



## REPORT FOR DECEMBER 2003 QUARTER

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### **DONNYBROOK GOLD PROJECT ("Donnybrook")**

During late October 2003, Range conducted its first drilling campaign on the Donnybrook tenement. An eight hole exploratory RC drilling program was carried out on two prospect areas within its Exploration Licence E70/2481 testing for extensions of known epithermal gold occurrences located on the tenement. The areas are characterised by numerous old shallow and deep workings dating from 1898 to 1903 which delineated gold mineralisation and have a record of gold production.

Five holes on the Donnybrook site were designed to test for extensions of gold occurrences identified in drilling conducted in the 1980s by various explorers including West Coast Minerals, BP Minerals Ltd, BHP Exploration Pty Ltd and Metana Minerals NL. A further three holes were designed to test whether there was any significant mineralisation left near the old Mt Cara mine.

Range holes DBRC 1 to 5 and BP Minerals holes DP 7 to 16A were all collared within an area of approximately 300 metres by 50 metres. The results indicated a large mineralised zone from the surface to a depth of at least 184 metres containing high-grade gold intersections and a number of other lower grade but still significant gold values.

The mineralisation at Donnybrook is postulated to be epithermal in origin and could be extensive. There is high potential for more mineralisation, and further work is required to evaluate the structure and extent of the gold mineralisation in the area.

Range is currently reviewing the results of the previous campaign and intends to carry out further drilling on the tenement in the first quarter of 2004.

### **FORRESTANIA NICKEL TENEMENTS ("Forrestania")**

In October 2003 the Company entered into an option agreement to acquire a parcel of prospecting licences, exploration licences and tenement applications, all located in the highly prospective Forrestania nickel belt, south of Southern Cross in Western Australia.

Total cash consideration payable for the acquisition was \$1,750,000 comprising:

	\$
Cash option fee	90,000
Cash payable upon exercising option	80,000
Cash payable at settlement	1,300,000
Cash payable on 30 June 2004	280,000

The transaction settled on 24 December 2003. The Company funded the cash component of the acquisition through the recent private placement of shares and options. In addition to the cash consideration, the Company issued 2,500,000 shares to the vendor of the Forrestania tenements.

The Forrestania tenement package includes a total of 17 tenements and applications with a total area of approximately 30 square kilometres. The 13 Forrestania tenements are situated immediately adjacent to the northern boundary and north-west of the Western Areas NL mining lease containing the Flying Fox nickel sulphide mine and a new discovery below and south of the mine.

A third party has lodged an objection to the granting of application for P 77/3449. The Company has received independent advice which indicates that the application has been made in compliance with the prescribed statutory requirements. The objection is therefore considered to be without merit and shall be strongly contested when the matter is formally dealt with by the Warden in April 2004.

During the quarter, Range also applied for additional ground in the Forrestania area (ELA 77/1206~1207), and if granted will hold more than 200 km<sup>2</sup> in the Forrestania nickel belt.

Range's consulting geologist has concluded that the Forrestania tenements are prospective for the occurrence of both nickel and gold mineralisation. Range intends to examine recommendations for detailed geological mapping and geophysical surveying to further define drill target areas.

#### **PLACEMENT OF SHARES AND OPTIONS**

On 17 December 2003, the Company issued 69,050,000 shares at \$0.04 each and 69,050,000 free attaching options on a 1 for 1 basis, to clients of brokers and to sophisticated investors. The issue of 67.5m of these shares and 67.5m of the options was approved by shareholders at a general meeting held on 17 December 2003 and the directors resolved to accept oversubscriptions of \$62,000.

\$2.762m was raised by the private placement and was used to satisfy the cash component of the Forrestania acquisition and to replenish working capital.

#### **OTHER ISSUES OF SHARES**

On 17 December 2003, the Company issued 3,768,000 shares at a deemed issue price of \$0.04 per share to the underwriter, brokers, consultants and arrangers of the recent capital raisings. The allotment was approved at the 17 December 2003 general meeting of members.

The Company allotted 2.5m shares to the vendor of the Forrestania project on the 22 December 2003. Shareholder approval was obtained for this issue at the general meeting of 17 December 2003.

Yours sincerely

**Blair E Sergeant**  
*Company Secretary*

# 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 2003**

### Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (6 months) \$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	(122)	(145)
(b) development	-	-
(c) administration	(164)	(220)
(d) GST paid and receivable	(192)	(191)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	13	15
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
<b>Net Operating Cash Flows</b>	<b>(465)</b>	<b>(541)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	(2,091)	(2,091)
(c) other fixed assets	-	-
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	20
(c) other fixed assets	-	-
1.10 Prepayments	-	-
1.11 Loans repaid to other entities	-	-
1.12 Other (provide details if material)	-	-
<b>Net investing cash flows</b>	<b>(2,091)</b>	<b>(2,071)</b>

+ See chapter 19 for defined terms.

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

1.13	Total operating and investing cash flows (brought forward)	(2,556)	(2,612)
<b>Cash flows related to financing activities</b>			
1.14	Proceeds from issues of shares, options, etc.	3,309	3,319
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
<b>Net financing cash flows</b>		<b>3,309</b>	<b>3,319</b>
<b>Net increase (decrease) in cash held</b>		<b>753</b>	<b>707</b>
1.20	Cash at beginning of quarter/year to date	240	286
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	<b>993</b>	<b>993</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	(66)
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

<b>Directors' base remuneration</b>	<b>(30)</b>
<b>Additional consultancy fees</b>	<b>(36)</b>

**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

<p><b>15,000,000 fully paid ordinary shares issued at \$0.03 per share as consideration for the acquisition of 100% of the issued capital in Westblade Pty Ltd on 31 October 2003.</b></p> <p><b>3,768,000 fully paid ordinary shares issued at \$0.04 per share to underwriters, brokers, consultants and/or arrangers (or their nominees) for the Company's capital raising on 17 December 2003.</b></p> <p><b>2,500,000 fully paid ordinary shares issued at \$0.046 per share to vendor of the Forrestania project and/or its nominee(s) as part consideration for the Forrestania project on 22 December 2003.</b></p>
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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	N/A	N/A
3.2 Credit standby arrangements		

### Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	75
4.2 Development	-
<b>Total</b>	<b>75</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	993	240
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter (item 1.22)</b>	<b>993</b>	<b>240</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				
6.2 Interests in mining tenements acquired or increased	<b>E70/2556</b>	<b>Acquired 100% of issued capital in Westblade Pty Ltd</b>	-	<b>100</b>
	<b>E77/729 - 730, P77/3331 - 3332, E77-1166, E77/1185 - 1187, E77/1191, P77/3435 - 3437, 77/3446, 77/3449 - 3454</b>	<b>Option Agreement to acquire tenements</b>	-	<b>100</b>
	<b>E77/1206 - E77/1207</b>	<b>Application by Range</b>	-	<b>100</b>

+ 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>	<b>209,498,113</b>	<b>209,498,113</b>		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	<b>69,050,000</b> <b>15,000,000</b> <b>3,768,000</b> <b>2,500,000</b> <b>2,500,000</b>	<b>69,050,000</b> <b>15,000,000</b> <b>3,768,000</b> <b>2,500,000</b> <b>2,500,000</b>	<b>4 cents</b> <b>3 cents</b> <b>4 cents</b> <b>6 cents</b> <b>4.6 cents</b>	<b>4 cents</b> <b>3 cents</b> <b>4 cents</b> <b>6 cents</b> <b>4.6 cents</b>
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> <i>(description and conversion factor)</i>	<b>129,170,224</b>	<b>129,170,224</b>	<i>Exercise price</i> <b>10 cents</b>	<i>Expiry date</i> <b>30/6/04</b>
7.8 Issued during quarter	<b>69,050,000</b>	<b>69,050,000</b>	<b>10 cents</b>	<b>30/6/04</b>
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 <b>Debentures</b> <i>(totals only)</i>				
7.12 <b>Unsecured notes</b> <i>(totals only)</i>				

+ See chapter 19 for defined terms.

## 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 ~~does not~~\* (*delete one*) give a true and fair view of the matters disclosed.

Sign here: ..... Date: **30 January 2004**  
Company Secretary

Print name: **Blair E Sergeant**

## 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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