



ABN 88 002 522 009

Level 3, 1 Havelock Street  
West Perth WA 6005

p +61 8 9488 5220  
f +61 8 9324 2400

admin@rangeresources.com.au

19 January 2010

Companies Announcement Office  
Australian Stock Exchange Limited  
20 Bond Street  
SYDNEY NSW 2000

## Via E-lodgement

### COMPANY UPDATE

#### Rights Issue

As referred to in its announcement dated 5 January, 2010, Range Resources Limited (**Range** or the **Company**) is undertaking a one (1) for four (4) non-renounceable entitlement issue (**Rights Issue**), which will raise a gross amount of approximately \$7.0 million.

Range is pleased to advise that it has appointed Max Capital Pty Ltd (AFSL: 264772) (**Max**) as underwriter to the Rights Issue.

The Rights Issue will be fully underwritten by Max, with the terms and conditions of the underwriting arrangements to be customary for transactions of this nature and subject to an underwriting agreement.

Further details are provided in the Rights Issue prospectus, which is attached. Appendix 3B to follow.

#### Appointment of Broker

In addition Range Resources Limited is pleased to announce the appointment of Old Park Lane Capital plc ("OPL") as broker to the Company.

OPL is a specialist stockbroking firm focusing on institutional and ultra-high-net worth clients in the UK and with a strong natural resources expertise. ([www.oldplc.com](http://www.oldplc.com)).

Mr. Peter Landau commented:

*"We are delighted to appoint Old Park Lane as brokers as part of our ongoing strategy to develop and broaden our existing base of institutional and ultra- high-net-worth shareholders in the UK"*

*"The Company's assets are rapidly developing and we see the UK, alongside Australia, forming part of our long term shareholder base as we move ahead."*

For and on behalf of the board



**PETER LANDAU**  
Executive Director

**For further information please contact:**

Range Resources

Peter Landau

Tel : +61 (8) 8 9488 5220

Em: [plandau@rangeresources.com.au](mailto:plandau@rangeresources.com.au)

**Australia**

**PPR**

David Tasker

Tel: +61 (8) 9388 0944

Em: [david.tasker@ppr.com.au](mailto:david.tasker@ppr.com.au)

**London**

**Conduit PR**

Jonathan Charles

Tel: + 44 (0) 20 7429 6666

Em: [jonathan@conduitpr.com](mailto:jonathan@conduitpr.com)

**RFC Corporate Finance** (Nominated Advisor)

Stuart Laing

Tel: +61 (8) 9480 2500

**Old Park Lane Capital Plc**

Michael Parnes

Tel: +44 (0) 207 518 2603

**Range Background**

Range Resources is a dual listed (ASX: RRS; AIM: RRL) oil & gas exploration company with oil & gas interests in the frontier state of Puntland, Somalia, the Republic of Georgia and Texas, USA.

- In Puntland, Range holds a 20% working interest in two licences encompassing the highly prospective Dharoor and Nugaal valleys with plans to drill two wells (TSXV:AOI) – 65% Operator, in 2010.
- In the Republic of Georgia, Range holds a 50% farm-in interest in onshore blocks VIa and VIb, covering approx. 7,000sq.km. Currently, Range is undertaking a 350km 2D seismic program.
- Range holds a 25% interest in the North Chapman Ranch project, Texas. The project area encompasses approximately 1,680 acres in one of the most prolific oil and gas producing trends in the State of Texas. Drilling of the first well has resulted in a commercial discovery with production commencing Jan/Feb 2010.

# **RANGE RESOURCES LIMITED**

## **ACN 002 522 009**

---

### **ENTITLEMENT ISSUE PROSPECTUS**

---

For a pro rata non-renounceable entitlement issue of 1 Share for every 4 Shares held by Shareholders at an issue price of \$0.05 per Share to raise approximately \$7,579,766 (**Entitlement Issue**).

The Entitlement Issue is fully underwritten by Max Capital Pty Ltd (ABN 97 106 553 244) AFSL 264 7772. Refer to Section 7.3 for details regarding the terms of the Underwriting Agreement.

#### **IMPORTANT NOTICE**

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the Securities being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The Securities offered by this Prospectus should be considered as speculative.

---

## TABLE OF CONTENTS

---

1.	SUMMARY OF IMPORTANT DATES AND IMPORTANT NOTES.....	2
2.	CORPORATE DIRECTORY .....	3
3.	DETAILS OF THE OFFER .....	4
4.	PURPOSE AND EFFECT OF THE OFFER.....	8
5.	RIGHTS AND LIABILITIES ATTACHING TO THE SHARES .....	11
6.	RISK FACTORS .....	13
7.	ADDITIONAL INFORMATION.....	19
8.	AUTHORITY OF DIRECTORS.....	28
9.	DEFINITIONS .....	29

---

## 1. SUMMARY OF IMPORTANT DATES AND IMPORTANT NOTES

### TIMETABLE AND IMPORTANT DATES\*

Lodgement of Prospectus with ASIC	19 January 2010
Notice sent to Shareholders	21 January 2010
Ex Date	22 January 2010
Record Date for determining Shareholder entitlements	29 January 2010
Prospectus despatched to Shareholders	1 February 2010
Closing Date of Offer	15 February 2010
Securities quoted on a deferred settlement basis	16 February 2010
Notify ASX of under-subscriptions	18 February 2010
Despatch date/Shares entered into Shareholders' security holdings	23 February 2010

\* These dates are determined based upon the current expectations of the Directors and may be changed with 6 Business Days prior notice.

### IMPORTANT NOTES

Shareholders should read this document in its entirety and, if in doubt, should consult their professional advisors.

This Prospectus is dated 19 January 2010 and a copy of this Prospectus was lodged with the ASIC on that date. The ASIC and ASX take no responsibility for the content of this Prospectus.

The expiry date of the Prospectus is 5:00 pm on that date which is 13 months after the date this Prospectus was lodged with ASIC (**Expiry Date**). No Shares will be allotted or issued on the basis of this Prospectus after the Expiry Date.

Applications for Shares offered pursuant to this Prospectus can only be submitted on an original Entitlement and Acceptance Form which accompanies this Prospectus.

This Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer.

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Failure to comply with these restrictions may violate securities laws. Applicants who are resident in countries other than Australia should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed.

No person is authorised to give information or to make any representation in connection with this Prospectus which is not contained in the Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

---

## 2. CORPORATE DIRECTORY

### Directors

Samuel Jonah  
*(Non-Executive Chairman)*

Peter Landau  
*(Executive Director)*

Marcus Edwards-Jones  
*(Non-Executive Director)*

Anthony Eastman  
*(Non-Executive Director)*

### Company Secretary

Jane Flegg

Anthony Eastman

### Registered Office

Level 3, 1 Havelock Street  
WEST PERTH WA 6005

Telephone: (08) 9488 5220

### Principal Place of Business

Level 3, 1 Havelock Street  
WEST PERTH WA 6005

### General Enquiries:

Telephone: (08) 9488 5220

Facsimile: (08) 9324 2400

### Underwriter

Max Capital Pty Ltd  
945 Wellington Street  
WEST PERTH WA 6005

### Share Registry (Australia)\*

Computershare Investor Services Pty Ltd  
Level 2, Reserve Bank Building  
45 St Georges Terrace  
PERTH WA 6000

Telephone: (08) 9323 2000

### Share Registry (United Kingdom)\*

Computershare Investor Services plc  
The Pavillons  
Bridgewater Road  
Bristol BS99 6ZZ  
United Kingdom

Telephone: +44 (0) 870 703 6300

### Solicitors

Steinepreis Paganin  
Lawyers and Consultants  
Level 4, The Read Building  
16 Milligan Street  
PERTH WA 6000

### Auditor\*

BDO Kendalls Audit & Assurance (WA) Pty  
Ltd  
128 Hay Street  
SUBIACO WA 6008

\*These parties have been included for information purposes only. They have not been involved in the preparation of this Prospectus.

---

### **3. DETAILS OF THE OFFER**

#### **3.1 Offer**

By this Prospectus, the Company offers for subscription approximately 151,595,332 new Shares pursuant to a pro-rata non-renounceable entitlement issue to Shareholders of 1 new Share for every 4 Shares held on the Record Date at an issue price of \$0.05 per Share. Fractional entitlements will be rounded up to the nearest whole number.

Based on the capital structure of the Company (and assuming no existing Options are exercised prior to the Record Date), the maximum number of Shares to be issued pursuant to the Offer is approximately 151,595,332. The Offer will raise approximately \$7,579,766. The purpose of the Offer and the use of funds raised are set out in Section 4 of this Prospectus.

Holders of existing Options will not be entitled to participate in the Offer. The Company currently has 408,583,320 Options on issue as at the date of this Prospectus, which Options may be exercised by the Option holder prior to the Record Date in order to participate in the Offer.

#### **3.2 How to Accept the Offer**

Your acceptance of the Offer must be made on the Entitlement and Acceptance Form accompanying this Prospectus. Your acceptance must not exceed your Entitlement as shown on that form. If it does, your acceptance will be deemed to be for the maximum Entitlement.

You may participate in the Offer as follows:

- (a) if you wish to accept your Entitlement in full:
  - (i) complete the Entitlement and Acceptance Form, filling in the details in the spaces provided; and
  - (ii) attach your cheque for the amount indicated on that relevant Entitlement and Acceptance Form; or
- (b) if you only wish to accept part of your Entitlement:
  - (i) fill in the number of Securities you wish to accept in the space provided on the Entitlement and Acceptance Form; and
  - (ii) attach your cheque for the appropriate application monies (at \$0.05 per Share); or
- (c) if you do not wish to accept all or part of your Entitlement, you are not obliged to do anything.

All cheques must be drawn on an Australian bank or bank draft made payable in Australian currency to "Range Resources Limited – Trust Account" and crossed "Not Negotiable".

Your completed Entitlement and Acceptance Form and cheque must reach the Company's share registry no later than 5.00pm WST on the Closing Date.

The Offer is non-renounceable. Accordingly, a Shareholder may not sell or transfer all or part of their Entitlement.

### **3.3 Minimum Subscription**

The Offer is fully underwritten and the minimum subscription is the full subscription amount of 151,595,332 Shares.

No Shares shall be issued until this amount is raised. If the minimum subscription amount is not raised within 4 months of the date of this Prospectus, all applications will be dealt with in accordance with the Corporations Act.

### **3.4 Underwriting**

The Offer is conditionally underwritten by Max Capital Pty Ltd (AFSL 264 7772).

Refer to Section 7.2 of this Prospectus for further details of the terms of the underwriting.

### **3.5 Shortfall**

If you do not wish to take up any part of your Entitlement you are not required to take any action. That part of your Entitlement not taken up will form part of the Shortfall. Shareholders who wish to apply for Shares above their Entitlement can complete the Shortfall Application Form attached to the back of this Prospectus and return it, together with a cheque for the value of those Shortfall Shares (at \$0.05 per Share) to the Company.

The offer of the Shortfall is a separate offer pursuant to this Prospectus. The issue price of any Shares offered pursuant to the Shortfall Offer shall be \$0.05 being the price at which the Entitlement has been offered to Shareholders pursuant to this Prospectus. The Shortfall shall be placed at the discretion of the Company. The Company reserves the right to allot to an applicant a lesser number of Shortfall Shares than the number for which the applicant applies, or to reject an application, or to not proceed with placing the Shortfall.

### **3.6 Australian Securities Exchange Listing**

Application for official quotation by ASX of the Shares offered pursuant to this Prospectus will be made within 7 days after the date of this Prospectus. If approval is not obtained from ASX before the expiration of 3 months after the date of issue of the Prospectus, (or such period as modified by the ASIC), the Company will not issue any Shares and will repay all application monies for the Securities within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant official quotation to the Shares is not to be taken in any way as an indication of the merits of the Company or the Securities now offered for subscription.

### **3.7 Allotment of Shares**

Shares issued pursuant to the Offer will be allotted as soon as practicable after the Closing Date and in accordance with the timetable.

Pending the allotment and issue of the Shares or payment of refunds pursuant to this Prospectus, all application monies will be held by the Company in trust for the Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

### **3.8 Overseas Shareholders**

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. No action has been taken to register or qualify these Shares the subject of this Prospectus or otherwise permit a public offer of the Shares the subject of this Prospectus in any jurisdiction outside Australia.

It is the responsibility of applicants outside Australia to obtain all necessary approvals for the allotment and issue of the Shares pursuant to this Prospectus. The return of a completed Entitlement and Acceptance Form will be taken by the Company to constitute a representation and warranty by the Applicant they have obtained all relevant approvals.

### **3.9 Taxation Implications**

The Directors do not consider that it is appropriate to give Applicants advice regarding the taxation consequences of applying for Securities under this Prospectus, as it is not possible to provide a comprehensive summary of the possible taxation consequences. The Company, its advisers and officers, do not accept any responsibility or liability for any taxation consequences to Applicants. Potential Applicants should, therefore, consult their own professional tax adviser in connection with the taxation implications of the Securities offered pursuant to this Prospectus.

### **3.10 Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship**

The Company will not be issuing share certificates. The Company will apply to ASX to participate in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of Shares allotted to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

### **3.11 Privacy Act**

If you complete an application for Shares, you will be providing personal information to the Company (directly or by the Company's share registry). The Company collects, holds and will use that information to assess your application, service your needs as a Shareholder, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers,

regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's share registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company or its share registry if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the Corporations Act and certain rules such as the ASTC Settlement Rules. You should note that if you do not provide the information required on the application for Shares, the Company may not be able to accept or process your application.

---

#### 4. PURPOSE AND EFFECT OF THE OFFER

##### 4.1 Purpose of the Offer

The purpose of the Offer is to raise approximately \$7,579,766 (before expenses). The proceeds of the Offer, are planned to be used in accordance with the table set out below:

Proceeds of the Offer	\$
Satisfaction of Company's joint venture obligations in relation to the Puntland Projects including drilling site assessment and preparation, rig design, identification and mobilisation, other pre-drilling costs and commencement of drilling	3,000,000
Completion of acquisition and interpretation of seismic data and other exploration costs in relation to the Georgian Projects	2,000,000
Tie-in costs for Smith No 1 well, development costs for second well and general exploration and development costs in relation to the Texas Projects	1,500,000
Working Capital	668,609
Expenses of the Offer <sup>1</sup>	411,157
<b>Total</b>	<b>7,579,766</b>

##### Notes:

1. Refer to Section 7.7 of this Prospectus for further details relating to the estimated expenses of the Offer.

##### 4.2 Effect of the Offer and Pro Forma Consolidated Balance Sheet

The principal effect of the Offer will be to:

- (a) increase the cash reserves by approximately \$7,168,609 immediately after completion of the Offer after deducting the estimated expenses of the Offer; and
- (b) increase the number of Shares on issue from 606,381,325 to approximately 757,976,657 Shares following completion of the Offer; and

##### 4.3 Consolidated Balance Sheet

The unaudited Balance Sheet as at 31 December 2009 and the unaudited Pro Forma Balance Sheet as at 31 December 2009 shown on the following page have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position. They have been prepared on the assumption that all Shares pursuant to the Offer in this Prospectus are issued.

The unaudited Balance Sheets have been prepared to provide Shareholders with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

	Unaudited as at 31 Dec 2009 \$'000	Proforma Adjustments \$'000	Proforma as at 31 Dec 2009 \$'000
<b>Current assets</b>			
Cash and cash equivalents	134	9,049	9,183
Other current assets	28	0	28
<b>Total current assets</b>	<b>162</b>	<b>9,049</b>	<b>9,211</b>
<b>Non-current assets</b>			
Trade and other receivables	311	0	311
Financial assets available-for sale	1,168	0	1,168
Property, plant and equipment	41	0	41
Exploration & evaluation expenditure	87,485	0	87,485
<b>Total non-current assets</b>	<b>87,485</b>	<b>0</b>	<b>87,485</b>
<b>Total assets</b>	<b>87,647</b>	<b>9,049</b>	<b>96,696</b>
<b>Current liabilities</b>			
Trade and other payables	683	0	683
Borrowings	1,621	1,621	0
<b>Total current liabilities</b>	<b>2,304</b>	<b>1,621</b>	<b>683</b>
<b>Total liabilities</b>	<b>2,304</b>	<b>1,621</b>	<b>683</b>
<b>Net assets</b>	<b>85,343</b>	<b>10,670</b>	<b>96,013</b>
<b>Equity</b>			
Issued capital	110,034	10,670	120,704
Reserves	12,596	0	12,596
Accumulated losses	(37,287)	0	(37,287)
<b>Total equity</b>	<b>85,343</b>	<b>10,670</b>	<b>96,013</b>

Proforma adjustments based upon two placements each of 20,000,000 Shares at \$0.05 raising a total of \$2,000,000 and rights issue of 151,595,332 Shares at \$0.05 raising \$7,579,766.

#### 4.4 Effect on Capital Structure

A comparative table of changes in the capital structure of the Company as a consequence of the Offer is set out below, assuming that the Offer is fully subscribed.

##### Shares

	Number
Shares on issue at date of Prospectus	606,381,325 <sup>1,2</sup>

Shares offered pursuant to the Offer	151,595,332
<b>Total Shares on issue after completion of the Offer</b>	<b>757,976,657</b>

### Options

	Number
Quoted exercisable at \$1.00 on or before 1 October 2010	64,901,186
Quoted exercisable at \$0.05 on or before 31 December 2011	340,505,105 <sup>1,2</sup>
Unlisted exercisable at \$0.50 on or before 30 June 2012	3,177,029
<b>Total Options on issue after completion of the Offer</b>	<b>408,583,320</b>

### Notes:

1. A total of 50,000,000 Shares and 50,000,000 Options are to be issued as consideration for a 50% interest in the Georgian Projects, subject to certain milestones being met. Shareholder approval for this issue was obtained on 4 September 2009.
2. A total of 45,000,000 Shares are to be issued to the original vendor on the Puntland Project payable upon completion of the first well drilled in Puntland (as approved by Shareholders 2007).

---

## **5. RIGHTS AND LIABILITIES ATTACHING TO THE SHARES**

### **5.1 Terms of Shares**

The following is a summary of the more significant rights and liabilities attaching to Shares to be issued pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Company's Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

### **5.2 General Meetings**

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with Section 249D of the Corporations Act and the Constitution of the Company.

### **5.3 Voting Rights**

Subject to any rights or restrictions for the time being attached to any class or classes of Shares, at general meetings of Shareholders or classes of Shareholders:

- (a) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (b) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (c) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have a fraction of a vote equivalent to the proportion which the amount paid up bears to the total issue price for the share.

### **5.4 Dividend Rights**

The Directors may from time to time declare and pay or credit a dividend in accordance with the Corporations Act. Subject to any special right as to dividends attaching to a share, all dividends will be declared and paid according to the proportion which the amount paid on the Share is to the total amount payable in respect of the Shares (but any amount paid during the period in respect of which a dividend is declared only entitles the Shareholder to an apportioned amount of that dividend as from the date of payment). The Directors may from time to time pay or credit to the Shareholders such interim dividends as they may determine. No dividends shall be payable except out of profits. A determination by the Directors as to the profits of the Company shall be conclusive. No dividend shall carry interest as against the Company.

The Directors may from time to time grant to Shareholders or any class of shareholders the right to elect to reinvest cash dividends paid by the Company by subscribing for Shares in the Company on such terms and conditions as the Directors think fit. The Directors may, at their discretion, resolve in respect of any dividend which it is proposed to pay or to declare on any Shares of the

Company, that holders of such Shares may elect to forgo their right to the whole or part of the proposed dividend and to receive instead an issue of Shares credited as fully paid to the extent and on the terms and conditions of the Constitution. The Directors may set aside out of the profits of the Company such amounts as they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

## **5.5 Winding-Up**

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders. The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any Shares or other securities in respect of which there is any liability.

## **5.6 Transfer of Shares**

Generally, Shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the Listing Rules.

## **5.7 Future Increase in Capital**

The allotment and issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of securities contained in the Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

## **5.8 Variation of Rights**

Under Section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to Shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

---

## 6. RISK FACTORS

Applicants should consider the risk factors described below, together with information contained elsewhere in this Prospectus, before deciding whether to apply for Shares. Potential Applicants should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Shares.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

### 6.1 Specific Risks

In addition to the general risks outlined below, there are specific risks associated with the Company's existing and proposed business operations. These include:

### 6.2 Specific Socio-Political, Title and Access Risks Associated with the Company's Exploration Rights in Puntland

The Company's assets include oil and gas and mineral exploration and exploitation rights held under various agreements with the government and parliament of the semi-autonomous state of Puntland in the African nation of Somalia. There is no clear undisputable legal authority giving the Puntland Government the power to grant these rights. This is largely a function of the unstable recent political history of both Somalia and, to a lesser extent, Puntland.

Given the relatively formative nature of Somalia and Puntland's legal systems, there is also a high risk that the Company would not be able to effectively and legally enforce any of its rights under its agreements should it need to for any reason. The enforcement of its rights relies heavily of its ability to maintain good relationships with the government and other key stakeholders in Puntland. The maintenance of such relationships in turn relies heavily of the ability of the Company to retain its key executives, directors, consultants and partners who contribute significantly to the Company's key relationships in Puntland.

The Company endeavours to establish a constructive and mutually beneficial relationship with the Puntland Government, however there can be no guarantee that the Company will enjoy a similarly strong relationship with future Puntland Governments.

Furthermore, the Company's ability to carry out exploration and future exploitation activities in Puntland depends on it being able to safely access the areas it wishes to explore or exploit. While the Puntland Government is currently facilitating such access, Puntland has experienced times of internal instability and armed conflict in its past and, more recently, acts of piracy in its offshore areas, and this may prevent the Company and its partners from accessing their planned exploration or exploitation areas.

### 6.3 Specific Technical Risks Associated with the Company's Exploration Projects

No resources or reserves of oil and gas or minerals have yet been identified at the Company's Puntland Projects, Georgian Projects or Texas Projects and there can be no guarantee that any economically recoverable accumulations of oil and gas or minerals will be delineated. Furthermore, whilst estimates of undiscovered resources of oil in place have been made for the Nogal Basin in Puntland and comparisons have been made between the hydrocarbon geology of the Nogal and Dharoor Basins in Puntland and productive basins in Yemen, there is no guarantee that any producible reservoirs will be identified

through exploration by the Company and its partners. This may be due to the lack of adequate closure (seal or otherwise) on the postulated reservoir structures, poor reservoir qualities or other factors.

#### **6.4 Georgian Risk**

The Company is currently conducting exploration activities in Georgia, which achieved independence from the USSR in 1991. Although the Government in Georgia is currently stable, the country has a history of civil uprising.

While the Company will continue to monitor the political climate in the country, Georgia is subject to different legal and political systems compared with the system in place in Australia.

There is no assurance that the systems of government and the political system will remain stable and that government regulations relating to foreign investment, repatriation of foreign currency, taxation and the mining industry in Georgia will not be amended or replaced in the future to the detriment of the Company's business and/or projects, although the Directors are unaware of any such proposals as at the date of this Prospectus. Outcomes before courts in Georgia may be less predictable than in Australia, which could affect the enforceability of contracts entered into by the Company in Georgia.

The Company has made investment and strategic decisions based on information currently available to the Directors. Should there be any material change in the political, economic, legal and social environments in Georgia, the Directors may reassess investment decisions and commitments to assets in Georgia.

No assurance can be given regarding future stability in Georgia or any other country in which the Company may have an interest.

#### **6.5 Ability to Exploit Success**

Any successful exploitation of discoveries would require obtaining the necessary production permit and the relevant government approvals as required by the Government of the Republic of Georgia and the Government of Australia. The required approvals may be issued at the discretion of the relevant authorities and might be issued subject to conditions or preconditions.

#### **6.6 Joint Venture Partner Risk**

The work commitments of the Company's key Puntland exploration project areas, the Nogal and Dharoor Basins, are being or have been fully funded (up to US\$22.5 million in each basin) by the Company's joint venture partner, Africa Oil. While Africa Oil has raised some funding to help carry out the remainder of its exploration programme, it has not yet raised funding to fully meet its 4 well work commitments. There is a risk that Africa Oil will not be able to raise sufficient extra funding to meet the work commitments, and this could result in the forfeiting of the rights in relation to those areas.

Joint venture partner risk also exists with respect the Company's Georgian Projects and Texas Projects. The Company has entered into joint venture arrangements with respect to both these hydrocarbon projects with separate, unrelated, unlisted companies. There is a risk that the joint venture partner for each of these projects may not comply with the terms of the joint venture arrangements (including by way of not providing development capital as required thereunder) which may result in such projects not being developed at

all or to their full potential, and may result in the forfeiting of the rights in relation to those areas.

With respect to this issue, the Directors are unable to predict the risk of:

- (a) financial failure or default by a participant in any joint venture to which the Company may become a party; or
- (b) insolvency or other managerial failure by any of the operators and contractors used by the Company in its exploration activities; or
- (c) insolvency or other managerial failure by any of the other service providers used by the Company or its operators for any activity.

#### **6.7 Oil Reserves and Commercial Oil Flow**

Oil reserves are expressions of judgement based on knowledge, experience and industry practice. Estimates which were valid when originally calculated may alter significantly when new information or techniques become available. In addition, by their very nature, oil reserves are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional fieldwork and analysis, the estimates are likely to change. This may result in alterations to development and commercial oil flow plans which may, in turn, adversely affect the Company's operations.

#### **6.8 Environmental Risks and Regulations**

The operations and proposed activities of the Company are subject to African, European and US laws and regulations concerning the environment. As with most production operations, the Company's activities are expected to have an impact on the environment. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws. Nevertheless, there are certain risks inherent in the Company's activities such as accidental leakages or spills, or other unforeseen circumstances which could subject the Company to extensive liability.

#### **6.9 Reliance on Key Personnel and Employees**

The Company's prospects depend in part on the ability of its executive officers, senior management and key consultants to operate effectively, both independently and as a group. To manage its growth, the Company must attract and retain additional highly qualified management, technical, sales and marketing personnel and continue to implement and improve operational, financial and management information systems. Investors must be willing to rely to a significant extent on management's discretion and judgement, as well as the expertise and competence of outside contractors.

#### **6.10 International Operations**

International sales and operations are subject to a number of risks, including:

- (a) potential difficulties in enforcing agreements and collecting receivables through foreign local systems;
- (b) potential difficulties in protecting intellectual property;
- (c) increases in costs for transportation and shipping; and

- (d) restrictive governmental actions, such as imposition of trade quotas, tariffs and other taxes.

Any of these factors could materially and adversely affect the Company's business, results of operations and financial condition.

#### **6.11 Commodity Price Volatility and Exchange Rate Risks**

If the Company achieves success leading to oil and gas production, the revenue it will derive through the sale of commodities exposes the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for oil and gas, technological advancements, forward selling activities and other macro-economic factors.

Furthermore, international prices of various commodities are denominated in United States dollars, whereas the income and expenditure of the Company are and will be taken into account in Australian currency, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets.

#### **6.12 General Risks**

The value of the Company's Securities are affected by a number of general factors which are beyond the control of the Company and its Directors.

Factors such as inflation, currency fluctuation, interest rates, supply and demand and industrial disruption have an impact on operating costs, commodity prices, local and international economic conditions and general investor sentiment.

The Company's share price can be afflicted by these factors which are beyond the control of the Directors.

#### **6.13 Operating Risks**

The current and future operations of the Company, including exploration, appraisal and possible production activities may be affected by a range of factors, including:

- (a) adverse geological conditions;
- (b) limitations on activities due to seasonal weather patterns and cyclone activity;
- (c) unanticipated operational and technical difficulties encountered in geophysical surveys, drilling and production activities;
- (d) mechanical failure of operating plant and equipment;
- (e) industrial and environmental accidents, industrial disputes and other force majeure events;
- (f) unavailability of aircraft or drilling equipment to undertake airborne electromagnetic and other geological and geophysical investigations;
- (g) unexpected shortages or increases in the costs of labour, consumables, spare parts, plant and equipment; and

(h) inability to obtain necessary consents or approvals.

#### **6.14 Economic Risks**

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and future production activities, as well as on its ability to fund those activities.

#### **6.15 Exploration Success**

The prospects of the Company as described in this Prospectus are at varying stages of exploration, and potential investors should understand that exploration and development are high-risk undertakings.

There can be no assurance that exploration of the prospects of the Company, or any other prospects that may be acquired in the future, will result in the discovery of a commercial oil reserve. Even if an apparently viable reserve is identified, there is no guarantee that it can be economically exploited or will flow at commercial rates.

#### **6.16 Market conditions**

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities and in particular, resources stocks. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

#### **6.17 Security Investments**

Applicants should be aware that there are risks associated with any securities investment. Securities listed on the stock market, and in particular securities of oil and gas exploration companies have experienced extreme price and volume fluctuations that have often been unrelated to the operating performances of such companies. These factors may materially affect the market price of the securities regardless of the Company's performance.

Exploration in itself is a speculative endeavour, while mining operations can be hampered by force majeure circumstances and cost overruns for unforeseen events.

#### **6.18 Legislative changes, Government policy and approvals**

Changes in government regulations and policies may adversely affect the financial performance of the Company. The Company's capacity to explore and mine, in particular the Company's ability to explore and mine any reserves, may be affected by changes in government policy, which are beyond the control of the Company.

#### **6.19 Future Capital Requirements**

The Company's ongoing activities will require substantial expenditures. There can be no guarantee that the funds raised through the Offer will be sufficient to successfully achieve all the objectives of the Company's overall business strategy. If the Company is unable to continue to use debt or equity to fund expansion after the substantial exhaustion of the net proceeds of the Offer, there can be no assurances that the Company will have sufficient capital resources for that purpose, or other purposes, or that it will be able to obtain

additional fundraising on terms acceptable to the Company or at all. Any additional equity financing may be dilutive to shareholders and any debt financing if available may involve restrictive covenants, which may limit the Company's operations and business strategy.

The Company's failure to raise capital if and when needed could delay or suspend the Company's business strategy and could have a material adverse effect on the Company's activities.

## **6.20 Investment Speculative**

The above list of risk factors should not be regarded as an exhaustive list of the risk factors faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially and adversely affect the financial performance of the Company and the value of the securities offered under this Prospectus.

Therefore, the Shares issued pursuant to this Prospectus carry no guarantee with respect to returns of capital or the market value of the Shares.

Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

---

## 7. ADDITIONAL INFORMATION

### 7.1 Continuous Disclosure Obligations

The Company is a “disclosing entity” (as defined in Section 111AC of the Corporations Act) for the purposes of Section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company’s securities.

This Prospectus is a “transaction specific prospectus”. In general terms “transaction specific prospectuses” are only required to contain information in relation to the effect of the issue of securities on the Company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 3 months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in Section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
  - (i) the financial statements of the Company for the financial year ended 30 June 2009 being the last financial statements for a financial year, of the Company lodged with the ASIC before the issue of this Prospectus;
  - (ii) any half year financial statements of the Company lodged with ASIC since the lodgement of the last financial statements for

the year ended 30 June 2009 lodged with ASIC before the issue of this Prospectus; and

- (iii) any documents used to notify ASX of information relating to the Company in the period from lodgement of the financial statements referred to in paragraph (i) above until the issue of the Prospectus in accordance with the Listing Rules as referred to in Section 674(1) of the Corporations Act.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

The Company has lodged the following announcements with ASX since the lodgement of the 2009 Annual Report to Shareholders:

<b>Date</b>	<b>Description of Announcement</b>
05/01/2010	Response to ASX Query - Continuous Disclosure
05/01/2010	ASX Announcement - Rights Issue
05/01/2010	Reinstatement to Official Quotation
04/01/2010	Suspension from Official Quotation
30/12/2009	Trading Halt
21/12/2009	ASX Announcement - Texas Discovery and Key Puntland Approval
17/12/2009	Response to ASX Price Query
16/12/2009	Boardroom Radio Broadcast
14/12/2009	Puntland Milestone
10/12/2009	Trading Halt
20/11/2009	Results of Meeting
20/11/2009	AGM Company Presentation
19/11/2009	Update - Smith No 1 Well Texas
12/11/2009	ASX Announcement - Drilling Update 12 Nov 09
05/11/2009	Drilling Update - Smith No 1 Well, Texas
30/10/2009	Quarterly Report and Appendix 5B
23/10/2009	Drilling Update - Smith No 1 Well, Texas
21/10/2009	Annual Report and Notice of AGM

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

The announcements are also available through the Company's website [www.rangeresources.com.au](http://www.rangeresources.com.au).

## 7.2 Material Contracts

The following are summaries of the significant terms of the material agreements which relate to the business of the Company.

## 7.3 Underwriting Agreement

By an agreement between Max Capital Pty Ltd (**Underwriter**) and the Company (**Underwriting Agreement**), the Underwriter agreed to fully underwrite the Offer for 151,595,332 Shares (**Underwritten Securities**).

Pursuant to the Underwriting Agreement, the Company has agreed to pay the Underwriter a management fee of 1% of the total value of the Underwritten Securities plus an underwriting fee of 4% of the value of the Underwritten Securities.

The Underwriting Agreement is conditional upon:

- (a) a legal sign-off letter prepared by the Company's legal advisers being provided to the Underwriter by the Dispatch Date confirming that the Offer may be made by way of prospectus pursuant to section 713 of the Corporations Act and that the Offer will comply with the Corporations Act and the Listing Rules; and
- (b) the Underwriter being satisfied (in its sole and absolute discretion) with the form of the Prospectus and having given its consent to be named in the Prospectus prior to the Despatch Date as evidence thereof, such consent not to be unreasonably withheld.

The obligation of the Underwriter to underwrite the Offer is subject to certain events of termination. The Underwriter may terminate its obligations under the Underwriting Agreement if:

- (a) **Indices fall:** the S&P ASX 200 Index is at any time after the date of the Underwriting Agreement 10% or more below its respective level as at the close of business on the Business Day prior to the date of the Underwriting Agreement;
- (b) **Prospectus:** the Company does not despatch the Prospectus to Shareholders on the Despatch Date or the Prospectus or the Offer is withdrawn by the Company;
- (c) **No Quotation Approval:** the Company fails to lodge an Appendix 3B in relation to the Underwritten Securities with ASX by the time required by the Corporations Act, the Listing Rules or any other regulation;
- (d) **Non-compliance with requirements:** it transpires that the Prospectus does not contain all the information required by the Corporations Act;
- (e) **Restriction on allotment:** the Company is prevented from allotting the Underwritten Securities within the time required by the Underwriting Agreement, the Corporations Act, the Listing Rules, any statute, regulation or order of a court of competent jurisdiction by ASIC, ASX or any court of competent jurisdiction or any governmental or semi-governmental agency or authority;

- (f) **ASIC application:** an order is made under Section 1324B or any other provision of the Corporations Act in relation to the Prospectus;
- (g) **Takeovers Panel:** the Takeovers Panel makes a declaration that circumstances in relation to the affairs of the Company are unacceptable circumstances under Pt 6.10 of the Corporations Act, which in the Underwriter's reasonable opinion has a material adverse effect;
- (h) **Hostilities:** there is an outbreak of hostilities or a material escalation of hostilities (whether or not war has been declared) after the date of the Underwriting Agreement involving one or more of Australia, New Zealand, Indonesia, Japan, Russia, the United Kingdom, the United States of America, India, Pakistan, or the Peoples Republic of China or any member of the European Union (specified countries) other than hostilities involving Afghanistan, Iraq, Iran, Syria, Lebanon or Israel and the Underwriter believes (on reasonable grounds) that the outbreak or escalation is likely to result in the S&P ASX 200 Index falling 10% or more;
- (i) **Authorisation:** any authorisation which is material to anything referred to in the Prospectus is repealed, revoked or terminated or expires, or is modified or amended in a manner unacceptable to the Underwriter acting reasonably;
- (j) **Indictable offence:** a director of the Company is charged with an indictable offence;
- (k) **Regulatory Approvals:** prior to the Closing Date, the sub-underwriters fail to obtain all required regulatory approvals (if any) to subscribe for the Shortfall Shares in accordance with the terms of any sub-underwriting agreement entered into with the Underwriter;
- (l) **Share Price:** for the period from the date of the Underwriting Agreement to the Closing Date, the Company's Share price trades at less than 5c per Share as quoted on ASX; or
- (m) **Termination Events:** subject always to the events listed above, any of the following events occurs:
  - (i) **(Default):** default or breach by the Company under the Underwriting Agreement of any terms, condition, covenant or undertaking;
  - (ii) **(Incorrect or untrue representation):** any representation, warranty or undertaking given by the Company in the Underwriting Agreement is or becomes untrue or incorrect;
  - (iii) **(Contravention of constitution or Act):** a contravention by a Relevant Company of any provision of its constitution, the Corporations Act, the Listing Rules or any other applicable legislation or any policy or requirement of ASIC or ASX;
  - (iv) **(Adverse change):** an event occurs which gives rise to a material adverse effect or any adverse change or any development including a prospective adverse change after the date of the Underwriting Agreement in the assets, liabilities, financial position, trading results, profits, forecasts, losses, prospects, business or operations of any Relevant Company;

- (v) **(Public statements)**: without the prior approval of the Underwriter a public statement is made by the Company in relation to the Offer or the Prospectus;
- (vi) **(Misleading information)**: any information supplied at any time by the Company or any person on its behalf to the Underwriter in respect of any aspect of the Offer or the affairs of any Relevant Company is or becomes misleading or deceptive or likely to mislead or deceive;
- (vii) **(Official Quotation qualified)**: the official quotation is qualified or conditional other than as set out in the Underwriting Agreement;
- (viii) **(Change in Act or policy)**: there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any of its States or Territories any Act or prospective Act or budget or the Reserve Bank of Australia or any Commonwealth or State authority adopts or announces a proposal to adopt any new, or any major change in, existing, monetary, taxation, exchange or fiscal policy;
- (ix) **(Prescribed Occurrence)**: a prescribed occurrence occurs, as defined in the Underwriting Agreement;
- (x) **(Suspension of debt payments)**: the Company suspends payment of its debts generally;
- (xi) **(Event of Insolvency)**: an event of insolvency occurs in respect of a Relevant Company or any sub-underwriter which has entered into a sub-underwriting agreement with the Underwriter or any sub-underwriter does not comply with its obligations under such underwriting agreement;
- (xii) **(Judgment against a Relevant Company)**: a judgment in an amount exceeding \$100,000.00 is obtained against a Relevant Company and is not set aside or satisfied within 7 days;
- (xiii) **(Litigation)**: litigation, arbitration, administrative or industrial proceedings are after the date of the Underwriting Agreement commenced against any Relevant Company;
- (xiv) **(Board and senior management composition)**: there is a change in the composition of the Board or a change in the senior management of the Company before the date of issue of the Underwritten Securities without the prior written consent of the Underwriter (such consent not to be unreasonably withheld);
- (xv) **(Change in shareholdings)**: there is a material change in the major or controlling shareholdings of a Relevant Company (other than as a result of the Issue, a matter disclosed in the Prospectus) or a takeover offer or scheme of arrangement pursuant to Chapter 5 or 6 of the Corporations Act is publicly announced in relation to a Relevant Company;
- (xvi) **(Timetable)**: there is a delay in any specified date in the Timetable which is greater than 5 Business Days;

- (xvii) (**Force Majeure**): a Force Majeure affecting the Company's business or any obligation under the Agreement lasting in excess of 7 days occurs;
- (xviii) (**Certain resolutions passed**): a Relevant Company passes or takes any steps to pass a resolution under Section 254N, Section 257A or Section 260B of the Corporations Act or a resolution to amend its constitution without the prior written consent of the Underwriter;
- (xix) (**Capital Structure**): any Relevant Company alters its capital structure in any manner not contemplated by the Prospectus;
- (xx) (**Breach of Material Contracts**): any of the contracts are terminated or substantially modified; or
- (xxi) (**Market Conditions**): a suspension or material limitation in trading generally on ASX occurs or any material adverse change or disruption occurs in the existing financial markets, political or economic conditions of Australia, Japan, the United Kingdom, the United States of America or other international financial markets.

The Underwriting Agreement also contains a number of indemnities, representations and warranties from the Company to the Underwriter that are considered standard for an agreement of this type.

#### 7.4 Directors' interests

Other than as set out below or elsewhere in this Prospectus, no Director nor any firm in which such a Director is a partner, has or had within 2 years before the lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer pursuant to this Prospectus; or
- (c) the Offer pursuant to this Prospectus,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) to any Director or to any firm in which any such Director is a partner, either to induce him to become, or to qualify him as, a Director or otherwise for services rendered by him or by the firm in connection with the formation or promotion of the Company or Offer pursuant to this Prospectus.

Directors' interests in securities of the Company at the date of this Prospectus are:

Name	Shares	Options	Entitlement	Remuneration '09 (\$)
Samuel Jonah	12,405,038	1,033,753 <sup>1</sup>	3,101,259 <sup>2</sup>	\$0
Peter Landau	5,000,000	1,250,000 <sup>1</sup>	1,250,000 <sup>2</sup>	\$300,000
Marcus Edwards-Jones	900,000	75,000 <sup>1</sup>	225,000 <sup>2</sup>	\$69,996
Anthony Eastman	1,000,000	1,000,000 <sup>1</sup>	250,000 <sup>2</sup>	\$3,333

**Notes:**

1. Exercisable at \$0.05 on or before 31 December 2011.
2. Each of the Directors has indicated that it is their present intention to subscribe for their full Entitlement under the Offer.

The Constitution of the Company provides that the Directors may be paid for their services as Directors, a sum not exceeding such fixed sum per annum as may be determined by the Company in general meeting, to be divided amongst the Directors and, in default of agreement, then in equal shares.

The Company paid to the Directors a total of \$373,329 the year ended 30 June 2009 and \$5,110,910 (\$4,713,914 being Share based payment to Sir Jonah) for the year ended 30 June 2008. In addition to the above, the Directors have been paid fees totalling \$201,663 from the end of the previous financial year until the date of this Prospectus. Directors, companies associated with the directors or their associates are also reimbursed for all reasonable expenses properly incurred in the course of conducting their duties which include, but are not in any way limited to, out of pocket expenses, travelling expenses, disbursements made on behalf of the Company and other miscellaneous expenses.

## 7.5 Interests and Consents of Experts and Advisers

Other than as set out below or elsewhere in this Prospectus, no expert, underwriter, promoter or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of the Prospectus, nor any firm in which any of those persons is or was a partner, nor any company with which any of those persons is or was associated, has or had within 2 years before the lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company; or
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer of securities pursuant to this Prospectus; or
- (c) the Offer of securities pursuant to this Prospectus,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) to any expert, underwriter, promoter or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of this Prospectus, or to any firm in which any of those persons is or was a partner, or to any company

with which any of those persons is or was associated, for services rendered by that person, or by the firm or the company, in connection with the formation or promotion of the Company or the Offer pursuant to this Prospectus.

Pursuant to Section 716 of the Corporations Act, Max Capital has given and has not withdrawn its consent to being named as Underwriter to the Offer in the Corporate Directory of this Prospectus in the form and context in which it is named. Max Capital Pty Ltd has not caused or authorised the issue of this Prospectus, does not make or purport to make any statement in this Prospectus and takes no responsibility for any part of this Prospectus.

Max Capital will be paid such amounts as detailed in Section 7.7 of this Prospectus for acting as Underwriter to the Offer. In the past two years, Max Capital has been paid corporate advisory and capital raising fees by the Company of approximately \$240,121 excluding GST.

Pursuant to Section 716 of the Corporations Act, Steinepreis Paganin has given, and has not withdrawn its consent to being named as Solicitors to the Company in the Corporate Directory of this Prospectus in the form and context in which it is named. Steinepreis Paganin has not caused or authorised the issue of this Prospectus, does not make or purport to make any statement in this Prospectus and takes no responsibility for any part of this Prospectus.

Steinepreis Paganin act as solicitors to the Company. Steinepreis Paganin will be paid approximately \$5,000 for services in relation to this Prospectus. In the past two years, Steinepreis Paganin has been paid **\$18,287.50 (excl GST and disbursements)** for their legal services to the Company.

## **7.6 Legal Proceedings**

There is no litigation, arbitration or proceedings pending against or involving the Company as at the date of this Prospectus.

## **7.7 Estimated Expenses of Offer**

In the event that the Offer is fully subscribed, the estimated expenses of the Offer are approximately as follows:

	\$
ASIC fees	2,010
ASX fees	15,159
Underwriting fees	378,988
Legal expenses	5,000
Printing and other expenses	10,000
<b>Total</b>	<b>411,157</b>

## **7.8 Market Price of Shares**

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest and lowest market sale prices of the Company's Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the respective dates of those sales were:

Highest: \$0.084 on 21 December 2009.

Lowest: \$0.033 on 4 November 2009.

The latest available closing sale price of the Company's Shares on ASX prior to the lodgement of this Prospectus with the ASIC was \$0.067 on 18 January 2010.

## **7.9 Electronic Prospectus**

Pursuant to Class Order 00/044, the ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an electronic prospectus and electronic application form on the basis of a paper prospectus lodged with the ASIC, and the publication of notices referring to an electronic prospectus or electronic application form, subject to compliance with certain conditions.

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the application form. If you have not, please phone the Company and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both.

The Company reserves the right not to accept an application form from a person if it has reason to believe that when that person was given access to the electronic application form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

---

**8. AUTHORITY OF DIRECTORS**

**8.1 Directors' Consent**

Each of the Directors of Range Resources Limited has consented to the lodgement of this Prospectus with the ASIC in accordance with Section 720 of the Corporations Act

Dated the 19<sup>th</sup> day of January 2010

A handwritten signature in black ink, consisting of several overlapping, fluid strokes, enclosed within a hand-drawn oval border.

**Signed for and on behalf of  
RANGE RESOURCES LIMITED  
Director**

---

9. **DEFINITIONS**

**Applicant** means a Shareholder or Underwriter or other party instructed by the Underwriter who applies for Securities pursuant to the Offer.

**ASIC** means the Australian Securities and Investments Commission.

**ASTC Settlement Rules** means the settlement rules of the securities clearing house which operates CHESS.

**ASX** means the ASX Limited (ACN 008 624 691).

**Board** means the board of Directors unless the context indicates otherwise.

**Business Day** means a day on which trading takes place on the stock market of ASX.

**Closing Date** means the closing date of the Offer, being 5.00pm (WST) on 15 February 2010 (unless extended).

**Company** means Range Resources Limited (ACN 002 522 009).

**Constitution** means the Company's Constitution as at the date of this Prospectus.

**Corporations Act** means the *Corporations Act 2001*(Cth).

**Directors** means the directors of the Company at the date of this Prospectus.

**Dispatch Date** means 1 February 2010.

**Dollar** or "\$" means Australian dollars.

**Entitlement** means the entitlement of a Shareholder who is eligible to participate in the Offer.

**Entitlement and Acceptance Form** means the entitlement and acceptance form either attached to or accompanying this Prospectus.

**Georgian Projects** means the Company's oil and gas exploration activities in the Republic of Georgia, Eastern Europe.

**Issue** means the issue of Shares offered by this Prospectus.

**Listing Rules** or **ASX Listing Rules** means the Listing Rules of the ASX.

**Offer** means the offer pursuant to the Prospectus of 1 new Share for every 4 Shares held by a Shareholder on the Record Date to raise approximately \$7,579,766.

**Official List** means the official list of ASX.

**Option** means an option to acquire a Share.

**Prospectus** means this prospectus.

**Putland Projects** means the Company's oil and gas exploration activities in the Dharoor Basin and Nogal Basin in Putland and proposed oil and gas activities on offshore Putland.

**Quotation** and **Official Quotation** means official quotation on ASX.

**Record Date** means 5.00pm (WST) on 29 January 2010.

**Related Corporation** has the meaning given to that term in the Corporations Act.

**Relevant Company** means the Company and each Subsidiary.

**Securities** means Shares.

**Share** means a fully paid ordinary share in the capital of the Company.

**Shareholder** means a shareholder of the Company.

**Shortfall** means those Securities under the Offer not applied for by Shareholders under their Entitlement.

**Shortfall Application Form** means the shortfall application form attached to or accompanying this Prospectus.

**Subsidiary** means each company which is now, or before the issue of all the Underwritten Securities becomes, a subsidiary of the Company as that term is defined in the Corporations Act.

**Texas Projects** means the Company's oil and gas exploration activities in the State of Texas, USA.

**Timetable** means the timetable of this Prospectus as set out in Section 1.

**Underwriter** means Max Capital Pty Ltd (ABN 97 106 553 244).

**WST** means Western Standard Time.