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## QUARTERLY REPORT FOR PERIOD ENDING 31 DECEMBER 2007

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The Board is pleased to provide the following commentary to be read in conjunction with the Appendix 5B.

### HIGHLIGHTS:

- Admitted to trading on the AIM market of the London Stock Exchange
- Completion of seismic reprocessing program by Africa Oil
- Completion of Rights Issue and Placement to Option holders

### AIM LISTING

A major highlight during the quarter was the successful admission of the Company's shares onto the AIM market of the London Stock Exchange. The AIM listing will significantly enhance the profile of Range, providing international investors easier access to Range's securities and broadening the potential investor base of the Company for capital raisings that may be required to support its oil and gas and mineral exploration and development activities in Puntland.

With this in mind, the Company completed a placement of approximately 18m new ordinary shares at an issue price of 22 pence each (AUD\$0.50) through London-based broker Fox Davies Capital Limited. New shareholders were targeted throughout the United Kingdom/Europe to broaden the shareholder base and enhance liquidity on the AIM market. Gross proceeds of approximately £4m were raised which will be used to fund ongoing exploration costs in Puntland and working capital requirements of the Company.

### PUNTLAND OIL EXPLORATION

During the quarter Africa Oil Corp. completed a comprehensive seismic reprocessing program, including review and integration of all geophysical and geological data on the Nogal Block. The program validated and refined the previous exploration targets established by the former concession holder and enabled Africa Oil to proceed with the proposed drilling program. Africa Oil is Range's

joint venture partner and operator on the project, earning an 80% interest in the Nogal and Dharoor Blocks in Puntland, through spending US\$45m on 4 wells, Africa Oil is currently finalising the drilling contract for a rig capable of drilling the deep holes (4-5000metres), that may be required to reach the potential reservoirs in Jurassic formations in the Nogal Basin. It is also envisaged that reservoirs will be found in Cretaceous sandstones, given that in Yemen, oil has been found in both horizons.

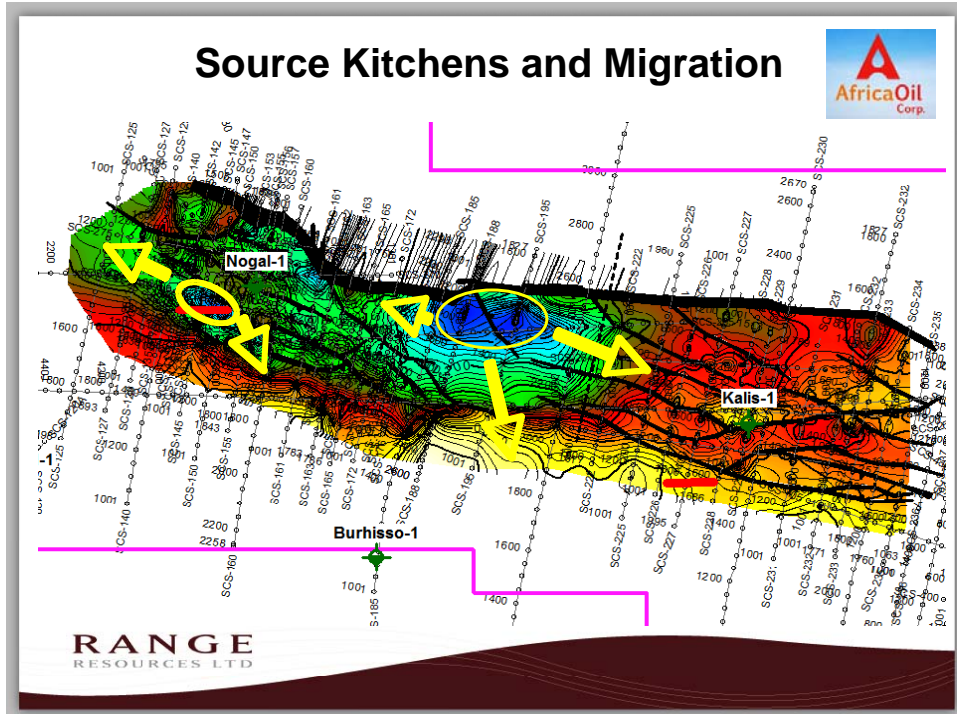


Figure 1: Potential Source Kitchen and Possible Migration routes in the Nogal Basin

Currently Africa Oil has purchased wellheads and tubulars required for all 4 wells. It is anticipated that the drill rig will be mobilised in March 2008 spudding the first of the two back-to-back wells in Nogal soon thereafter.

In addition, contract quotes have been obtained for a 2600km seismic acquisition programme in the Dharoor Valley. It is anticipated that this work will begin by late March 2008. A 2 well drilling program is also being planned for the Dharoor Block to follow the drilling campaign at Nogal.

Mr Paul Colyer strengthens the project's technical team by joining Africa Oil as Drilling Manager. Considered one of the top Drilling Managers in the industry, he brings 35 years of experience to the Company. Mr Colyer has spent the greater part of his career at Occidental Petroleum and has drilled and managed drilling programs in both Yemen and Somalia.

Range is also in the process of finalising the commencement of up to 15,000km of 2D seismic for offshore Puntland (100% Range) with a proposed start date of April 2008.

#### PUNTLAND AND THE TRANSITIONAL FEDERAL GOVERNMENT

During the quarter both the previous Prime Minister and Energy Minister of the Transitional Federal Government ("TFG") of Somalia resigned their posts with one contributing factor being the proposed introduction of a TFG National Oil Law which was contradictory to the existing regime in Puntland.

The Puntland Government is in negotiations with the TFG President, the new Prime Minister and new Energy Minister with regards to a joint Puntland/TFG development agreement of natural resources which ultimately preserves Range's (and Africa Oil's) current agreements with the Puntland Government and Parliament. Range is confident that a formal agreement will be reached in February 2008.

#### **COMPLETION OF RIGHTS ISSUE AND PLACEMENT TO OPTION HOLDERS**

During the quarter the Company completed a placement to holders of listed options (as at 1 August 2007) of one new option (unlisted \$1.00, 1 October 2008) at a subscription price of 1 cent. Simultaneously a 1 for 8 issue to existing shareholders of 1 option (\$1.00, 1 October 2010) for every 8 shares held at a subscription price of 1 cent was offered. The funds raised being approximately \$730,000.00 will be used for the Puntland project.

#### **CORPORATE**

The Company held its Annual General Meeting on 2 November 2007 whereby all resolutions set out in the Notice of Meeting were passed on a show of hands.



Michael Povey  
Managing Director  
31 January 2008

# Appendix 5B

## Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

RANGE RESOURCES LIMITED

ABN

88 002 522 009

Quarter ended ("current quarter")

31 December 2007

### Consolidated statement of cash flows

	Current quarter \$A'000	Year to date \$A'000
<b>Cash flows related to operating activities</b>		
1.1 Receipts from product sales and related debtors		
1.2 Payments for		
(a) exploration and evaluation	(1,211)	(1,659)
(b) development		
(c) production		
(d) administration	(870)	(1,584)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	105	311
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other	0	5
<b>Net Operating Cash Flows</b>	<b>(1,976)</b>	<b>(2,927)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of:		
(a) prospects		
(b) equity investments	(1,500)	(1,500)
(c) other fixed assets	(7)	(49)
1.9 Proceeds from sale of:		
(a) prospects		
(b) equity investments		
(c) other fixed assets		
1.10 Loans to other entities	-	(14)
1.11 Loans repaid by other entities	6	6
1.12 Other (provide details if material)		
Puntland Mineral & Hydrocarbon Rights	(2,151)	(16,699)
<b>Net investing cash flows</b>	<b>(3,652)</b>	<b>(18,256)</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(5,628)</b>	<b>(21,183)</b>

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(5,628)	(21,183)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	8,049	8,424
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings		
1.18	Dividends paid		
1.19	Costs associated with issue of shares (refer to note)	(299)	(349)
	<b>Net financing cash flows</b>	<b>7,750</b>	<b>8,075</b>
	<b>Net increase (decrease) in cash held</b>	<b>2,122</b>	<b>(13,108)</b>
1.20	Cash at beginning of quarter/year to date	7,666	22,896
1.21	Exchange rate adjustments to item 1.20		
1.22	<b>Cash at end of quarter</b>	<b>9,788</b>	<b>9,788</b>

**Payments to directors of the entity and associates of the directors**

**Payments to related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2 and 1.7	415
1.24	Aggregate amount of loans to the parties included in item 1.10	Nil

1.25 Explanation necessary for an understanding of the transactions

Payments of Directors Fees \$195k
Payments for Financial/Company Secretarial/Office Support Services \$220k

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Settlement of Somirelco transaction, involving the receipt of 3 million Contact Uranium ordinary shares, being the second tranche of shares under the terms of the agreement, bringing Range's total shareholding in the Company to 8 million shares.
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2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A
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+ See chapter 19 for defined terms.

### Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

### Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	1,200
4.2 Development	-
<b>Total</b>	<b>1,200</b>

### Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	2,042	1,090
5.2 Deposits at call	7,746	6,576
5.3 Bank overdraft	-	-
5.4 Other – Term Deposit	-	-
<b>Total: cash at end of quarter</b> (item 1.22)	<b>9,788</b>	<b>7,666</b>

### Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	Nil			
6.2 Interests in mining tenements acquired or increased	Nil			

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

**Issued and quoted securities at end of current quarter**

*Description includes rate of interest and any redemption or conversion rights together with prices and dates.*

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 <b>Preference securities</b> <i>(description)</i>	Nil			
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 <b>+Ordinary securities</b>	195,440,024	195,440,024		
7.4 Changes during quarter (a) Increases through issues	18,194,451	18,194,451		
(b) Decreases through returns of capital, buy-backs	Nil	Nil		
7.5 <b>+Convertible debt securities</b> <i>(description)</i>	Nil			
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 <b>Options</b>			<i>Exercise Price</i>	<i>Expiry Date</i>
	9,575,654	9,575,654	\$1.00	1 October 2010
	54,855,872	-	\$1.00	1 October 2008
	50,823,029	-	\$1.00	1 October 2010
	2,952,029		\$0.50	30 June 2012
7.8 Issued during quarter	9,575,654	9,575,654	\$1.00	1 October 2010
	54,855,872	-	\$1.00	1 October 2008

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

7.9	Exercised during quarter	14,451	14,451	\$1.00	1 October 2007
7.10	Expired during quarter	69,164,756	69,164,756	\$1.00	1 October 2007
7.11	<b>Debentures</b> <i>(totals only)</i>	Nil			
7.12	<b>Unsecured notes</b> <i>(totals only)</i>	Nil			
7.13	<b>Partly Paid Shares</b>	5,000,000	Nil	60 cents	30 cents

Note: Application was made to the ASX to have 3,750,000 Partly Paid Shares quoted on 27 December 2007. As at 31 December 2007 the shares had not been allotted by the Company's share registry.

## Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.




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Peter Landau  
Executive Director  
31 January 2008

## Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.

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+ See chapter 19 for defined terms.

- 5      **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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