



29 July 2005

Manager  
Company Announcements Office  
Australian Stock Exchange Limited  
20 Bridge Street  
Sydney, NSW

By e-lodgement

### **QUARTERLY REPORT FOR THE PERIOD ENDING 30 JUNE 2005**

The quarter ended 30 June 2005 has been a very busy one for the Company, both in exploration and from a corporate perspective and set out below are the major highlights.

#### **Corachapi Uranium**

As announced on 24 June, Range re-negotiated the Heads of Agreement and agreed to acquire an 80% interest in Sociedad Minera de Responsabilidad Limitada Corachapi (Somirelco) for the following consideration:

1. A cash payment of US\$165,000;
2. 100 million Shares and 90 million Options (5 cents on or before 1 October 2007) to be issued as follows:
  - 40 million Shares and 10 million Options to be issued immediately (20 million Shares subject to voluntary escrow until 31 December 2005 and 10 million Shares and 10 million Options subject to voluntary escrow until 27 November 2006); and
  - 60 million Shares and 80 million Options issued on or before 1 December 2006.
3. Minimum expenditure commitment of US\$300,000 for an exploration programme on the Mining Concessions within an 18 month period.

By taking the 80% position in Somirelco, the Company acquired management control of the Corachapi Uranium Project and 80% interests in two additional mining concessions being Taypicorani and Taititira and one application being Kihitian, bringing the total concession area in the Macusani District to 1,600 hectares.

The Corachapi uranium prospect is located about 150km east-south-east of the city of Cusco in the Puno region of southeastern Peru. The prospect is situated on the top of a flat lying mesa at an altitude of 4700m within a major sub-areal volcanic caldera of Tertiary age. Access to the Corachapi area, located at 70° 40'W and 13°

55'S, is by gravel track from the small town of Macusani. The Corachapi uranium deposit consists of secondary uranium mineralisation (mainly autunite) occurring as fracture coatings and impregnations in rhyolitic non-welded tuff, and fracture fill within rhyolitic crystal-lithic tuff and ignimbrite. The rhyolitic volcanic rocks are flat lying, part of the distal eruptive sheet from the major Cerro Corani volcanic centre to the south, and form prominent white mesa and spur landforms drained by the headwaters of the Rio San Gabán.



### The Corachapi Deposit

The Peruvian Institute for Nuclear Energy (IPEN) discovered the Corachapi prospect within its National Prospecting Plan between 1960 and 1975. Additional exploration was conducted by IPEN and IAEA (United Nations) between 1982 and 1987. Previous exploration includes drilling, various evaluation studies and a heap-leaching test. Non-JORC standard reserve calculations have been prepared by Somirelco.

An independent consulting geologist on behalf of the Company reviewed the work carried out by the previous Peruvian companies and the current joint venture partners Somirelco in evaluating the uranium resource at Corachapi. Significant uranium mineralisation exists in three zones at Corachapi: Cornice, Coralita, and Quebrada. The resource measurement data held by Somirelco was evaluated and found to be robust and confirmed the methodology used to estimate the uranium resource.

In addition, our consulting geologist took twenty three rock chip and channel samples from the Corachapi prospect. The assays from this work were reported to the ASX on 25 July. The Company also announced that an initial inferred JORC resource of **1.600M tonnes at 0.15% U<sub>3</sub>O<sub>8</sub> for 2,400 contained metal tonnes** has been established at Corachapi.

The encouraging initial inferred resource estimate has provided the Company with a solid rationale to proceed with an RC and diamond drilling program to improve the resource classification to indicated and measured JORC categories in addition to finding additional uranium resources within Corachapi and other properties. A detailed topographic model (digital) will also be produced. Detailed air-borne radiometric surveys within the major caldera complex will also be utilised in an attempt to find additional uranium deposits.



**Sampling at the Corachapi Deposit**

### **Donnybrook**

On 7 July the Company reported on a drilling program commenced in May 2005, which was designed to test an Induced Polarisation (IP) anomaly identified during IP test work in February 2005 about 400 WSW of the Jackson's and New Reef gold mineralization.

The IP survey had identified an inferred resistive "quartz cap" and an inferred chargeable "epithermal core", located at 75 – 150m below ground level. A total of 8 boreholes were drilled for 1524m and all drill holes went through this zone with the average drill hole depth being 190.5m thus ensuring that the anomaly was adequately tested.

The geological logging of the drill holes did not encounter any unit that could resemble the resistive "quartz cap" feature inferred by the IP program, however the 3 most western drill holes intersected a minor sulphide occurrence at 165m – 185m depth, significantly lower and west of the IP chargeable anomaly core identified by the February IP survey. It was hoped that this sulphide occurrence could be Au

mineralized due to its location within the sedimentary units of the Donnybrook Sandstone and Siltstone, however fire assays have returned very low values (none greater than 40 ppb) and the target zone tested showed no rise in Au grades, or other marker mineral assays, above a very low assay background level.

Based on these results the company is in the process of reviewing the development of the project.

### **Forrestania**

During the calendar quarter the Company commissioned 2 EM surveys to test specific areas/anomalies within exploration licences 77729 and 77730 and a more regional EM mapping project. The surveys and the EM project will add to the Company's information on the project area and enable a better understanding of the complex geology of the project area before progressing with the next phase of exploration. A report will be issued shortly upon the results of the EM surveys being received.

### **Corporate**

Key Corporate activities included the placement of 180 million options at 0.3 cents to sophisticated investors to raise \$540,000.

With the positive results at Corachapi referred to above, the Company reached agreement to place 50 million Shares (as approved by Shareholders at the meeting of 29 April) at 2.4 cents per share to raise \$1.2 million with a 3 for 4 attaching Option (5 cents, 1 October 2007) subject to shareholder approval. Funds raised will be used for the Company's Forrestania and Corachapi Projects and working capital.

### **Exploration Costs**

Exploration costs for the quarter were \$310,000.



Matthew Lewis  
Chairman of the Board  
29 July 2005

Note: The summary of geological information in this announcement has been compiled by independent consulting geologist, John Stockley, who is a member of the Australasian Institute of Mining and Metallurgy and has sufficient experience to the activity which he is undertaking to qualify as a Competent Person as defined in the JORC Code.

# 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")

30 June 2005

### 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	(310)	(886)
(b) development		
(c) production		
(d) administration	(170)	(746)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	14	43
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other		
	(466)	(1,589)
<b>Net Operating Cash Flows</b>		
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of:		
(a)prospects	(422)	(919)
(b)equity investments		
(c) other fixed assets	(7)	(15)
1.9 Proceeds from sale of:		
(a)prospects		
(b)equity investments		
(c)other fixed assets		
1.10 Loans to other entities		
1.11 Loans repaid by other entities		
1.12 Other (provide details if material)		
	(429)	(934)
<b>Net investing cash flows</b>		
1.13 Total operating and investing cash flows (carried forward)	(895)	(2,523)

+ See chapter 19 for defined terms.

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

1.13	Total operating and investing cash flows (brought forward)	(895)	(2,523)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	540	3,108
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	(56)	(144)
	<b>Net financing cash flows</b>	484	2,964
	<b>Net increase (decrease) in cash held</b>	(411)	441
1.20	Cash at beginning of quarter/year to date	1,525	673
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	1,114	1,114

**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	40
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	37
Payments to a Director Related Company	3

**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

Pursuant to the announcement made on the 28<sup>th</sup> of June, Range Resources Limited issued 40,000,000 ordinary fully paid shares and 10,000,000 listed options in return for an 80% share in the Corachapi Uranium Mining Concessions in Peru.

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

Nil

+ 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	300
4.2 Development	-
<b>Total</b>	<b>300</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	1,114	1,525
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other – Term Deposit	-	-
<b>Total: cash at end of quarter (item 1.22)</b>	<b>1,114</b>	<b>1,525</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>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 <b>Ordinary securities</b>	411,143,841	411,143,841		
7.4 Changes during quarter (a) Increases through issues  (b) Decreases through returns of capital, buy-backs	50,000,000	50,000,000		
7.5 <b>Convertible debt securities</b> <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 <b>Options</b>	366,176,260	366,176,260	<i>Exercise Price</i> 5 cents	<i>Expiry Date</i> 1 October 2007
	20,000,000	-	5 cents	1 October 2010
7.8 Issued during quarter	205,000,000	205,000,000	5 cents	1 October 2007
	20,000,000	20,000,000	5 cents	1 October 2010
7.9 Exercised during quarter	Nil	Nil		
7.10 Expired during quarter	Nil			
7.11 <b>Debentures</b> <i>(totals only)</i>	Nil			

+ See chapter 19 for defined terms.

7.12	<b>Unsecured notes</b> ( <i>totals only</i> )	Nil	
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## 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  
Company Secretary  
29 July 2005

## 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.
- 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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