

11 June 2014

ASX Code: RRS and AIM Code: RRL

Range Resources Limited
("Range" or "the Company")

Notice of General Meeting

Range advises of its Notice of General Meeting ("Notice"). The meeting is convened for 2.00pm (WST) on 11 July 2014, to be held at The University Club of Western Australia, Seminar Room 3, Hackett Drive, Crawley, Western Australia.

Please find attached the Notice as dispatched to Shareholders of the Company.

Letter from Chairman

Dear Range Shareholders,

As announced on 15 May 2014, the Company entered into an agreement with Abraham Ltd, ("Abraham") a Hong Kong-based investor, for Abraham to subscribe for US\$12 million in cash for approximately 712 million new Ordinary Shares in the Company (in two tranches) at a price of £0.01 per share. This represented a premium of 49% to the share price at the close of business on the London AIM market on 14 May 2014. Subsequently, and as announced on 29 May 2014, US\$6 million was subscribed for 356,188,780 shares at the end of May with proceeds of US\$12 million received by the Company. As also announced on 15 May 2014, the US\$6 million for tranche two is subject to Shareholders' approval upon the passing of an Ordinary Resolution to be put to Shareholders at a General Meeting.

I am writing this letter to Shareholders to set out the background to the issue of shares to Abraham to provide the reasons to the proposed resolutions and on behalf of the Board to recommend to Shareholders to vote in favour of the Resolutions.

Background to the transaction

Over recent years, Range Resources entered into numerous corporate debt arrangements with a variety of lenders on expensive terms, which has had a significant dilutionary effect on the Company's capital structure. With the receipt of the US\$12 million, the Company was able to use the funds to largely repay these outstanding loans, as well as retain some funds for the Company's working capital, both important and necessary steps to help return the Company to financial health.

Resolution 1 therefore seeks Shareholders' approval for the Company to issue up to 360 million shares and up to 240 million warrants to Abraham in order to satisfy the only condition of the agreement between Abraham and the Company.

As per the agreement, in the event Shareholders do not approve Resolution 1 (described above and in the notice attached), US\$6 million (of the US\$12 million received) must be repaid to Abraham, together with a fee of US\$1.8 million.

Benefits of the Transaction

In addition to leaving the Company with minimal debt (approximately GBP 75,000) and providing the Company with working capital, the Company is gaining a substantial new and supportive shareholder who will hold approximately 15% of the enlarged share capital of the Company. Furthermore, the shares being issued to Abraham are being issued at a premium to the share price at the time of entering into the agreement and will finally put an end to the dilutionary convertible debt which over recent months has put an immense pressure on the Company's share price.

Collectively as a Board, we are delighted that we have managed to help secure the future of the Company with this new investment and that with Shareholders' approval, we can conclude the existing financing arrangements which have been so prejudicial to the Company. I am also optimistic that we can now proceed to put in place additional long term debt financing to develop our existing production assets in Trinidad where together with our recently acquired acreage for exploration, we have excellent prospects for returning the Company to long term profitability.

Personally, I am extremely pleased that the new management team have already made a positive impact on the Company. We believe that the financing arrangements are in the best long term interests of the Company and recommend that you vote in favour of the Resolutions.

Yours faithfully,



Sir Sam Jonah

Chairman

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Range Resources Limited

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Range Resources Limited
ABN 88 002 522 009

Notice of General Meeting

TIME: 2:00pm (WST)

DATE: Friday, 11th July 2014

PLACE: The University Club of Western Australia
Seminar Room 3
Hackett Drive, Crawley, Western Australia

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

Should you wish to discuss the matters in this Notice of Meeting please do not hesitate to contact the Company Secretary on (08) 9488 5220.

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Time and Place of Meeting and How To Vote

Time and Place of Meeting

The General Meeting of Shareholders of Range Resources Limited which this Notice of Meeting relates to will be held on **Friday, 11th July 2014 at 2:00pm (WST)** at:

**The University Club of Western Australia
Seminar Room 3
Hackett Drive, Crawley, Western Australia**

Your Vote Is Important

The business of the General Meeting affects your shareholding and your vote is important.

Voting Eligibility

The Directors have determined pursuant to Regulation 7.11.37 of Corporations Regulations 2001 (Cth) that the persons eligible to vote at the General Meeting are those who are registered Shareholders at 2:00pm (WST) on Wednesday, 9th July 2014.

Voting in Person

To vote in person, attend the General Meeting on the date and at the place set out above. The meeting will commence at **2:00pm (WST)**.

Voting by Proxy

To vote by proxy, please complete and sign the enclosed Proxy Form and return by 2:00pm (WST) on Wednesday, 9th July 2014 in accordance with the instructions set out on the Proxy Form.

New sections 250BB and 250BC of the Corporations Act came into effect on 1 August 2011 and apply to voting by proxy on or after that date. Shareholders and their proxies should be aware of these changes to the Corporations Act, as they will apply to this General Meeting. Broadly, the changes mean that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

Further details on these changes are set out below.

Proxy vote if appointment specifies way to vote

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does**:

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands; and
- if the proxy is the chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Transfer of non-chair proxy to chair in certain circumstances

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
 - the proxy is not recorded as attending the meeting;
 - the proxy does not vote on the resolution,chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

Notice of Meeting

Notice is given that the General Meeting of Shareholders Range Resources Limited will be held at the **The University Club of Western Australia, Seminar Room 3, Hackett Drive, Crawley, Western Australia** at **2:00pm (WST) on Friday, 11th July 2014 (General Meeting)**.

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations* 2001 (Cth) that the persons eligible to vote at the General Meeting are those who are registered Shareholders of the Company as at 2:00pm on Wednesday, 9th July 2014.

Terms and abbreviations used in this Notice of Meeting and Explanatory Statement are defined in the glossary or in the Explanatory Statement.

Agenda

The Explanatory Statement to this Notice of Meeting describes the matters to be considered at the General Meeting.

Ordinary Business

1. Resolution 1 – Approval of Issue of Shares and Options

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That for the purposes of Listing Rule 7.1 of the ASX Listing Rules and for all other purposes, the shareholders of the Company authorise and approve the Directors to issue up to 360,000,000 Shares and up to 240,000,000 Options on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons. However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directors on the proxy form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

2. Resolution 2 – Ratification of Prior Issues under Financing Agreements

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That for the purposes of Listing Rule 7.4 of the ASX Listing Rules and for all other purposes, Shareholders ratify the issue and allotment of 155,151,380 Shares and 77,575,691 Facility Options on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who participated in the issue, and any associates of those persons. However, the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directors on the proxy form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

3. Resolution 3 – Approval for Share Placement

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

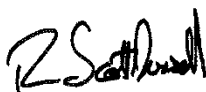
“That for the purposes of Listing Rule 7.1 of the ASX Listing Rules and for all other purposes, approval is given for the Company to issue up to that number of Shares, when multiplied by the issue price, will raise up to £2,500,000 on the terms and conditions set out in the Explanatory Statement.”

Voting Exclusion: The Company will disregard any votes cast on this Resolution by any person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the Resolution is passed and any associates of those persons. However, the Company need not disregard a vote if:

- (c) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directors on the proxy form; or
- (d) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Dated this 11th June 2014

By order of the Board



Rory Scott Russell
Chief Executive Officer

Notes:

A shareholder of the Company entitled to attend and vote is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the shareholder's voting rights. If the shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half of the votes. A proxy need not be a shareholder of the Company.

For the purposes of the Corporations Regulations, the Directors have set a snapshot date to determine the identity of those entitled to attend and vote at the Meeting. The snapshot date is 2:00pm (WST) on Wednesday, 11th July 2014. Accordingly, transactions registered after this time will be disregarded in determining entitlements to attend and vote at the meeting.

Enquiries:

Shareholders are invited to contact the Company on +61 8 9488 5220 if they have any queries in respect of the matters set out in these documents.

Explanatory Statement

This Explanatory Statement has been prepared for the information of the Shareholders of the Company in connection with the business to be conducted at the General Meeting to be held at 2:00pm (WST) on Friday, 11th July 2014 at the University Club of Western Australia, Seminar Room 3, Hackett Drive, Crawley, WA.

The purpose of this Explanatory Statement is to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions in the Notice of Meeting.

This Explanatory Statement is an important document and should be read carefully in full by all Shareholders. If you have any questions regarding the matters set out in this Explanatory Statement or the preceding Notice, please contact the Company, your stockbroker or other professional adviser.

1. Resolution 1 – Approval of Issue of Shares and Options
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Background

As announced, the Company has entered into a Subscription Agreement with Abraham Ltd, a Hong Kong based private institutional investor (the “Investor”). Under the terms of the Subscription Agreement, the Investor will subscribe US\$12 million in cash and will be issued with Ordinary Fully Paid Shares of the Company at a price of £0.01 per Share (the “Subscription”), representing a premium of approximately 49% to the mid-market share price at the close of business on AIM on 14 May 2014.

At current exchange rates, the Subscription will be for approximately £7.1 million and will result in the issue of approximately 712 million Shares. The Subscription is in two tranches and the number of shares in each tranche will be dependent solely on the exchange rate between GBP and USD at the time of completion. Upon completion of the two tranche Subscription, and subject to shareholder approval, the Investor is expected to hold approximately 15% of the enlarged share capital of the Company.

The funds will be used to repay existing debt, including convertible instruments that have diluted the Company’s equity over recent months. As announced on 30 April 2014, the Company’s total debt at that date was approximately US\$10.5 million. The remainder of proceeds of the Subscription will be used for general working capital of the Company.

Terms of the Subscription Agreement are:

The US\$12 million subscription will consist of two equal tranches:

- In each tranche the Shares will be subscribed at a price of £0.01 per share, which equals approximately 356 million Shares. The subscription proceeds are agreed in USD and there may be fluctuations in the exchange rate between GBP and USD which changes the GBP equivalent proceeds and consequently the final number of shares to be issued in each tranche. The exact number of shares to be issued will be announced following completion of each tranche.
- US\$6 million will be subscribed in tranche one, with funds anticipated to be received by 30 May 2014. Tranche one is not conditional on completion of tranche two.

- The remaining US\$6 million will be subscribed in tranche two, which is subject to shareholder approval. The funds will also be received by the Company no later than 30 May 2014 but will be repayable to the Investor if Range shareholder approval is not obtained within 60 days of the date of signing the Subscription Agreement for the issue of the second tranche of shares and for the options (as set out below).
- Both tranches are conditional on standard regulatory stock exchange approvals.
- The Company will also issue approximately 237 million unlisted options to the Investor (on a basis of 1 option for every 3 Shares issued to the Investor), subject to shareholder approval. Of the total options to be issued, half will have the exercise price of £0.01 and half will have the exercise price of £0.02, and all options will mature four years after the date of issue.
- As part of the agreement, following completion of tranche one, the Investor can nominate up to two non-executive directors to the Board of the Company and shall retain this ability for so long as it holds 8% or more of the Company's shares on issue.
- The Subscription Agreement contains a break fee of US\$1.8m payable solely in respect of Tranche 2. The break fee is only payable should the Investor have already paid across the second tranche and tranche two does not complete. There is no break fee in respect of Tranche 1.

Resolution 1 seeks Shareholder approval pursuant to ASX Listing Rule 7.1 for the issue of up to 360,000,000 tranche two Shares and up to 240,000,000 million unlisted options pursuant to the Subscription Agreement.

Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Placement:

- (a) the maximum number of Shares to be issued is up to 360,000,000 Shares and up to 240,000,000 unlisted options;
- (b) the Shares will be issued no later than 60 days after the date of signing the Subscription Agreement;
- (c) the issue price of the shares will be £0.01 per share.;
- (d) the Shares will be issued to Abraham Ltd, a Hong Kong based private institutional investor;
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares, the unlisted options will be issued on the same terms and conditions as set out in Annexure A ; and
- (f) the Company intends to use the funds raised from the Subscription Agreement to repay existing debt, including convertible instruments towards repayment of current loans and general working capital.

General

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By approving this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

2. Resolution 2 – Ratification of Prior Issues under Financing Agreements
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On 11 July 2013, the Company drew down a total of £3,000,000 pursuant to a convertible loan facility (**Loan Facility**). The Loan Facility is for an 18 month term (with interest payable at 10% per annum) and may be converted into Shares (with a conversion price calculated at 90% of the Company's 30 day VWAP).

For every two Shares issued on conversion of the Loan Facility, one free attaching Option will be issued (with an exercise price equal to the conversion price, and expiring three years after the conversion date).

Resolution 2 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the Shares and Options pursuant to the Loan Facility.

General

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any 12 month period any equity securities, or other securities with rights to conversion to equity (such as an option), if the number of those securities exceeds 15% of the number of securities in the same class on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 sets out an exception to ASX Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

Specific information required by ASX Listing Rule 7.5

For the purposes of ASX Listing Rule 7.5, the following information is provided in relation to Resolution 2:

- (a) a total of 155,151,380 Shares were issued as follows:
 - (i) 2,901,379 Shares at an issue price of £0.01 per Share;
 - (ii) 6,250,000 Shares at an issue price of £0.008 per Share;
 - (iii) 41,666,667 Shares at an issue price of £0.006 per Share;

- (iv) 15,000,000 Shares at an issue price of £0.005 per Share;
 - (v) 15,000,000 Shares at an issue price of £0.005 per Share;
 - (vi) 16,000,000 Shares at an issue price of £0.005 per Share;
 - (vii) 35,000,000 Shares at an issue price of £0.005 per Share;
 - (viii) 5,000,000 Shares at an issue price of £0.005 per Share; and
 - (ix) 18,333,334 Shares at an issue price of £0.006 per Share.
- (b) a total of 77,575,691 Options (**Facility Options**) were issued, with the following exercise prices and expiry dates:
- (i) 1,450,690 Facility Options with an exercise price of £0.010, expiring on 28 February 2017;
 - (ii) 3,125,000 Facility Options with an exercise price of £0.008, expiring on 31 March 2017;
 - (iii) 6,250,000 Facility Options with an exercise price of £0.006, expiring on 31 March 2017;
 - (iv) 14,583,334 Facility Options with an exercise price of £0.006, expiring on 30 April 2017;
 - (v) 7,500,000 Facility Options with an exercise price of £0.005, expiring on 30 April 2017; and
 - (vi) 35,500,000 Facility Options with an exercise price of £0.005, expiring on 31 May 2017;
 - (vii) 9,166,667 Facility Options with an exercise price of £0.006, expiring on 31 May 2017
- (c) the 77,575,691 Facility Options were issued for nil per Option (pursuant to the terms of the Loan Facility) and were issued on the terms and conditions set out in Annexure B;
- (d) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (e) the Shares and Facility Options were allotted and issued to institutional investors (being Hudson Bay Ltd, Empery Asset Master Limited, Hartz Capital Investments LLC and the Cranshire Capital Master Fund), none of which are related parties of the Company; and

The funds raised pursuant to the Loan Facility were used towards loan repayments and for the Company's working capital requirements. There were no additional funds raised pursuant to the issue of the Shares and Facility Options being ratified pursuant to this Resolution 2, as the issues were used to reduce the Company's debt under the Loan Facility.

3. Resolution 3 – Approval for Share Placement

General

Resolution 3 seeks Shareholder approval for the issue of up to that number of Shares, when multiplied by the issue price, will raise up to £2,500,000 (**Placement**).

A summary of ASX Listing Rule 7.1 is set out in section 1 above.

The effect of Resolution 3 will be to allow the Company to issue the Shares pursuant to the Placement during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Placement:

- (a) the maximum number of Shares to be issued is up to that number of Shares which, when multiplied by the issue price, equals £2,500,000;
- (b) the Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules) and it is intended that issue of the Shares will occur progressively;
- (c) the issue price will be not less than 80% of the average market price for Shares calculated over the 5 days on which sales in the Shares are recorded before the day on which the issue is made;
- (d) the Shares will be issued to sophisticated and professional investors known to the Company. The Directors will determine to whom the Shares will be issued but these persons will not be related parties of the Company;
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (f) the Company intends to use the funds raised from the Placement towards the development and growth of the Company's core Trinidad assets and general working capital.

Responsibility for Information

The information concerning the Company contained in this Explanatory Statement, including information as to the views and recommendations of the Directors has been prepared by the Company and is the responsibility of the Company.

The Explanatory Statement does not take into account the individual investment objectives, financial situation and particular needs of individual Shareholders. If you are in doubt as to what you should do, you should consult your legal, financial or professional advisor prior to voting.

Glossary

In this Explanatory Statement, the following terms have the following unless the context otherwise requires:

Annexure means an annexure to this Explanatory Statement.

ASX means ASX Limited ABN 98 008 624 691.

ASX Listing Rules or Listing Rules means the listing rules of ASX.

Board means the board of Directors of the company.

Chairman means the Chairman of the Company.

Company means Range Resources Limited ABN 88 002 522 009.

Constitution means the constitution of the Company.

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

Director means a director of the Company.

Option means an unlisted option to subscribe for a capitalised share.

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

Shareholder means a shareholder of the Company.

Annexure A – Terms and Conditions – Subscription Agreement Unlisted Options

The following terms and conditions apply to the issue of Options by the Company to the Subscriber.

1. **Option entitlement:** Each Option issued entitles the Subscriber to subscribe for one Share upon receipt by the Company of a Option Notice duly executed by the Subscriber and payment of the Option Price at any time following issue of the Option but before 5.00pm (London time) on the Option Expiry Date (**Option Exercise Period**).
2. **Exercise of Options:** Options must be exercised in tranches of not less than 10,000,000 Options or, if less, any balancing amount in respect of the last tranche of any Options held by the Subscriber.
3. **Not transferrable:** The Subscriber may not transfer the Options to any other entity.
4. **Method of exercising Options:** Options may be exercised by:
 - a) the Subscriber delivering to the Company before 5:00pm on the Option Expiry Date a Option Notice duly executed by the Subscriber specifying the number of Options being exercised, which must not be less than the number specified in paragraph 2 above; and
 - b) the Subscriber paying to the Company in Immediately Available Funds of the total Option Price for the Options being exercised.
5. **Issue of Shares by Company:** The Company must, within 5 Business Days of receiving a duly executed Option Notice and payment of the applicable Option Price in accordance with paragraph 4 above from the Subscriber:
 - a) issue, or cause to be issued, to the Subscriber the number of Shares corresponding to the number of Options specified in the Subscriber's Option Notice; and
 - b) issue, or cause to be issued, to the Subscriber a holding statement for the number of Shares.
6. **Quotation:** As soon as practicable and, in any event, within 2 Business Days following the issue of Shares on exercise of Options, the Company must:
 - a) apply to ASX for official quotation of the Shares; and
 - b) give to ASX a notice under section 708A(5)(e) of the Corporations Act, unless it cannot meet the criteria in "case 1" of section 708A of the Corporations Act, in which case the Company will comply with the criteria in "case 2" of section 708A of the Corporations Act and issue a disclosure document under chapter 6D.2 of the Corporations Act as soon as reasonably practicable after the date of exercise of the Options and in any event within 20 Business Days of that date (and until the Company has issued the disclosure document, the Subscriber may only transfer the relevant Shares to a person satisfying the requirements of section 708(8), (10) or (11) of the Corporations Act.
7. **Corporations Act:** The Subscriber acknowledges and must comply with Chapter 6 of the Corporations Act in respect of the exercise of any Options.
8. **Constitution:** On issue of Shares on exercise of Options, the Subscriber agrees to be bound by the Constitution.
9. **Ranking of Shares:** All Shares issued on exercise of Options will be issued as fully paid and will rank equally in all respects with the other Shares on issue in the capital of the Company as at the date of issue.
10. **No dividends:** A Option does not confer any rights to dividends.
11. **Participation in new issues:** A Option does not confer any right on the Subscriber to participate in a new issue unless the Subscriber exercises the Option before the record date for the issue.
12. **Bonus issues:** If there is a bonus issue to holders of Shares, then the number of Shares over which any outstanding Option is exercisable will be adjusted in the manner provided for in the ASX Listing Rules.
13. **Pro rata issues:** If there is a pro rata issue (other than a bonus issue) to the holders of Shares, then the Option Price of any outstanding Option will be adjusted in the manner provided for in the ASX Listing Rules.
14. **Reorganisation of capital:** If the Company reorganises its capital, the rights attaching to the Options will be changed to the extent necessary to comply with the ASX Listing Rules applying to a reorganisation of capital at the time of the reorganisation.

15. **Variation of terms:** Subject to the ASX Listing Rules, these terms and conditions of the Options may be varied at any time by written agreement between the Company and the Subscriber.
16. **Definitions from ASX Listing Rules:** In 'Annexure A' a term defined in or for the purposes of the ASX Listing Rules which is not otherwise defined in this agreement has the same meaning as in the ASX Listing Rules.
17. **Governing law:** These terms and conditions of the Options are governed by the laws of Western Australia.

Annexure B – Terms and Conditions - Facility Options

As set out in Resolution 2, the Facility Options issued pursuant to the Loan Facility have been issued with the following exercise prices (**Exercise Price**) and expiry dates (**Expiry Date**):

Exercise Price	Exercise Price	Expiry Date
1,450,690	£0.010	28 February 2017
3,125,000	£0.008	31 March 2017
6,250,000	£0.006	31 March 2017
14,583,334	£0.006	30 April 2017
7,500,000	£0.005	30 April 2017
35,500,000	£0.005	31 May 2017
9,166,667	£0.006	31 May 2017

The Facility Options entitle the holder to subscribe for Shares on the following terms and conditions:

1. Each Option gives the Optionholder the right to subscribe for one Share. To obtain the right given by each Option, the Optionholder must exercise the Options in accordance with the terms and conditions of the Options
2. The Options will expire at 5:00 pm (WST) on the Expiry Date. Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
3. The amount payable upon exercise of each Facility Option will be the Exercise Price.
4. An Optionholder may exercise their Facility Options by lodging with the Company, before the Expiry Date:
 - a. a written notice of exercise of Facility Options specifying the number of Facility Options being exercised; and
 - b. a cheque or electronic funds transfer for the exercise price for the number of Facility Options being exercised,

(Exercise Notice).

5. An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
6. Within 10 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will allot the number of Shares required under these terms and conditions in respect of the number of Facility Options specified in the Exercise Notice.
7. The Facility Options are transferable.
8. All Shares allotted upon the exercise of Facility Options will upon allotment rank pari passu in all respects with other Shares.
9. The Company will not apply for quotation of the Facility Options on ASX. However, The Company will apply for quotation of all Shares allotted pursuant to the exercise of Facility Options on ASX within 10 Business Days after the date of allotment of those Shares.
10. If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.
11. There are no participating rights or entitlements inherent in the Facility Options and Optionholders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Facility Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 7 Business Days after the issue is announced. This will give Optionholders the opportunity to exercise their Facility Options prior to the date for determining entitlements to participate in any such issue.
12. A Facility Option does not confer the right to a change in exercise price or a change in the number of underlying securities over which the Facility Option can be exercised.