Holdings

2010	Balance at the start of the year	Granted during the year as compensation	Exercised during the year	Other changes during the year	Balance at the end of the year	Vested and exercisable	Balance held indirectly
Sir Sam Jonah	4,135,013	15,000,000	-	-	19,135,013	19,135,013	19,135,013
Mr Landau	5,000,000	15,000,000	-	-	20,000,000	20,000,000	20,000,000
Mr Edwards-Jones	300,000	15,000,000	-	-	15,300,000	15,300,000	15,225,000
Mr Eastman	1,000,000	15,000,000	-	-	16,000,000	16,000,000	16,000,000
Ms Flegg	-	-	-	-	-	-	-
Total	10,435,013	60,000,000	-	-	70,435,013	70,435,013	70,360,013

No options are vested and unexercisable at the end of the year.

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Note 6: Key Management Personnel Compensation (continued)

2009	Balance at the start of the year	Granted during the year as compensation	Participation in rights issue	Exercised during the year	Other changes during the year	Balance at the end of the year	Vested and exercisable	Balance held indirectly
Sir Sam Jonah	-	-	8,270,026	(4,135,013)	-	4,135,013	4,135,013	4,135,013
Mr Landau	-	-	10,000,000	(5,000,000)	-	5,000,000	5,000,000	5,000,000
Mr Edwards-Jones	-	-	600,000	(300,000)	-	300,000	300,000	-
Mr Eastman ⁽ⁱ⁾	-	-	-	-	1,000,000	1,000,000	1,000,000	1,000,000
Mr Bogor ⁽ⁱⁱ⁾	-	-	-	-	-	-	-	-
Mr Povey ⁽ⁱⁱⁱ⁾	-	1,666,667	-	-	(1,666,667)	-	-	-
Ms Flegg	-	-	-	-	-	-	-	-
Total	-	1,666,667	18,870,026	(9,435,013)	(666,667)	10,435,013	10,435,013	10,135,013

(i) Mr Eastman held 1,000,000 options upon his appointment as a director of Range Resources Limited.

(ii) Mr Bogor resigned on 22 July 2008

(iii) Mr Povey resigned on 29 October 2008

(iii) Fully paid share holdings

The numbers of shares in the company held during the financial year or at time of resignation by each director of Range Resources Limited, including their personally related parties, are set out below

Shareholdings

2010	Balance at the start of the year	Granted during the year as compensation	Participation in rights issue ⁽ⁱ⁾	Other changes during the year	Balance at the end of the year	Balance held indirectly
Sir Sam Jonah	12,405,038	-	3,101,260	-	15,506,298	15,506,298
Mr Landau	5,000,000	-	1,250,000	-	6,250,000	6,250,000
Mr Edwards-Jones	900,000	-	225,000	-	1,125,000	1,125,000
Mr Eastman	1,000,000	-	250,000	-	1,250,000	1,250,000
Ms Flegg	-	-	-	-	-	-
Total	19,305,038	-	4,826,260	-	24,131,298	24,131,298

(i) All directors took up their entitlement in the non-renounceable rights issue during the year.

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Note 6: Key Management Personnel Compensation (continued)

2009	Balance at the start of the year	Granted during the year as compensation	Received during the year on the exercise of options	Other changes during the year	Balance at the end of the year	Balance held indirectly
Sir Sam Jonah	8,270,025	-	4,135,013	-	12,405,038	12,405,038
Mr Landau	-	-	5,000,000	-	5,000,000	5,000,000
Mr Edwards-Jones	600,000	-	300,000	-	900,000	-
Mr Eastman ⁽ⁱ⁾	-	-	-	1,000,000	1,000,000	1,000,000
Mr Bogor ⁽ⁱⁱ⁾	-	-	-	-	-	-
Mr Povey ⁽ⁱⁱⁱ⁾	-	1,666,667	-	(1,666,667)	-	-
Ms Flegg	-	-	-	-	-	-
Total	8,870,025	1,666,667	9,435,013	(666,667)	19,305,038	18,405,038

(i) Mr Eastman held 1,000,000 shares upon his appointment as a director of Range Resources Limited.

(ii) Mr Bogor resigned on 22 July 2008

(iii) Mr Povey resigned on 29 October 2008. He received \$25,000 worth of 1.5 cent unlisted options (expiry 31 May 2009) which were converted into shares (at a cost to the company of \$25,000) as part of his settlement agreement with Range Resources Limited. As per the rights issue, one 5 cent listed option (expiry 31 December 2011) was issued per 4 options purchased and three 5 cent listed options (expiry 31 December 2011) were issued per 4 options exercised.

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Note 6: Key Management Personnel Compensation (continued)

(d) Equity instrument disclosures relating to key management personnel (continued)

(iv) Partly paid shareholdings (refer note 20d)

The numbers of shares in the company held during the financial year or at time of resignation by each director of Range Resources Limited, including their personally related parties, are set out below

Partly paid shareholdings

2010	Balance at the start of the year	Granted during the year as compensation	Other changes during the year	Balance at the end of the year	Balance held indirectly
Sir Sam Jonah	-	-	-	-	-
Mr Landau	1,500,000	-	-	1,500,000	1,500,000
Mr Edwards-Jones	750,000	-	-	750,000	750,000
Mr Eastman	-	-	-	-	-
Ms Flegg	-	-	-	-	-
Total	2,250,000	-	-	2,250,000	2,250,000

2009	Balance at the start of the year	Granted during the year as compensation	Other changes during the year	Balance at the end of the year	Balance held indirectly
Sir Sam Jonah	-	-	-	-	-
Mr Landau	1,500,000	-	-	1,500,000	1,500,000
Mr Edwards-Jones	750,000	-	-	750,000	-
Mr Eastman	-	-	-	-	-
Mr Bogor ⁽ⁱ⁾	-	-	-	-	-
Mr Povey ⁽ⁱⁱ⁾	1,500,000	-	(1,500,000)	-	-
Ms Flegg	-	-	-	-	-
Total	3,750,000	-	(1,500,000)	2,250,000	1,500,000

(i) Mr Bogor resigned on 22 July 2008

(ii) Mr Povey resigned on 29 October 2008

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Note 6: Key Management Personnel Compensation (continued)

(e) Loans to key management personnel

Details of loans made to directors of Range Resources Limited and other key management personnel of the consolidated entity, including their personally related parties, are set out below:

There were no loans made to directors of Range Resources Limited and other key management personnel of the consolidated entity, including their personally related parties during the 2010 financial year.

2009	Balance at the start of the year	Interest paid and payable for the tax year	Interest not charged	Forgiven during the year	Balance at the end of the year	Highest indebtedness during the year
	\$	\$	\$		\$	\$
Timespan Holdings Pty Ltd	1,554	-	-	(15,644)	-	15,644
Michael Povey	-	-	-	(21,155)	-	21,155
Total	1,554	-	-	(36,799)	-	36,799

(i) There was a loan to Timespan Holdings Pty Ltd, a company of which Mr Povey is a director. Timespan and the Company shared geological offices in Leederville from the start of the year until November 2008. From time to time, Range paid joint costs incurred for utilities and consumables and booked it through a loan account. Due both to the short term nature of the arrangement and the immaterial amounts in question, no formal loan agreement was entered into. Both loans were forgiven as part of Mr Povey's settlement agreement.

(f) Consulting fees

Please refer to Note 27(c) which details consulting fees to parties related to Key Management Personnel.

Note 7: Auditors' Remuneration

	Consolidated	
	2010	2009
	\$	\$
Remuneration of the auditor of the parent entity for:		
- auditing or reviewing the financial report BDO Audit (WA) Pty Ltd	76,221	70,453
Total remuneration for audit services	76,221	70,453

Note 8: Discontinued Operations

On 6th March 2009, the consolidated entity divested its interest in Western Australian mining tenements as part of the settlement agreement with ex-Director, Mr Michael Povey. The disposal of these tenements is reported as a discontinued operation.

Financial information relating to the discontinued operation for the period to the date of disposal is set out below.

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Note 8: Discontinued Operations (continued)

	Consolidated	
	2010	2009
	\$	\$
Results of discontinued operations		
Depreciation	-	(24,385)
Exploration expenditure	-	(46,524)
Loss on disposal of tenements before income tax	-	(70,909)
Income tax expenses	-	-
Loss on disposal of tenements after income tax	-	(70,909)
Written off exploration expenditure	-	(1,069,223)
Loss from discontinued operations	-	(1,140,132)
Cash flows used in discontinued operations		
Net cash outflow from operating activities	-	(46,524)
Net cash outflow from investing activities	-	(530,614)
Net decrease in cash attributable to discontinued operations	-	(577,138)

Note 9: Earnings Per Share

	Consolidated	
	2010	2009
	cents	cents
(a) Basic earnings per share		
Loss per share from continuing operations attributable to the ordinary equity holders of the company	(1.4)	(3.2)
Loss per share from discontinued operations attributable to the ordinary equity holders of the company	-	(0.5)
Loss per share attributable to the ordinary equity holders of the company	(1.4)	(3.7)
(b) Reconciliation of earnings used in calculating earnings per share		
Loss from continuing operations attributable to the ordinary equity holders of the company	(8,838,586)	(7,383,066)
Loss from discontinued operations attributable to the ordinary equity holders of the company	-	(1,140,132)
Loss attributable to the ordinary equity holders of the company	(8,838,586)	(8,523,198)

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Note 9: Earnings Per Share (continued)

(c) Weighted average number of shares used as the denominator	2010 No.	2009 No.
Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	639,567,895	229,409,815
The effect of the Company's potential ordinary shares would be to decrease the loss per share, and as a result, diluted EPS is not disclosed.		
Potential ordinary shares that could dilute EPS in the future		
Weighted average number of ordinary shares (basic)	639,567,895	229,409,815
Effect of share options on issue	584,177,617	196,787,306
Effect of shares issued post year end	162,160,462	-
	1,385,905,974	426,197,121
Weighted average number of ordinary shares (diluted) at 30 June	1,385,905,974	426,197,121

Note 10: Cash and Cash Equivalents

	Consolidated	
	2010	2009
	\$	\$
Cash at bank and in hand	7,398,470	416,417

Reconciliation of cash at the end of the year.

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

Balances as above	7,398,470	416,417
Bank overdrafts	-	-
	7,398,470	4,137,360
Balances as per statement of cash flows	7,398,470	4,137,360

Note 11: Trade and Other Receivables

	Consolidated	
	2010	2009
	\$	\$
Current		
Other receivables		
- other debtors	1,710,753	2,125
- goods and services tax	56,977	40,326
- accrued revenue	271,267	-
	2,038,997	42,451

Risk exposure

Information about the consolidated entity's exposure to credit risk, foreign exchange risk and price risk is provided in Note 29.

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Note 12: Other Current Assets

	Consolidated	
	2010	2009
	\$	\$
Current		
Prepayments	200,000	52,225
	200,000	52,225

Note 13: Financial Assets Available-For-Sale

Listed investments, at fair value		
- Interest in other corporations	420,147	287,250
	420,147	287,250
Unlisted investments, at cost		
- interest in other corporations	904,439	904,439
- less provision for impairment	(904,439)	-
	-	904,439
	-	904,439
Total available-for-sale financial assets	420,147	1,191,689

Available-for-sale financial assets comprise investments in the ordinary share capital of various entities. There are no fixed returns or fixed maturity date attached to these investments.

No assets have been pledged as security

During the 2009 financial year, the loan receivable from Ram Resources Limited was settled through receipt of an investment in unlisted company, IMC Holdings (Hong Kong) Limited, which holds the Kyrgyzstan uranium asset, previously held by Ram Resources. IMC Holdings was subsequently acquired by Pangaea Energy Limited with Range's investment in IMC Holdings being rolled into an investment in Pangaea Energy. Given the recent developments in Kyrgystan in the later half of the financial year, where Pangea Energy has areas interest, the Company believes the investment in Pangaea Energy shows indication of impairment and as such provided in full against the cost of the investment.

Risk exposure

Information about the consolidated entity's exposure to credit risk, foreign exchange risk and price risk is provided in Note 29.

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Note 14: Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with accounting policy described in Note 1(a).

Name of entity	Country of incorporation	Class of share	Equity (%)*	
			2010	2009
Subsidiaries of Range Resources Limited:				
Donnybrook Gold Pty Ltd	Australia	Ordinary	100	100
Westblade Pty Ltd	Australia	Ordinary	100	100

**Percentage of voting power is in proportion to ownership*

Note 15: Property, Plant & Equipment

Consolidated	Furniture, fittings & equipment \$	Motor vehicles \$	Total \$
At 30 June 2008			
Cost or fair value	364,634	39,631	404,265
Accumulated depreciation	(111,260)	(4,886)	(116,146)
Net book amount	253,374	34,745	288,119
Year ended 30 June 2009			
Opening net book amount	253,374	34,745	288,119
Additions	44,874	-	44,874
Disposals	(217,865)	-	(217,865)
Depreciation charge	(60,395)	(4,954)	(65,349)
Closing net book amount	19,988	29,791	49,779
At 30 June 2009			
Cost or fair value	90,418	39,631	130,049
Accumulated depreciation	(70,430)	(9,840)	(80,270)
Net book amount	19,988	29,791	49,779
Year ended 30 June 2010			
Opening net book amount	19,988	29,791	49,779
Additions	5,842	-	5,842
Disposals	-	-	-
Depreciation charge	(25,830)	(4,954)	(30,784)
Closing net book amount	-	24,837	24,837
At 30 June 2010			
Cost or fair value	96,260	39,631	135,891
Accumulated depreciation	(96,260)	(14,794)	(111,054)
Net book amount	-	24,837	24,837

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Note 16: Exploration & Evaluation Expenditure

	Consolidated	
	2010	2009
	\$	\$
Opening net book amount	79,888,841	77,120,784
Additions	7,331,829	3,996,024
Written off project	-	(158,744)
Tenements relinquished/sold	-	(1,069,223)
Transfer to development assets	(3,371,815)	-
	83,848,855	79,888,841
Closing net book amount	83,848,855	79,888,841

At 30 June 2010, the \$83,848,855 (2009: \$79,888,841) capitalised exploration and evaluation expenditure relates to the interests of the group in Puntland, Somalia and Texas. The recoverability of the carrying amount of exploration assets is dependent on the group being able, and permitted, to develop and commercially exploit these rights or alternatively to sell the rights.

Amortisation of the costs carried forward for the development phase is not charged until the commencement of commercial production when the assets are reclassified as development assets.

During the year, a commercial discovery was made on the Smith #1 Well, which subsequently commenced production in February 2010, with expenditure to date of first production have been transferred to development assets – refer note 17.

Capitalised costs amounting to \$7,090,041 (2009: \$3,947,922) has been included in the statement of cash flows from investing activities relating to the acquisition of capitalised exploration expenditure and development assets.

Note 17: Development Assets

	Consolidated	
	2010	2009
	\$	\$
At 30 June		
Cost or fair value	3,378,026	-
Accumulated depreciation	(18,625)	-
	3,359,401	-
Net book value	3,359,401	-
Opening net book amount	-	-
Transfer from exploration and evaluation expenditure – at cost	3,371,815	-
Additions	6,211	-
Amortisation charge	(18,625)	-
	3,359,401	-
Closing net book amount	3,359,401	-

During the year, a commercial discovery was made on the Smith #1 Well, which subsequently commenced commercial production in February 2010, with expenditure to date of first production that was part of exploration and evaluation expenditure having been transferred to development assets.

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Note 18: Prepayment for Investments

	Consolidated	
	2010	2009
	\$	\$
Opening balance	-	-
Payments during the year	13,811,660	-
	13,811,660	-
Closing net book amount	13,811,660	-

This relates to Range Resource's prepayment for an investment in 50% of the unlisted UK Company Strait Oil & Gas (UK) Limited, along with the prepayment for an investment in 10% of a holding company with production licenses in Trinidad. Details of these transactions are shown below:

(i) Georgia

The terms of the agreement with Strait Oil & Gas (UK) Limited includes the issue of 70m ordinary shares and 70m listed options (\$0.05, 31 December 2011) upon various milestones. In addition, to earn the 50% of Strait Oil & Gas (UK) Limited, Range was required to complete Phase II of the relevant Production Share Agreement applicable to the two Oil and Gas blocks, comprising mainly the completion of 350km of seismic and well selection. As at 30 June 2010, Phase II was completed and 40 million of the shares and options had been issued due to milestones having been met.

(ii) Trinidad

Under the terms of the agreement with SOCA Petroleum, Range is required to pay two instalments:

- US\$2m upon execution of definitive agreements; and
- US\$2.25m upon formal completion of the acquisition.

Note 19: Trade and Other Payables

	Consolidated	
	2010	2009
	\$	\$
Trade payables	349,871	533,700
Sundry payables and accrued expenses	1,237,526	236,327
	1,587,397	770,027

Risk exposure

Information about the consolidated entity's exposure to credit risk, foreign exchange risk and price risk is provided in Note 29.

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Note 20: Contributed equity

	Consolidated	
	2010	2009
	\$	\$
1,002,880,332 (2009: 328,155,494) fully paid ordinary shares	147,414,032	112,129,579
4,925,000 partly paid shares (2009: 4,925,000)	1,732,615	1,732,615
Share issue costs	(11,818,822)	(9,798,909)
	137,327,825	104,063,285

Included in share capital is an amount of \$2,454,140 relating to cash received in relation to the placement which occurred in June 2010, with the shares issued subsequent to 30 June 2010

	Consolidated	
	2010	2009
	No.	No.
(a) Fully Paid Ordinary Shares		
At the beginning of reporting period	328,155,494	194,304,943
Shares issued during year	667,210,304	28,333,333
Options exercised during year	7,523,480	105,517,218
	1,002,889,278	328,155,494

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held.

On a show of hands every holder of ordinary shares present at a meeting of the Company, in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

(b) Partly Paid Ordinary Shares

	No.	No.
At the beginning of reporting period	4,925,000	4,925,000
Reduction in partly paid shares	-	-
	4,925,000	4,925,000

During the year ended 30 June 2007, Partly Paid shares were allotted and issued to directors at an issue price of \$0.60 each and were deemed to have been paid up to \$0.30 each, leaving \$0.30 payable by the holder within 13 months of the date of issue as follows:

Michael Povey	1,500,000
Peter Landau	1,500,000
Marcus Edward-Jones	750,000

The primary purpose of the partly paid shares was to provide a cost effective consideration of work to be done by the Directors for the Company and for recognition of Directors efforts in negotiating and securing the acquisition of the Puntland Project. The terms of the partly paid shares are ambiguous, given they state that the holder is able to elect, at their sole and absolute discretion, to pay up the shares. It was never the intention of the Board to issue partly paid shares that would require the Directors (without any discretionary election) to pay up any unpaid portion of the shares.

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Note 20: Contributed equity (continued)

(b) Partly paid shares issued to directors (continued)

Accordingly, on 10 February 2008, and following uncertainty as to the ability to exercise the partly paid shares, those directors entitled to consider the matter (and not having a material personal interest) being Messrs Sam Jonah and Liban Bogor, resolved in accordance with clause 32.9 of the Company's constitution that the shares be forfeited and that payment will not be enforced with regards to the unpaid balance of capital. The Board will shortly convene a meeting of shareholders to obtain the necessary resolutions for a selective reduction and cancellation of these partly paid shares. The accounts at 30 June 2009 do not reflect the cancellation of the partly paid shares.

(c) Movements in fully paid ordinary share capital

2010	Details	Number of shares	Issue price	\$
1 July 2009	Opening balance	328,155,494		112,129,579
	Exercise of options	7,519,419	\$0.050	375,971
	Exercise of options	4,061	\$1.000	4,061
	Placement	180,947,994	\$0.035	6,333,180
	Conversion of loan	45,714,285	\$0.035	1,600,000
	Rights issue and placement	269,558,565	\$0.050	13,477,928
	Placement	104,844,250	\$0.070	7,339,098
	Shares issued as deposit for the investment in associate (note 18)	40,000,000	\$0.055	2,220,000
	Shares issued for corporate advisory, capital raising fees etc.	26,145,209		1,480,075
	Cash received in advance	-		2,454,140
		<hr/>		<hr/>
30 June 2010	Balance	<u>1,002,889,277</u>		<u>147,414,032</u>
2009	Details	Number of shares	Issue price	\$
1 July 2008	Opening balance	194,304,943		109,589,342
	Exercise of options	105,446,388	\$0.015	1,581,696
	Exercise of options	70,830	\$0.050	3,541
	Shares issued for corporate advisory, capital raising fees etc.	28,333,333		955,000
		<hr/>		<hr/>
30 June 2009	Balance	<u>328,155,494</u>		<u>112,129,579</u>

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Note 20: Contributed equity (continued)

	Consolidated	
	2010	2009
(d) Options	No.	No.
At the beginning of reporting period	196,787,306	127,108,017
Options issued during year	394,913,791	238,950,437
Options expired	-	(63,753,930)
Options exercised during year	(7,523,480)	(105,517,218)
	<u>584,177,617</u>	<u>196,787,306</u>
Total options	<u>584,177,617</u>	<u>196,787,306</u>

At the date of this report, the unissued ordinary shares of Range Resources Limited under option are as follows

Date of Expiry	Exercise Price	Number Under-Option
01/10/2010	\$1.00	64,897,125
31/12/2011	\$0.05	437,257,818
31/12/2011	\$0.10	60,000,000
30/06/2012	\$0.50	3,177,029
31/03/2015	\$0.05	18,845,645
		<u>584,177,617</u>

During the year ended 30 June 2010, 7,523,480 (2009: 105,517,218) ordinary shares of Range Resources Limited were issued on the exercise of options.

The holders of these options do not have any rights under the options to participate in any share issues of the company.

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Note 21: Reserves

	Consolidated	
	2010	2009
	\$	\$
(a) Share-based payment reserve		
Balance 1 July	467,769	931,939
Options issued to directors	1,380,000	
Options issued as deposit for investment (note 18)	800,000	
Options issued in lieu of consulting fees	2,019,330	298,684
Options expired & transferred to accumulated losses	-	(762,854)
	4,667,099	467,769
Balance 30 June	4,667,099	467,769
The share based payment reserve records items recognised as expenses on the fair valuation of shares and options issued as remuneration to employees, directors and consultants		
(b) Option premium reserve		
Balance 1 July	11,811,411	10,918,214
Options issued through Rights Issue	-	1,569,787
Options expired & transferred to accumulated losses	-	(637,239)
Costs associated with Rights Issue	-	(39,351)
	11,811,411	11,811,411
Balance 30 June	11,811,411	11,811,411
The option premium reserve is used to recognise the grant date fair value of options issued but not exercised.		
(c) Available-for-sale investment revaluation reserve		
Balance 1 July	-	(835,439)
Increase in value of investments	12,250	835,439
	12,250	-
Balance 30 June	12,250	-
Total Reserves	16,490,760	12,279,180

The available-for-sale investment revaluation reserve is used to record increases in the fair value of available-for-sale financial instruments and decreases to the extent that such decreases do not relate to an impairment of the asset when the movement is taken to the statement of comprehensive income.

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Note 22: Commitments

(a) Capital commitments

Capital expenditure contracted for at the reporting date but not recognised as liabilities is as follows:

	Consolidated	
	2010	2009
	\$	\$
<i>Intangible assets</i>		
Capital expenditure commitment contracted for:		
Interest in Puntland Project ⁽ⁱ⁾	17,400,000	17,616,000
<i>Investment in Associate</i>		
Georgian acquisition ⁽ⁱⁱ⁾	116,727	-
Trinidad acquisition ⁽ⁱⁱⁱ⁾	3,925,736	-
	21,442,463	17,616,000
Payable		
- not later than 1 year	8,242,463	16,426,000
- later than 1 year but not later than 5 years	13,200,000	1,190,000
- later than 5 years	-	-
	21,442,463	17,616,000

(i) In mid 2007, the Company entered into a joint venture with TSX listed Africa Oil Corporation (AOC), where AOC acquired an 80% participating interest in the Nogal and Dharoor blocks. Range is free carried by AOC for US\$45 million (\$22.5 million on each block). Subject to certain milestones being reached by AOC, AOC can make cash calls on Range. The above represents Range's best estimate of this commitment as at the reporting date.

Note: It is possible that Africa Oil's work program will vary and work could be accelerated. This would affect the timing and quantum of the cash calls on Range. In the event that Range is not able to or chooses not to participate in the cash calls as made by the operator (Africa Oil), then Range will be deemed to be a Non Consenting Partner. In the event that this happens, Range has the 'option' to reinstate its relinquished rights by paying a 700% (7x) premium within 30 days of exercising their option to reinstate as a Consenting Partner to the farm-in.

(ii) As part of the acquisition of the 50% interest in Strait Oil and Gas UK Limited, Phase II of the PSA was completed during the year, with a remaining US\$100,000 commitment due to Strait Oil and Gas (UK) Limited mid July 2010 which has been paid.

(iii) Subsequent to year-end Range entered into an agreement to acquire a 10% interest in a holding company whose wholly owned subsidiaries hold three production licences in producing onshore oilfields in Trinidad and significant local onshore drilling operations. As part of the acquisition US\$2 million was to be paid upon execution of the agreement with US\$2.25m to be paid upon completion of the acquisition.

(b) Expenditure commitments

	Consolidated	
	2010	2009
	\$	\$
<i>Consultancy agreements</i>		
Not later than 1 year	153,115	184,729 ⁽ⁱ⁾
	153,115	184,729

(i) The above commitment is for our consulting agreement with Texas Energy Advisors LLC. The commitment is for USD 43,500 (2009: GBP 30,000) per month for a maximum of 3 months (translated at the 30 June 2010 USD:AUD exchange rate of 0.8523 (2009 GBP:AUD exchange rate 0.4872) as per www.rba.gov.au)

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Note 22: Commitments (continued)

(c) Remuneration commitments

	Consolidated	
	2010	2009
	\$	\$
Commitments for the payment of salaries and other remuneration under long-term employment contracts in existence at the reporting date but not recognised as liabilities, payable:		
Within one year	40,000	40,000
Later than one year and not later than five years	40,000	80,000
	80,000	120,000

Amounts disclosed as remuneration commitments include commitments arising from the service contracts of key management personnel referred to in the remuneration report within the directors report that are not recognised as liabilities and are not included in the key management personnel compensation.

Note 23: Contingent Liabilities and Contingent Assets

The Company completed the acquisition of the remaining 49.9% of the Puntland Rights from Consort Private Limited ("Consort") in May 2007. Under the terms of the Agreement, Range must issue a further 45 million shares and 11.25 million unlisted options (\$1.00, 01 October 2010) to Consort upon completion of the first hydrocarbon well drilled in Puntland.

In addition, upon completion of the first 4 hydrocarbon wells drilled in Puntland, the Company must pay US\$20 million to Consort.

Consort are also entitled to receive a 2.5% net royalty on any Puntland projects derived in respect of Range's interest.

Further, US\$200,000 is payable upon a commercial discovery on each license area as a result of the wells drilled in Puntland giving a total contingent liability of US\$400,000.

The Company has entered into a 12 month rolling agreement with Texas Energy Advisors LLC to procure an offshore drilling partner in Puntland. If Texas Energy facilitates the introduction of Range Resources to an offshore drilling partner, Texas Energy will receive cash or equity to the value of:

<i>Aggregate value of payment received by Range</i>	<i>% to be paid to Texas Energy</i>
Less than or equal to A\$50m	2.0% of such amount; plus
Greater than A\$50m but less than A\$100m	4.0% of such amount; plus
Greater than A\$100m	6.0% of such amount

Taghmen Ventures have been employed by the Company to locate a Joint Venture drilling partner for the Puntland offshore project. Taghmen Ventures will be compensated as per the below table:

	Introduction by Taghmen Ventures	Introduction without Taghmen Ventures
Upon formal Joint Venture	5,000,000 fully paid ordinary shares 1,500,000 \$1.00 listed options (31/10/10) 75,000 \$0.50 unlisted options (30/6/12)	Nil
Upon drilling of first well	4,500,000 fully paid ordinary shares 1,125,000 \$1.00 listed options (31/10/10)	2,250,000 fully paid ordinary shares 562,500 \$1.00 listed options (31/10/10)
Total	9,500,000 fully paid ordinary shares 2,625,000 \$1.00 listed options (31/10/10) 75,000 \$0.50 unlisted options (30/6/12)	2,250,000 fully paid ordinary shares 562,500 \$1.00 listed options (31/10/10)

During the year, the Company entered into a transaction to acquire a 50% interest in Strait Oil and Gas (UK) Limited, which holds two licenses in the Republic of Georgia. Under the terms of the Agreement, Range must issue 30m shares and 30m options (\$0.05, 31 December 2011) upon the completion of two wells or commercial discovery.

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Note 22: Contingent Liabilities and Contingent Assets (continued)

During the financial year ended 30 June 2008, the entity settled a transaction regarding the disposal of subsidiaries with operations in. Range Resources has received conflicting advice from local advisors as to whether any tax liability arises in Peru from this disposal and are therefore unable, at this stage, to quantify any such liability should it, in fact, exist.

The Directors are not aware of any further contingent liabilities or contingent assets as at 30 June 2010.

Note 24: Segment Reporting

Management have determined that the operating segments are consistent with prior periods, with management allocating resources to segments on a geographical basis. During the financial period, the consolidated entity operated in three operational segments being Texas, Georgia and Somalia.

2010	Somalia \$	Georgia \$	Texas \$	Unallocated \$	Consolidated \$
Segment revenue					
Revenue from continuing operations	-	-	562,695	18,407	581,102
Other income	-	-	-	138,332	138,332
Total revenue	-	-	562,695	156,739	719,434
Segment result					
Segment result	-	-	306,427	(9,145,013)	(8,838,586)
Loss before income tax	-	-	306,427	(9,145,013)	(8,838,586)
Income tax	-	-	-	-	-
Loss after income tax	-	-	306,427	(9,145,013)	(8,838,586)
Segment assets					
Segment assets ⁽ⁱ⁾	82,039,806	11,698,064	5,168,449	12,196,048	111,102,367
Total assets	82,039,806	11,698,064	5,168,449	12,196,048	111,102,367
Other segment information					
Acquisitions of property, plant and equipment, capitalised exploration expenditure and development assets	2,150,965	-	5,187,075	5,842	7,343,882
Total acquisitions	2,150,965	-	5,187,075	5,842	7,343,882
Depreciation and amortisation of segment assets	-	-	18,625	30,782	49,407
Total depreciation and amortisation	-	-	18,625	30,782	49,407

(i) Included within the unallocated assets shown above is cash and cash equivalents of \$7,398,470.

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Note 24: Segment Reporting (continued)

2009	Australia ⁽ⁱ⁾ \$	Somalia \$	Unallocated \$	Consolidated \$
Segment revenue				
Revenue from continuing operations	-	-	-	-
Other income	-	-	155,016	155,016
Total revenue	-	-	155,016	155,016
Segment result				
Segment result	(1,140,132)	(628,410)	(6,754,656)	(8,523,198)
Loss before income tax	(1,140,132)	(628,410)	(6,754,656)	(8,523,198)
Income tax	-	-	-	-
Loss after income tax	(1,140,132)	(628,410)	(6,754,656)	(8,523,198)
Discontinued operations result (i)				
Segment result	(1,140,132)	-	-	(1,140,132)
Loss before income tax	(1,140,132)	-	-	(1,140,132)
Income tax	-	-	-	-
Loss after income tax	(1,140,132)	-	-	(1,140,132)
Segment assets				
Segment assets	-	79,888,841	1,752,561	81,641,402
Total assets	-	79,888,841	1,752,561	81,641,402
Other segment information				
Acquisitions of property, plant and equipment, capitalised exploration expenditure and development assets	530,614	3,485,284	-	4,015,898
Total acquisitions	530,614	3,485,284	-	4,015,898
Depreciation and amortisation of segment assets	24,385	27,006	13,958	65,349
Total depreciation and amortisation	24,385	27,006	13,958	65,349

- (i) Relates to Western Australian tenement operations which have been divested and are disclosed as discontinued operations in Note 8.

Accounting Policies

The consolidated entity has adopted AASB 8 Operating Segments and AASB 2008-3 Amendments to Australian Accounting standards arising from AASB 8 with effect from 1 July 2009. AASB 8 requires operating segments to be identified on the basis of internal reports about components of the consolidated entity that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance. The chief operating decision maker is the managing director and through this role the Board of Directors. In contrast, the predecessor Standard (AASB 114 Segment Reporting) required an entity to identify two sets of segments (business and geographical), using a risks and rewards approach, with the entity's 'system of internal financial reporting to key management personnel' serving only as the starting point for the identification of such segments.

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Note 24: Segment Reporting (continued)

Following the adoption of AASB 8, the identification of the consolidated entity's reporting segments remain consistent with prior periods, with management allocating resources to segments on a geographical basis. The only change to the prior period is the inclusion of a 'corporate' segment which captures all head office and administrative income, expenses and assets.

Information regarding these segments is presented above. Amounts reported for the prior period have been restated to conform to the requirements of AASB 8. The accounting policies of the reportable segments are the same as those of the consolidated entity. Segment information is prepared in conformity with the accounting policies of the entity as disclosed in Note 1.

Segment revenues and expenses are those directly attributable to the segments and include any joint revenue and expenses where a reasonable basis of allocation exists. Segment assets include all assets used by a segment and consist principally of cash, receivables, plant and equipment, exploration expenditure capitalised and development assets net of accumulated depreciation and amortisation. While most such assets can be directly attributed to individual segments, the carrying amount of certain assets used jointly by two or more segments is allocated to the segments on a reasonable basis. Segment disclosures do not include deferred income taxes.

Revenue from continuing operations from Texas of \$562,695 is derived from several customers who each account for greater than 10% of this amount.

Intersegment Transfers

Segment revenues, expenses and results do not include any transfers between segments.

Note 25: Cash Flow Information

	Consolidated	
	2010	2009
	\$	\$
Reconciliation of cash flow from operations with loss after income tax		
Loss after income tax	(8,838,586)	(8,523,198)
Non-cash flows in profit		
Depreciation	49,407	65,349
Share based director remuneration	1,380,000	50,000
Share based payments to consultants	3,134,721	1,277,684
M. Povey settlement	-	221,228
Exploration expenditure written-off	-	158,744
Loss on disposal of tenements	-	1,069,223
Impairment of available-for-sale investments	1,097,624	2,552,750
Foreign exchange loss	337,600	364,818
Interest income settled via receipt of equity	-	(98,532)
Other non-cash items	398,312	(62,788)
Bad debts written off	-	240,668
Decrease/(increase) in other current assets	(147,775)	56,707
Decrease/(increase) in trade and other receivables	(1,996,546)	314,313
Increase/(decrease) in trade and other payables	817,370	(45,161)
	(3,767,873)	(2,358,195)
Net cash outflow from operations	(3,767,873)	(2,358,195)

The following non-cash items were included in investing and operating activities:

- Loans of \$1,600,000 in the cash flow statement were settled through the issue of equity during the financial year;
- Issue expenses of \$476,288 were settled through the issue of equity during the financial year; and
- Share and options worth \$3,020,000 were issued as milestone payments for the prepayment of investment relating to the Georgian acquisition.

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Note 26: Share-Based Payments

The following share-based payment arrangements occurred during the financial year ended at 30 June 2010.

Quantity	Security	\$ Value	Purpose
26,145,209	Fully paid ordinary shares	1,482,075	Issued in lieu of corporate advisory, capital raising etc. fees
42,175,000	\$0.05 listed options (31 December 2011)	973,802	Issued in lieu of corporate advisory, capital raising etc. fees
60,000,000	\$0.10 unlisted options (31 December 2011)	1,380,000	Issued to directors
18,845,645	\$0.05 unlisted options (31 March 2015)	1,038,296	Issued to UK broker
40,000,000	\$0.05 listed options (31 December 2011)	800,000	Issued as prepayment for investments

The fair value at grant date of the unlisted options is independently determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option. The fair value of the listed options was determined as the market price of the listed options at the time the services were provided to the Company.

The following share based payment arrangements from prior periods existed at 30 June 2009:

	2010		2009	
	Number of Options	Weighted Average Exercise Price \$	Number of Options	Weighted Average Exercise Price \$
Outstanding at the beginning of the year	43,858,333	0.206	-	-
Granted	121,020,645	0.075	43,858,333	0.206
Forfeited	-	-	-	-
Exercised	-	-	-	-
Expired	-	-	-	-
Outstanding at year end	164,878,978	0.110	43,858,333	0.206
Exercisable at year end	164,878,978	0.110	43,858,333	0.206

The following factors and assumptions were used in determining the fair value of the unlisted options on grant date:

Grant date	Expiry date	Fair value per option	Exercise price	Price of shares on grant date	Expected volatility annualised	Risk free interest rate	Dividend yield
22 December 08	1 October 10	\$0.0001	\$1.00	\$0.037	84.52%	2.99%	-
22 December 08	30 June 12	\$0.0041	\$0.50	\$0.037	84.52%	3.64%	-
14 April 09	31 May 09	\$0.0150	\$0.015	\$0.030	83.83%	3.26%	-
14 April 09	31 December 11	\$0.0122	\$0.05	\$0.030	83.83%	3.26%	-
19 March 10	31 December 11	\$0.0230	\$0.10	\$0.053	125.00%	4.80%	-
19 March 10	31 March 15	\$0.0430	\$0.05	\$0.053	125.00%	4.80%	-

Historical volatility has been the basis for determining expected share price volatility as it assumed that this is indicative of future volatility, which may not be the case.

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Note 27: Related Party Transactions

(a) Parent entities

The parent entity within the consolidated entity is Range Resources Limited. The ultimate Australian parent entity is Range Resources Limited which at 30 June 2010 owns 100% (2009: 100%) of the issued ordinary shares of Donnybrook Gold Pty Ltd and Westblade Pty Ltd.

(b) Subsidiaries

Interests in subsidiaries are set out in Note 14.

(c) Transactions with related parties

	Consolidated	
	2010	2009
	\$	\$
Consulting fees paid or payable to Okap Ventures Pty Ltd, a company in which Mr Landau is a Director, for the provision of corporate advisory, company secretarial, investor / public relations and associated services including provision of all financial and administrative staff and office space in West Perth and London.	700,000	388,000
Reimbursement of expenses (including but not limited to Director and consultant travel and accommodation) paid by Okap Ventures Pty Ltd on behalf of Range Resources Limited.	404,073	759,574
Consulting fees paid or payable to Lacka Consulting Pty Ltd, a company in which Mr Landau is a Director for the provision of corporate advisory, company secretarial and associated services including provision of all financial and administrative staff, office space, and reimbursement of expenses with respect to Director and Management travel and accommodation.	-	12,078
Consulting fees paid or payable to Lacka Consulting Pty Ltd (UK), a company in which Mr Landau is a Director for provision of corporate office and UK representation.	-	1,087
Consulting fees paid or payable to Doull Holdings Pty Ltd, a company in which Mr Landau is a Director.	300,000	325,000
Consulting fees paid or payable to Smiding Pty Ltd, a company in which Mr Eastman is a Director.	40,833	3,333
Consulting fees paid or payable to Minman Pty Ltd, a company in which Mr Povey is a Director.	-	100,000
Amounts payable at year end to related parties:	Consolidated	
	2010	2009
	\$	\$
Okap Ventures Pty Ltd	55,000	150,166
Doull Holdings Pty Ltd	55,000	165,000
Smiding Pty Ltd	4,583	3,333

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Note 27: Related Party Transactions (continued)

(d) Loans to/from related parties

	Consolidated	
	2010	2009
	\$	\$
<i>Loans to other related parties</i>		
- Beginning of the year	-	1,553
- Loans advanced	-	35,246
- Loans forgiven	-	(36,799)
- Interest charged	-	-
- Interest received	-	-
- Loans repaid	-	-
- End of year	-	-

In the prior year a loan of \$15,644 was to Timespan Holdings Pty Ltd, a company of which Mr Povey is a director. Timespan and the Company shared offices in Leederville during the period. From time to time, the Company paid joint costs incurred for utilities and consumables and books it through a loan account. The charges are repaid monthly. Due both to the short term nature of the arrangement and the immaterial amounts in question, no formal loan agreement is entered into. The balance of \$21,155 was loaned to Mr Povey. Both loans were forgiven as part of Mr Povey's settlement agreement; refer to the remuneration report for details.

(e) Equity transactions with related parties

Refer to Note 20 and Note 26.

Note 28: Parent Entity Information

The following details information related to the parent entity Range Resources Limited, at 30 June 2010. The information presented here has been prepared in accordance using consistent accounting policies as presented in Note 1.

	2010	2009
	\$	\$
Current assets	9,594,863	470,865
Non-current assets	101,277,400	81,170,537
Total assets	110,872,263	81,641,402
Current liabilities	1,361,792	770,027
Total liabilities	1,361,792	770,027
Contributed equity	137,327,826	104,063,285
Accumulated losses	(44,311,865)	(35,471,090)
Reserves	16,494,510	12,279,180
Total equity	109,510,471	80,871,375
Loss for the year	(8,840,689)	(7,656,948)
Other comprehensive profit / (loss) for the year	16,000	(30,811)
Total comprehensive loss for the year	(8,824,689)	(7,687,759)

The contingent liabilities of the parent are the same as those of the consolidated entity as disclosed in note 23.

The contractual commitments of the parent are the same as those of the consolidated entity as disclosed in note 22.

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Note 29: Financial Risk Management

The consolidated entity has exposure to the following risks from their use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the consolidated entity's exposure to each of the above risks, their objectives, policies and processes for measuring and managing risk, and the management of capital. Further quantitative disclosures are included throughout these financial statements.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework.

Risk management policies are established to identify and analyse the risks faced by the consolidated entity, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed to reflect changes in market conditions and the consolidated entity's activities. The consolidated entity, through training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all consultants and agents understand their roles and obligations.

Credit risk

Credit risk is the risk of financial loss to the consolidated entity if counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the consolidated entity's investments, receivables and cash held at financial institutions.

Exposure to credit risk

The carrying amount of the economic entity's financial assets represents the maximum credit exposure. The consolidated entity's maximum exposure to credit risk at the reporting date was:

	Consolidated	
	2010	2009
	\$	\$
Available for sale financial assets	420,147	1,191,689
Loans and receivables	2,038,997	42,451
Cash and cash equivalents	7,398,470	416,417
	<u>9,857,614</u>	<u>1,650,557</u>

Cash and cash equivalents are held in financial institutions in Australia with external credit ratings of AA.

The carrying value of unlisted investments prior to write off was \$1,117,889, of which \$904,439 was provided against in the current year (2009: \$1,274,811).

Loans and receivables

The consolidated entity's exposure to credit risk is influenced mainly by the individual characteristics of each debtor. No collateral was held in relation to these receivables.

Impairment losses

None of the receivables at year end are past due or impaired. There are no guarantees to disclose.

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Note 29: Financial Risk Management (continued)

Liquidity risk

Liquidity risk is the risk that the consolidated entity will not be able to meet its financial obligations as they fall due. The consolidated entity's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the economic entity's reputation.

The consolidated entity uses activity-based costing to cost its activities, which assists in monitoring cash flow requirements and optimising its cash return on investments. Typically, the consolidated entity ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 6 months; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

The following are contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

Consolidated Entity 2010	Carrying amount	Contractual cash flows	6 months or less	6 – 12 months	1-2 years	2-5 years	Over 5 years
Financial liabilities at amortised cost							
Trade and other payables	1,587,394	-	1,587,394	-	-	-	-

Consolidated Entity 2009	Carrying amount	Contractual cash flows	6 months or less	6 – 12 months	1-2 years	2-5 years	Over 5 years
Financial liabilities at amortised cost							
Trade and other payables	770,027	-	770,027	-	-	-	-

Market risk

Market risk is the risk that changes in market prices, such as interest rates and equity prices will affect the consolidated entity's income or the value of its holdings of available for sale assets. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Equity price risk

The consolidated entity is exposed to equity securities price risk. This arises from investments held by the consolidated entity and classified on the statement of financial position as available for sale. The consolidated entity is not exposed to commodity price risk.

The consolidated entity holds equity investments which are publicly traded and included either on the ASX or the Toronto Stock Exchange.

The table below summarises the impact of increases/decreases of these two indexes on the consolidated entity's post tax profit for the year and on equity. The analysis is based on the assumption that the share price had increased/decreased by 10% (2009: 10%) with all other variables held constant.

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Note 29: Financial Risk Management (continued)

	Impact on post-tax loss		Impact on Equity	
	2010	2009	2010	2009
	\$	\$	\$	\$
Listed available-for-sale assets				
Ram Resources (formerly Contact Uranium)	11,200	9,600	11,200	9,600
Boss Energy	18,750	19,125	18,750	19,125
Africa Oil	12,061	-	12,061	-

Equity would increase/decrease as a result of gains/losses on equity securities classified as available for sale, unless the assets were determined to be impaired there would be no impact on loss for the year.

As of 1 July 2009, Range Resources Limited has adopted the amendment to AASB7 – Financial Instruments: Disclosures which requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- a) quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1)
- b) inputs other than quoted prices included within the level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (level 2); and
- c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
Assets				
Available for sale financial assets				
Equity securities	420,147	-	-	420,147
Total assets	420,147	-	-	420,147

The fair value of financial instruments in active markets such as available for sale securities is based on quoted market bids at the end of the reporting period. The quoted market price used for financial assets held by the consolidate entity is the current bid price. These instruments are included in level 1.

The consolidated entity does not currently have any financial instruments that are not traded in an active market included in level 2 and 3.

The following tables present the consolidated entity's assets and liabilities measured and recognised at fair values at 30 June 2010. Comparative information has not been provided as permitted by the transitional provisions of the new rules.

Foreign exchange risk

The consolidated entity operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar, British pound and Euro.

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

The consolidated entity's treasury risk management policy is to closely monitor exchange rate fluctuations. The consolidated entity has engaged a foreign exchange consulting company to assist in this process. To date, the consolidated entity has not sought to hedge its exposure to fluctuations in exchange rates, however this policy will be reviewed on an ongoing basis.

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Note 29: Financial Risk Management (continued)

The consolidated entity's exposure to foreign currency risk at the reporting date was as follows:

	Consolidated	
	2010	2009
	US\$	US\$
Amount receivable from other entities	271,261	-
Amount payable to other entities	-	120,000

Sensitivity

Based upon the amounts above, had the Australian dollar strengthened by 10% against the US dollar with all other variables held constant, the consolidated entity post-tax loss for the year would have been AUD\$21,676 lower (2009: AUD\$13,445 higher), mainly as a result of foreign exchange gains/losses on translation of US denominated payables as detailed in the table above. A 10% weakening of the Australian dollar against the above currencies at 30 June would have had the equal but opposite effect, on the basis that all other variables remain constant.

Range Resources' contingent liabilities are mainly denominated in USD\$ however as the timing and/or occurrence of the payment does not allow that these be included in the sensitivity analysis performed here.

Interest rate risk

Profile

At the reporting date, the interest rate profile of the consolidated entity's interest-bearing financial instruments was:

	Consolidated	
	2010	2009
	\$	\$
Variable rate instruments		
Financial assets (cash and cash equivalents)	7,398,470	416,417

Sensitivity analysis for variable rate instruments

The sensitivity on interest rates for 2010 has been performed on an interest rate movement up of 50 and 100 basis points (bps) at reporting date – this is consistent with the current market expectations of likely interest rate movements. This analysis differs from 2009 in that there was not a current market expectation of either an increase or decrease in interest rate movements, therefore the sensitivity was performed on a change of 100 basis points in interest rates at the reporting date would have increased/(decreased) profit and loss by amounts shown below. Both analysis for each year assumes that all other variables, in particular foreign currency rates, remain constant.

	Weighted Average Interest Rate %	2010 +50 bps \$	2010 +100 bps \$	Weighted Average Interest Rate %	2009 \$
Consolidated Entity					
Variable rate instruments					
Financial assets (cash and cash equivalents)	1.32%	6,947	13,894	3.47	5,648

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Note 29: Financial Risk Management (continued)

Fair values

Fair values versus carrying amounts

The fair value of financial assets and liabilities, together with the carrying amounts shown in the statement of financial position, are as follows:

Consolidated Entity	30 June 2010		30 June 2009	
	Carrying amount	Fair value	Carrying amount	Fair value
Available-for-sale financial assets	420,147	420,147	1,191,689	1,191,689
Loans and receivables	2,038,997	2,038,997	42,451	42,451
Cash and cash equivalents	7,398,470	7,398,470	416,417	416,417
Financial liabilities at amortised cost	(1,587,397)	(1,587,397)	(770,027)	(770,027)
	<u>8,270,217</u>	<u>8,270,217</u>	<u>880,530</u>	<u>880,530</u>

The basis for determining fair value is disclosed in Note 1(o).

Other price risk

The consolidated entity is not exposed to any other price risks.

Capital management

The entity's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital.

The entity's overall strategy remains unchanged from 2009.

The capital structure of the group consists of cash and cash equivalents and equity attributable to equity holders of the Company, comprising issued capital, reserves and accumulated losses as disclosed in Notes 20 and 21 respectively. None of the entities within the group are subject to externally imposed capital requirements.

Gearing ratio

The Board reviews the capital structure on an annual basis. As a part of this review the Board considers the cost of capital and the risks associated with each class of capital

	Consolidated	
	2010	2009
	\$	\$
Financial assets		
Cash and cash equivalents	7,398,470	416,417
Trade and other payables	(1,587,397)	(770,027)
Net assets / (debt)	5,811,073	(353,610)
Equity	<u>147,414,032</u>	<u>115,112,022</u>
Net debt to equity ratio	0%	0%

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Note 29: Financial Risk Management (continued)

Categories of financial instruments

	Consolidated	
	2010	2009
	\$	\$
Financial assets		
Cash and cash equivalents	7,398,470	416,417
Loans and other receivables	2,038,997	42,451
Available-for-sale financial assets	420,147	1,191,689
	9,857,614	1,650,557
Financial liabilities		
Financial liabilities at amortised cost	1,587,397	770,027

The carrying amount reflected above represents the consolidated entity's maximum exposure to credit risk for such loans and receivables.

Note 30: Events After the Balance Sheet Date

- Range Resources entered into a heads of agreement to acquire a 10% ownership interest in holding companies whose wholly owned subsidiaries hold three production licences in producing onshore oilfields in Trinidad and significant local onshore drilling operations. The terms of the agreements sees Range paying a total of US\$4.25m to acquire the 10% ownership interest.
- First production and sales commenced from the Range Resource's second well at North Chapman Ranch, the Russell Bevely Unit #1, less than seven weeks after production casing was set in the well and the drilling rig released. Initial sales were approximately 1,000 Mcf of natural gas and 90 bbl of oil per day. It is anticipated that, similar to the first well (Smith #1), the well will flow naturally for a number of months before it is shut in and a completion rig moved into place.

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Note 31: New Accounting Standards and Interpretations

Australian Accounting Standards/Amendments Released But Not Yet Effective: 30 June 2010 Year End

The following new/amended accounting standards and interpretations have been issued, but are not mandatory for financial year ended 30 June 2010. They have not been adopted in preparing the financial statements for the year ended 30 June 2010 and are expected to impact the consolidated entity in the initial period of application. In all cases the entity intends to apply these standards from the date of application as indicated below.

AASB reference	Title and Affected Standard(s):	Nature of Change	Application date/ Effective date	Impact on Initial Application
AASB 2009-8 (issued July 2009)	Amendments to Australian Accounting Standards – Group Cash-settled Share-based Payment Transactions	Clarifies the scope and accounting for group cash-settled share-based payment transactions in the individual financial statements of an entity receiving the goods/services when that entity has no obligation to settle the share-based payment transaction. Supersedes Interpretation 8 Scope of AASB 2 and Interpretation 11 AASB 2 – Group and Treasury Share Transactions.	Periods beginning on or after 1 July 2010	There will be no impact as there are no share-based payment transactions where the entity receives goods or services with no corresponding obligation to settle the share-based payment transaction.
AASB 9 (issued December 2009)	Financial Instruments	Amends the requirements for classification and measurement of financial assets	Periods beginning on or after 1 July 2013	Due to the recent release of these amendments and that adoption is only mandatory for the 30 June 2014 year end, the entity has not yet made an assessment of the impact of these amendments.
AASB Interpretation 19 (issued December 2009)	Extinguishing Financial Liabilities with Equity Instruments	Equity instruments issued to a creditor to extinguish all or part of a financial liability are 'consideration paid' to be recognised at the fair value of the equity instruments issued, unless their fair value cannot be measured reliably, in which case they are measured at the fair value of the debt extinguished. Any difference between the carrying amount of the financial liability extinguished and the 'consideration paid' is recognised in profit or loss.	Periods beginning on or after 1 July 2010	There will be no impact as the entity has not undertaken any debt for equity swaps.

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Note 31: New Accounting Standards and Interpretations (continued)

AASB reference	Title and Affected Standard(s):	Nature of Change	Application date/ Effective date	Impact on Initial Application
AASB 5	Non-current Assets Held for Sale and Discontinued Operations	<p>Clarifies that disclosures required for non-current assets (or disposal groups) classified as held for sale or discontinued operations are limited to those required by AASB 5 unless:</p> <ul style="list-style-type: none"> • Disclosures are specifically required for these assets by other AASBs; or • Assets and liabilities of a disposal group are not within the measurement requirements of AASB 5 and disclosures are required by other AASBs. 	Periods commencing on or after 1 July 2010	There will be no impact as these requirements are only required to be applied prospectively to disclosures for non-current assets (or disposal groups) classified as held for sale or discontinued operations.
AASB 101	Presentation of Financial Statements	Clarifies that terms of a liability that could, at the option of the counterparty, result in the liability being settled by the issue of equity instruments, do not affect its classification. This means that unless the terms of such liabilities require a transfer of cash or other assets within 12 months, they do not necessarily have to be classified as current liabilities.	Periods commencing on or after 1 July 2010	Initial adoption of this amendment will have no impact as the entity does not have any current liabilities where the counterparty has the option to have the liabilities settled by the issue of equity instruments.
AASB 107	Statement of Cash Flows	Clarifies that only expenditures that result in a recognised asset in the statement of financial position are eligible for classification as cash flows from investing activities.	Periods commencing on or after 1 July 2010	Initial adoption of this amendment will have no impact as the entity only recognises cash flows from investing activities for expenditures that result in a recognised asset in the statement of financial position.

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Note 31: New Accounting Standards and Interpretations (continued)

AASB reference	Title and Affected Standard(s):	Nature of Change	Application date/ Effective date	Impact on Initial Application
AASB 136	Impairment of Assets	Clarifies that CGUs to which goodwill is allocated cannot be larger than an operating segment as defined in AASB 8 Operating Segments before aggregation.	Periods commencing on or after 1 July 2010	There will be no impact as these requirements are only required to be applied prospectively to goodwill impairment calculations for periods commencing on or after 1 July 2010.
IFRS 7	Financial Instruments: Disclosures	Deletes various disclosures relating to credit risk, renegotiated loans and receivables and the fair value of collateral held.	Periods commencing on or after 1 July 2011	There will be no impact on initial adoption to amounts recognised in the financial statement as the amendments result in fewer disclosures only.
IAS 1	Presentation of Financial Statements	A detailed reconciliation of each item of other comprehensive income may be included in the statement of changes in equity or in the notes to the financial statements.	Periods commencing on or after 1 July 2011	There will be no impact on initial adoption of this amendment as a detailed reconciliation of each item of other comprehensive income has always been included in the statement of changes in equity.

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Note 31: New Accounting Standards and Interpretations (continued)

AASB reference	Title and Affected Standard(s):	Nature of Change	Application date/ Effective date	Impact on Initial Application
IFRS 3	Business Combinations	<p>The amendment limits the choice of measuring non-controlling interests (NCI) at either fair value or the NCI's proportionate share of the acquiree's net identifiable assets to NCI's that are present ownership instruments that entitle their holders to a proportionate share of the entity's net assets in the event of liquidation. Other components of NCI must be measured at acquisition date fair value, or as required by other Accounting Standards.</p> <p>The amendments clarify that acquiree awards that the acquirer chooses to, but is not obliged to, replace, must be accounted for in the same way as acquiree awards that the acquirer is obliged to replace.</p> <p>Additional guidance paragraphs B62A and B62B have been added to confirm that, where the acquiree still has outstanding share-based payment transactions, these form part of the NCI of the acquirer and are measured as follows:</p> <ul style="list-style-type: none"> • If vested – at their market-based measure; and <p>If not vested – at their market-based measure as if acquisition date were the grant date.</p> <p>Confirms that any balances of contingent consideration that relate to acquisitions under the superseded IFRS 3 must be accounted for under the superseded standard, i.e. not via profit or loss.</p>	Periods commencing on or after 1 July 2010	There will be no impact on initial adoption as these requirements are only required to be applied prospectively.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2010

Note 32: Company Details

The registered office of the company is:

Ground Floor, 1 Havelock Street
West Perth WA 6005
Tel: (08) 9488 5220
Fax: (08) 9324 2400

The principal places of business is:

Ground Floor, 1 Havelock St
West Perth WA 6005
Tel: (08) 9488 5220
Fax: (08) 9324 2400

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DECLARATION OF BY DIRECTORS

The directors of the company declare that:

1. The financial statements, comprising the statement of comprehensive income, statement of financial position, statement of cash flows, statement of changes in equity, accompanying notes, are in accordance with the Corporations Act 2001 and:
 - (a) comply with Accounting Standards and the Corporations Regulations 2001; and
 - (b) give a true and fair view of the consolidated entity's financial position as at 30 June 2010 and of its performance for the year ended on that date.
2. The company has included in the notes to the financial statements an explicit and unreserved statement of compliance with International Financial Reporting Standards.
3. In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.
4. The remuneration disclosures included in pages 15 to 20 of the directors' report (as part of audited Remuneration Report), for the year ended 30 June 2010, comply with section 300A of the Corporations Act 2001.
5. The directors have been given the declarations by the chief executive officer and chief financial officer required by section 295A.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:



Mr P Landau
Executive Director
Perth



Mr A Eastman
Executive Director / Company Secretary
Perth

Dated this 30th day of September 2010

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RANGE RESOURCES LIMITED

Report on the Financial Report

We have audited the accompanying financial report of Range Resources Limited, which comprises the statement of financial position as at 30 June 2010, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards*.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.



Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001* would be in the same terms if it had been given to the directors at the time that this auditor's report was made.

Auditor's Opinion

In our opinion:

- (a) the financial report of Range Resources Limited is 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 2010 and of its performance for the year ended on that date; and
 - (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*; and
- (b) the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 1.

Material Uncertainty Regarding Continuation as a Going Concern

Without qualifying our opinion, we draw attention to Note 1 in the financial report. As a result of accumulated losses, continuing operating cash outflows and commitments disclosed in Note 22, a significant uncertainty exists regarding continuation as a going concern. The consolidated entity will have to seek additional funding or sell assets to continue its activities. If the consolidated entity is unable to obtain additional funding or sell assets it may cast significant doubt about the consolidated entity's ability to continue as a going concern and whether it will be able to realise its assets and extinguish its liabilities in the ordinary course of business, and at the values carried in the financial report.

Significant Uncertainty Regarding Recoverability of Capitalised Exploration and Evaluation Expenditure in Puntland

Without qualification to the opinion expressed above, we draw attention to Note 16 to the financial statements. There is uncertainty as to the recoverability of the capitalised exploration and evaluation expenditure assets of the consolidated entity. The recoverability of the capitalised exploration and evaluation expenditure assets is dependant upon the successful development and commercialisation of the underlying areas of interest or their sale. Should the consolidated entity be unable to successfully develop, commercialise or sell the exploration assets, there is significant doubt whether the consolidated entity will be able to realise the asset at the values carried in the financial report.



Report on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2010. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion

In our opinion, the Remuneration Report of Range Resources Limited for the year ended 30 June 2010, complies with section 300A of the *Corporations Act 2001*.

BDO Audit (WA) Pty Ltd

A handwritten signature in blue ink, appearing to read 'Glyn O'Brien', with the letters 'BDO' written above it.

Glyn O'Brien
Director

Perth, Western Australia
Dated this 30th day of September 2010

**RANGE RESOURCES LIMITED
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CORPORATE GOVERNANCE STATEMENT

This Corporate Governance Statement sets out the Company's current compliance with the ASX Corporate Governance Council's Principles of Good Corporate Governance and Best Practice Recommendations (**Best Practice Recommendations**). The Best Practice Recommendations are not mandatory. However, the Company will be required to provide a statement in its future annual reports disclosing the extent to which the Company has followed the Best Practice Recommendations.

The Board of the Company currently has in place a corporate governance policy and are in the process of adopting a more comprehensive Corporate Governance Plan.

	BEST PRACTICE RECOMMENDATION	COMMENT
1.	<i>Lay solid foundations for management and oversight</i>	
1.1	Formalise and disclose the functions reserved to the board and those delegated to management.	Satisfied. Refer the Corporate Governance section on the Company website.
1.2	Disclose the process for evaluating the performance of senior executives.	Not satisfied. The Company has not yet established formal performance review measures for key executives given the size and stage of the Company's operations.
1.3	Provide the information indicated in the <i>Guide to Reporting on Principle 1</i> .	Satisfied. Refer to Director's report.
2.	<i>Structure the board to add value</i>	
2.1	A majority of the board should be independent directors.	Satisfied. Refer the Corporate Governance section on the Company website.
2.2	The chairperson should be an independent director.	Satisfied. Refer the Corporate Governance section on the Company website.
2.3	The roles of chairperson and chief executive officer should not be exercised by the same individual.	Satisfied. Refer the Corporate Governance section on the Company website.
2.4	The board should establish a nomination committee.	Not satisfied. The Board considers that given the current size of the board, this function is efficiently achieved with full Board participation. Accordingly, the Board has resolved not to establish a nomination committee at this stage.
2.5	Disclose the process for evaluating the performance of the board, its committees and individual directors.	Not satisfied. The Company has not yet established formal performance review measures for key executives nor has it established a nomination committee given the size and stage of the Company's operations. The full Board will review the performance of key executives.
2.6	Provide the information indicated in <i>Guide to Reporting on Principle 2</i> .	Satisfied. Refer to Director's report.
3.	<i>Promote ethical and responsible decision-making</i>	
3.1	Establish a code of conduct to guide the directors, the chief executive officer (or equivalent), the chief financial officer (or equivalent) and any other key executives as to: (a) the practices necessary to maintain confidence in the company's integrity; and (b) the practices necessary to take into account their legal obligations and the reasonable expectations of their stakeholders (c) the responsibility and accountability of individuals for reporting and investigating reports of unethical practices.	Satisfied. Refer the Corporate Governance section on the Company website.

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	BEST PRACTICE RECOMMENDATION	COMMENT
3.2	Disclose the policy concerning trading in company securities by directors, officers and employees.	Satisfied. Available on the Company website.
3.3	Provide the information indicated in <i>Guide to Reporting on Principle 3</i> .	Satisfied. Refer to Director's report.
4.	<i>Safeguard integrity in financial reporting</i>	
4.1	The board should establish an audit committee.	Not Satisfied. The Directors believe that it would not increase efficiency or effectiveness to have a separate audit committee, and that audit matters are of such significance that they should be considered by the full Board. The Board may call on outside consultants if it requires assistance in this area.
4.2	Structure the audit committee so that it consists of: (a) only non-executive directors; (b) a majority of independent directors; (c) an independent chairperson, who is not chairperson of the board; and (d) at least three members.	Not satisfied. Refer 4.1.
4.4	The audit committee should have a formal charter.	Not satisfied. Refer 4.1
4.5	Provide the information indicated in <i>Guide to Reporting on Principle 4</i> .	Satisfied. Refer to Director's report.
5.	<i>Make timely and balanced disclosure</i>	
5.1	Establish written policies and procedures designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior management level for that compliance.	Satisfied. Continuous disclosure policy is available on the Company website.
5.2	Provide the information indicated in <i>Guide to Reporting on Principle 5</i> .	Satisfied. Refer 5.1
6.	<i>Respect the rights of shareholders</i>	
6.1	Design and disclose a communications strategy to promote effective communication with shareholders and encourage effective participation at general meetings.	Satisfied. Communications with Shareholders policy is available on the Company website
6.2	Provide the information indicated in <i>Guide to Reporting on Principle 6</i> .	Satisfied. Refer to the Company website.

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7.	<i>Recognise and manage risk</i>	
7.1	The board or appropriate board committee should establish policies on risk oversight and management.	Satisfied. Risk management program is available on the Company website.
7.2	Design and implement the risk management and internal control system to manage the company's material business risks and report on whether those risks are being managed effectively.	Satisfied. Refer 7.1
7.3	The board should disclose whether it has received assurance from the chief executive officer (or equivalent) and the chief financial officer (or equivalent) that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.	Due to the size and scale of its operations, the Company does not have a designated CEO or CFO. The roles are performed by the Board as a whole.
7.4	Provide the information indicated in <i>Guide to Reporting on Principle 7</i> .	Satisfied. Refer 7.1 Not currently applicable. Refer 7.3
8.	<i>Remunerate fairly and responsibly</i>	
8.1	The board should establish a remuneration committee.	Not satisfied. The Board considered this recommendation and formed the view that it would not increase efficiency or effectiveness to have a separate committee, and that remuneration matters are of such significance that they should be considered by the full Board. The Board may call on outside consultants if it requires assistance in this area.
8.2	Clearly distinguish the structure of non-executive directors' remuneration from that of executives.	Details of executive and non-executive remuneration are outlined in the Directors' report.
8.3	Provide the information indicated in <i>Guide to Reporting on Principle 8</i> .	Satisfied. The Company has incorporated all information as required.

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ASX ADDITIONAL INFORMATION

Additional information required by the Australian Stock Exchange Limited Listing Rules not disclosed elsewhere in this Annual Report is set out below.

1. Shareholdings

The issued capital of the Company as at 27 September 2010 is 1,165,040,794 ordinary fully paid shares. There are 350,118,878 listed options (\$0.05, 31 December 2011), 64,896,875 listed options (\$1.00, 1 October 2010), 25,412,044 unlisted options (\$0.05, 31 March 2015), 5,420,655 unlisted options (£0.04, 30 June 2015), 60,000,000 unlisted director options (\$0.10, 31 December 2011) and 3,177,029 unlisted options (\$0.50, 30 June 2012).

Ordinary Shares	No. of Holders	No. of Shares
1 - 1,000	1,082	415,242
1,001 - 5,000	1,223	3,567,795
5,001 – 10,000	677	5,462,207
10,001 - 100,000	1,388	50,157,331
100,001 and over	490	1,105,438,219
	<u>4,860</u>	<u>1,165,040,794</u>
Number holding less than a marketable parcel	<u>2,098</u>	<u>2,950,346</u>

Listed Options (\$0.05, 31 December 2011)	No. of Holders	No. of Options
1 - 1,000	262	111,676
1,001 - 5,000	223	579,156
5,001 – 10,000	72	538,418
10,001 - 100,000	217	9,278,058
100,001 and over	278	339,611,570
	<u>1,052</u>	<u>350,118,878</u>
Number holding less than a marketable parcel	<u>543</u>	<u>1,089,545</u>

Listed Options (\$1.00, 1 October 2010)	No. of Holders	No. of Options
1 - 1,000	722	311,022
1,001 - 5,000	439	936,150
5,001 – 10,000	91	653,029
10,001 - 100,000	113	3,238,413
100,001 and over	26	59,758,261
	<u>1,391</u>	<u>64,896,875</u>
Number holding less than a marketable parcel	<u>1,374</u>	<u>7,613,990</u>

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ASX ADDITIONAL INFORMATION

2. Top 20 Shareholders as at 27 September 2010

	No. of Shares Held	% Held
1 Computershare Clearing Pty Ltd <CCNL DI A/C>	790,474,838	67.85
2 JP Morgan Nominees Australia Limited <Cash Income A/C>	22,810,844	1.96
3 Mr David Scanlen	20,002,187	1.72
4 Citicorp Nominees Pty Limited	15,563,310	1.34
5 Erine International Limited	15,506,298	1.33
6 Mr Pieter Hoekstra & Mrs Ruth Hoekstra <Hoekstra Super Fund A/C>	9,800,000	0.84
7 HSBC Custody Nominees (Australia) Limited	6,927,702	0.59
8 Doull Holdings Pty Ltd	6,250,000	0.54
9 Mr Gilbert Gavars	6,001,916	0.52
10 Consort Private Limited	5,000,000	0.43
11 Mr Mohamed Hersi	4,650,099	0.40
12 Merrill Lynch (Australia) Nominees Pty Limited	4,396,534	0.38
13 DRN Redfern	4,166,667	0.36
14 National Nominees Limited	3,831,720	0.33
15 Mr Dominic Redfern	3,623,971	0.31
16 J P Morgan Nominees Australia Limited	3,475,907	0.30
17 J & J Bandy Nominees Pty Ltd <J & J Bandy Super Fund A/C>	3,000,000	0.26
18 Mr Peter Charles Morey & Mrs Valmai Ann Morey <Morey Super Fund A/C>	2,975,514	0.26
19 Mrs Christine Veryinis	2,759,000	0.24
20 Mr Edward Arnold Bond & Mrs Qun-Li Bond	2,574,867	0.22
	<u>933,791,374</u>	<u>80.15</u>

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ASX ADDITIONAL INFORMATION

3. Top 20 Option holders (\$0.05, 31 December 2011) as at 27 September 2010

	No. of Options Held	% Held
1 Mr David Scanlen	24,445,000	6.98
2 Deep Blue Sea Limited	19,000,000	5.43
3 Pre-Emptive Trading Pty Ltd	16,535,000	4.72
4 Masali Pty Ltd	15,000,000	4.28
5 Mr Pieter Hoekstra & Mrs Ruth Hoekstra <Hoekstra Super Fund A/C>	14,900,000	4.26
6 Pershing Nominees Limited <GWCLT>	8,522,730	2.43
7 Mr Rino Pasquale Pisano	8,000,000	2.28
8 Fletcher Christian Pty Ltd <PBK Superannuation Fund A/C>	7,790,000	2.22
9 Mr Gilbert Gavars	7,000,000	2.00
10 JP Morgan Nominees Australia Limited <Cash Income A/C>	6,343,081	1.81
11 Jameker Pty Ltd <AKJ Family A/C>	5,500,000	1.57
12 Doull Holdings Pty Ltd	5,000,000	1.43
13 Mandarin Securities Limited	5,000,000	1.43
14 Mr Peter Charles Morey & Mrs Valmai Ann Morey <Morey Super Fund A/C>	4,763,850	1.36
15 Citicorp Nominees Pty Limited	4,686,826	1.34
16 Mr Mohamed Hersi	4,650,099	1.33
17 Ms Kim Michelle Oates	4,595,000	1.31
18 Mr Shane Mathew Collins	4,400,000	1.26
19 Erine International Limited	4,135,013	1.18
20 G & D Finn Pty Ltd	4,000,000	1.14
	<u>174,266,599</u>	<u>49.77</u>

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ASX ADDITIONAL INFORMATION

4. Top 20 Option holders (\$1.00, 1 October 2010) as at 27 September 2010

	No. of Options Held	% Held
1 Consort Private Limited	26,250,000	40.45
2 Citicorp Nominees Pty Limited	6,687,539	10.30
3 National Nominees Limited	5,285,961	8.15
4 Taghmen Ventures Limited	3,600,000	5.55
5 ANZ Nominees Limited <Cash Income A/C>	2,637,133	4.06
6 Pre-emptive Trading Pty Ltd	2,000,000	3.08
7 HSBC Custody Nominees (Australia) Limited	1,678,308	2.59
8 Millenium Global Natural Resources Fund Limited C/- Credit Suisse	1,228,653	1.89
9 DRN Redfern	1,228,653	1.89
10 Firebird Global Master Fund II Ltd C/- Trident Trust Company	1,000,000	1.54
11 Pre-Emptive Trading Pty Ltd	1,000,000	1.54
12 JP Morgan Nominees Australia Limited <Cash Income A/C>	965,832	1.49
13 Griffin Capital Management Ltd <Griffin International Umbrella Fund A/C>	860,058	1.33
14 HSBC Custody Nominees (Australia) Limited – A/C 3	855,055	1.32
15 Firebird Global Master Fund Ltd C/- Trident Trust Company	842,978	1.30
16 Goffacan Pty Ltd	600,000	0.92
17 J P Morgan Nominees Australia Limited	562,715	0.87
18 Mr Scott James Duncan & Mrs Shelly Mary Therese Duncan	451,630	0.70
19 Mr Athol Andrew Quirk	417,894	0.64
20 Mr Kin Kam Wong	366,063	0.56
	58,518,472	90.17

5. Substantial Shareholders as at 27 September 2010

	No. of Shares Held	% Held
1 Computershare Clearing Pty Ltd <CCNL DI A/C>	790,474,838	67.85
2 JP Morgan Nominees Australia Limited <Cash Income A/C>	22,810,844	1.96

6. Substantial Option holders (\$1.00, 1 October 2010) as at 27 September 2010

	No. of Options Held	% Held
1 Consort Private Limited	26,250,000	40.45
2 Citicorp Nominees Pty Limited	6,687,539	10.30
3 National Nominees Limited	5,285,961	8.15
4 Taghmen Ventures Limited	3,600,000	5.55

**RANGE RESOURCES LIMITED
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7. Reserve Disclosure

The reserves estimate for the North Chapman Ranch Project and East Texas Cotton has been formulated by Lonquist & Co LLC who are Petroleum Consultants based in the United States with offices in Houston and Austin. Lonquist provides specific engineering services to the oil and gas exploration and production industry, and consults on all aspects of petroleum geology and engineering for both domestic and international projects and companies. Lonquist & Co LLC have consented in writing to the reference to them in this announcement and to the estimates of oil, natural gas and natural gas liquids provided. These estimates were formulated in accordance with the guidelines of the Society of Petroleum Engineers ("SPE"). The SPE Reserve definitions can be found on the SPE website at spe.org as well as in the full Lonquist report on the Range website.

The reserves estimates for the 3 Trinidad blocks referred above have been formulated by Forrest A. Garb & Associates, Inc. (FGA). FGA is an international petroleum engineering and geologic consulting firm staffed by experienced engineers and geologists. Collectively FGA staff has more than a century of world-wide experience. FGA have consented in writing to the reference to them in this announcement and to the estimates of oil and natural gas liquids provided. The definitions for oil and gas reserves are in accordance with SEC Regulation S-X.