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

24 February 2015

ASX Code: RRS
AIM Code: RRL

Letter to Shareholders regarding the proposed US$60 million funding

Dear Range Shareholders,

As announced on 11 December 2014, Range entered into a subscription agreement and a convertible note deed with Core Capital Management Co., Ltd (Core Capital) which, subject to obtaining Shareholder approval, will result in the Company raising US$60 million (Transaction).

The proceeds from the funding package will be primarily used to accelerate the Company's oil production targets through drilling, secondary recovery and also to repay existing debt.

We are writing this letter to Shareholders to provide you with more insight into the support for the Transaction, some further background as to the Company's financial and strategic rationale for entering into the Transaction and the opinion of the Board in recommending Shareholders to vote in favour of the relevant resolution.

There have been many questions from Shareholders with regards to Core Capital and the Transaction, which we have provided answers to in our regular investor Q&A sessions.

In the event if the Transaction is not approved, Range must find alternative sources of capital to fund the exploration and development of its assets, as well as to repay the Lind loan. The Board believes that considering the challenging oil price environment we are in, there is no certainty as to possible timing or the ability to raise alternative capital. The Company is not aware of any alternative funding proposal at the current time which would offer the Shareholders a greater benefit than the proposed Transaction.

Board's recommendation and benefits for Shareholders

The Company's prime objective is to deliver value to Shareholders. Key to this is to establish a stable financing position to ensure that Range Shareholders are not exposed to an unreasonable level of funding risk going forward. It is the Board's strong view that the Transaction places the Company in a very strong position to achieve production growth in Trinidad and to establish the Company as one of the strongest independent oil and gas players in Trinidad with the largest private onshore acreage and significant cash reserves to grow from, in an environment that is difficult for oil and gas companies to secure funding.

The funding package offered by Core Capital is compelling to Shareholders, employees and other stakeholders of Range. The share

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placement represents an attractive price at a premium to the Company's share price of £0.006 per Share prior to the announcement of the Transaction on 10 December 2014 and provides a high degree of certainty on completion, given that Core Capital has the cash readily available which would enable Range to receive and apply the proceeds swiftly and efficiently.

Accordingly, the Directors are of the opinion that the Transaction is in the best interests of Shareholders and unanimously recommend that Shareholders vote in favour of the relevant resolution.

Directors are of the view that the following non-exhaustive list of advantages may be relevant to Shareholders' decision on how to vote in relation to the Transaction, namely:

- **The Transaction will provide Range with significant funds to develop the Trinidad assets.** Range intends to drill multiple development and exploration wells and implement a waterflood programme which will increase production from the Trinidad assets. As such, the funds from the proposed Transaction should result in an increase in future cash flows as Range is able to advance the development of the Trinidad assets;

- **The Transaction will provide access to an additional US$50 million financing facility.** LandOcean has committed to providing a facility of US$50 million to fund the waterflood programme on the Trinidad assets. The terms of the LandOcean facility are such that it is not available to Range without additional cash being secured. As such, the proposed Transaction will make available the LandOcean finance facility. The proceeds from the US$50 million trade financing package will be used to pay for LandOcean's technical services in relation to the Integrated Master Services Agreement between the Company and LandOcean. In December 2014, the Company entered into a second purchase order with LandOcean over the next two years, whereby LandOcean shall provide technical services to implement waterflooding plans for the Company's blocks in Trinidad. This Transaction and the LandOcean facility provide additional funding flexibility to fully exploit the Trinidad assets;

- **The funds from the Transaction will provide the Company with sufficient capital to refinance its current debt position.** Range has outstanding debt with Lind with a face value of US$7.25 million. As previously announced, Range received a statutory demand from Lind demanding repayment of approximately US$7.25 million that Lind alleges is due and payable and is required to repay the loan under the terms of the Lind facility; and

- **The proceeds from the Transaction will be sufficient to provide excess capital that could be applied to future growth opportunities, including potential asset acquisitions in Trinidad.** The funding may be used to fund potential acquisition opportunities, which could provide Range with additional production and revenue in Trinidad. The Company's management believes that in the current environment of low oil prices, there may be attractive, future opportunities for the Company to expand its portfolio through asset acquisitions at attractive valuations.

Use of proceeds

Range intends to apply the proceeds from the Transaction primarily to drill multiple development and exploration wells and implement waterflood programmes, which will increase production from the Trinidad assets, resulting in an increase in future cash flows. In respect of the Trinidad assets, Range plans to apply the Transaction proceeds as follows:

- Undertake the development and waterflood work programmes on three existing onshore blocks (Morne Diablo, South Quarry and Beach Marcelle), where Range has a solid reserves base with certified 2P of 22.1 mmbo in well-known, easy-to-access reservoirs. As part of the field licence obligations, Range has commitments on its existing blocks to drill 34 development wells over the next two years;
- Commence exploration on:
  - The deeper exploration targets of the existing three licences. As part of the field licence obligations, Range has exploration commitments on its existing blocks of 6 exploration wells over the next two years;
  - The large Guayaguayare block. Subject to government approvals, Range plans to fulfil the obligations under its work programme of 2 onshore exploration wells in 2015;
  - The highly prospective St Mary's licence. As part of the field licence obligations, Range has exploration commitments on the St Mary's licence of 4 wells to be drilled before the end of 2018. In addition, the Company is required to provide the Ministry with a performance bond. Range is currently seeking financing options to satisfy the requirements for the bond and may use the proceeds of the Transaction for this purpose; and
- Fund any potential acquisition activities in Trinidad.

The Company and its strategic partner LandOcean are currently working on a detailed work programme schedule over the next 12 months, which is planned to be finalised and published to Shareholders in March 2015.

In addition, Range will use the funds to:

- Repay outstanding debt with Lind of US$7.25 million;
- Fund the refundable security deposit of US$7.5 million which makes available an additional US$50 million credit line facility to pay for LandOcean's services (refer to the Company's announcement on 11 December 2014); and
- Pay off its first purchase order of US$5 million with LandOcean (refer to the Company's announcement on 2 June 2014), and provide funds for general working capital purposes.

Independent Expert's Report (IER)

We appreciate that a number of Shareholders will not have encountered the concept of an IER before, so we have endeavoured to provide further details below on the purpose of this report and its recommendation.

What is an IER?

The Australian Corporations Act (Section 611) requires that when a party proposes to acquire a substantial interest (over 20%) in a company, that company must provide its existing shareholders with all information that is material to the decision on how to vote at the meeting. The company therefore will engage an independent third party to prepare a report to assist the shareholders in reaching their decision. Given that, if the Transaction is approved, Core Capital will own a substantial interest in the Company, Range has engaged RSM Bird Cameron ("RSM") to prepare an IER.

The IER is intended to provide Shareholders with an independent view of whether the Transaction is 'fair and reasonable' to the current Shareholders, and this includes considering the advantages and disadvantages of the Transaction. This assessment is designed to assist all Shareholders in reaching their voting decision.

Further detail on the purpose of the report is included on pages 10 and 11 of the IER.

How is the IER prepared?

RSM compares the fair value of an ordinary share in Range prior to, and immediately following, the proposed Transaction. They also review other significant factors that the Shareholders might wish to consider prior to approving the proposed Transaction.

Given that Core will increase its interest in the issued shares of the Company above 20%, when considering the fair value of a share prior to the transaction RSM infers a control premium within their valuation in accordance with ASIC Regulatory Guide 111: Content of Expert Reports. The exact level of the control premium varies depending on the valuation method adopted and varies between 20-35%; these are detailed in the report.

RSM considers a range of alternative valuation approaches but the primary methodology they have used is a fair value per share using a sum of parts approach as summarised below:

1. The Company's Trinidad operations are valued using a discounted cash flow valuation based principally on the production forecasts contained within the Forrest Garb reserve report dated 1/1/2014 (proved & probable reserves for South Quarry, Morne Diablo and Beach Marcelle fields);
2. The Company's held for sale assets (being Georgia and Texas) are valued based on any current market offer and/or expectation of sale price, less costs to sell; and
3. Other assets and liabilities of the Company are valued at book value.

RSM has valued each share on a pre-Transaction basis at between AU$0.019 and AU$0.022.

On a post-transaction basis, RSM has amended their valuation to reflect the cash received from the Transaction and the additional shares issued. They then deduct the control premium. On that basis they valued each share at between AU$0.012 and AU$0.016.

Further information relating to the process undertaken by RSM in preparing these valuations, including assumptions made, are set out in the IER.

What does the IER recommendation mean?

An offer is considered "fair" if the value of the offer price/consideration is equal to or greater than the value of the securities that are the subject of the offer. An offer is considered "reasonable" if it is fair or, where the offer is "not fair" it may still be "reasonable" if the expert believes that there are sufficient reasons for Shareholders to accept the offer.

The IER recommendation for the Transaction concludes that the proposed Transaction is 'not fair but reasonable'. The conclusion regarding the fairness of the Transaction is because the value of a Range share pre-Transaction is greater than the value of a Range share post-Transaction. This is largely a factor of the control premium that does not apply to the post-Transaction value.

However, as detailed at clause 2.12 in the report, RSM states: "*In our opinion, the position of the Shareholders of Range if the Proposed Transaction is approved is more advantageous than the position if it* *is not approved. Therefore, in the absence of any other relevant information and/or a superior offer, we consider that the Proposed Transaction is reasonable for the Shareholders of Range."*

Board's view on the IER recommendation

The Board recommends that Shareholders vote in favour of the resolution. Core Capital is subscribing for the share placement at a premium to the share price of £0.006 per Share prior to the announcement of the Transaction, and as outlined in this letter, the Board firmly believes that the Transaction is in the best interests of Shareholders.

We appreciate the rationale for the calculation of the fairness opinion by RSM, however, we would highlight to Shareholders that the implied valuation using the DCF calculation for the assets assumes that Range is able to finance the development. The proposed investment is the cornerstone to unlock the potential of these reserves.

As RSM highlights, the position of Shareholders would be more advantageous if the Transaction is approved, as it would provide the Company with the required funding to develop the Trinidad assets and grow the Company for the benefit of all Shareholders.

Extraordinary General Meeting

An Extraordinary General Meeting of Shareholders relating to the Transaction will be held on Friday, 27 March 2015 at 4.30pm Western Standard Time (WST) at RSM Bird Cameron, 8 St Georges Tce, Perth, Australia (Sir Cyril Bird boardroom). Instructions on voting are included in the Notice of Meeting.

Summary

We trust this letter provides appropriate clarification in relation to the Transaction and also offers an insight into the Company's rationale in pursuing the Transaction.

Your Board is committed to delivering value to Shareholders and believes that through its strong supportive strategic partnership with LandOcean and the proposed US$60 million financing with Core Capital, the Company has the capabilities to achieve the incremental production plans, improve productivity efficiency and increase market value in the interests of all Shareholders. We would like to thank all Shareholders for their continued support as we strive to achieve this objective.

Please do not hesitate to contact the Company, should you have questions, or comments you wish to share.

Yours sincerely

David Chen
Chairman (on behalf of Range's Board of Directors)

RANGE RESOURCES LIMITED

ACN 002 522 009

NOTICE OF GENERAL MEETING

The General Meeting of the Company will be held at 4.30pm WST on Friday, 27 March 2015 at RSM Bird Cameron, 8 St Georges Tce Perth, Sir Cyril Bird boardroom.

RSM Bird Cameron has prepared an independent expert's report on the proposed Transaction and has concluded that the proposed Transaction is NOT FAIR BUT REASONABLE to the existing Shareholders. Refer to Section 3.14 for further information.

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

Should you wish to discuss any matter please do not hesitate to contact the Company by telephone on +44 (0) 20 7025 7040 or +61 (08) 6205 3012.

RANGE RESOURCES LIMITED

ACN 002 522 009

NOTICE OF GENERAL MEETING

Notice is hereby given that a general meeting of Shareholders of Range Resources Limited (**Company**) will be held in Perth, Western Australia (**Meeting**). The Meeting will be held 4.30 pm WST on Friday, 27 March 2015 at RSM Bird Cameron, 8 St Georges Tce Perth, Sir Cyril Bird boardroom.

DI Holders may attend the Meeting but will not be permitted to vote at the Meeting. For their votes to be counted DI Holders must submit their CREST Voting Instruction to the Company's agent by the required cut-off time set out in Section 2.3 below. Alternatively, DI Holders can vote using the enclosed Form of Instruction as per the instruction set out in Section 2.4 below.

The Explanatory Memorandum to this Notice provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form, or Form of Instruction if you are a DI Holder, form part of this Notice.

The Directors have determined pursuant to regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on 25 March 2015 at 7.00 pm (AEST).

Terms and abbreviations used in this Notice and Explanatory Memorandum are defined in Schedule 1.

AGENDA

1. Resolution 1 – Approval for the issue of Securities to Core Capital

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

"That for the purposes of Section 611 (Item 7) of the Corporations Act and for all other purposes, Shareholders approve the issue of Shares and Convertible Notes (and Shares on conversion of the Convertible Notes) under the terms of the Subscription Agreement, to Core Capital (or its Associates) on the terms and conditions set out in the Explanatory Statement accompanying this Notice."

Expert's Report: Shareholders should carefully consider the report prepared by the Independent Expert for the purposes of the Shareholder approval required under Section 611 Item 7 of the Corporations Act. The Independent Expert's Report comments on the fairness and reasonableness of the transactions the subject of this Resolution to the non-associated Shareholders in the Company.

Voting Exclusion

The Company will disregard any votes cast on this Resolution by a person (and any associate of such a person) who may participate in the issue of the Shares and Convertible Notes pursuant to the Subscription Agreement.

2. Resolution 2 – Issue of Director Options – Mr Yan Liu

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 10.11 and for all other purposes, approval is given for the Company to issue 30,000,000 Director Options to Mr Yan Liu (or his nominee) on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by Mr Yan Liu (or his nominee) and any of their associates.

However, the Company will not disregard a vote if:

(a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions 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 – Issue of Director Options – Mr David Chen

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 10.11 and for all other purposes, approval is given for the Company to issue 30,000,000 Director Options to Mr David Chen (or his nominee) on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by Mr David Chen (or his nominee) and any of their associates.

However, the Company will not disregard a vote if:

(a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions 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.

4. Resolution 4 – Issue of Director Options – Mr Zhiwei Gu

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 10.11 and for all other purposes, approval is given for the Company to issue 7,500,000 Director Options to Mr Zhiwei Gu (or his nominee) on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by Mr Zhiwei Gu (or his nominee) and any of their associates.

However, the Company will not disregard a vote if:

(a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions 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.

5. Resolution 5 – Issue of Director Options – Ms Juan Wang

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 10.11 and for all other purposes, approval is given for the Company to issue 7,500,000 Director Options to Ms Juan Wang (or her nominee) on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by Ms Juan Wang (or her nominee) and any of their associates.

However, the Company will not disregard a vote if:

(a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions 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.

Dated 17 February 2015
BY ORDER OF THE BOARD

Mr David Chen
Chairman

RANGE RESOURCES LIMITED
ACN 002 522 009

EXPLANATORY MEMORANDUM

1. Introduction

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting. DI Holders are able to attend the Meeting, but may not vote at the Meeting.

This Explanatory Memorandum should be read in conjunction with and forms part of the accompanying Notice. The purpose of this Explanatory Memorandum is to provide information to Shareholders in deciding whether or not to pass the Resolutions set out in the Notice.

A Proxy Form, or Form of Instruction if you are a DI Holder, is located at the end of the Explanatory Memorandum.

2. Action to be taken by Shareholders

Shareholders should read the Notice and this Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

2.1 Proxies

A Proxy Form is attached to the Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon. Lodgment of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

(a) a member of the Company entitled to attend and vote at the General Meeting is entitled to appoint a proxy;

(b) a proxy need not be a member of the Company; and

(c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

2.2 Voting Prohibition by proxy holder

In accordance with section 250BD of the Corporations Act, a person appointed as a proxy must not vote on the basis of that appointment on Resolutions 2 to 5 if:

(a) the person is either:

  (i) a member of the Key Management Personnel of the Company; or

  (ii) a Closely Related Party of such a member, and

(b) the appointment does not specify the way the proxy is to vote on Resolutions 2 to 5.

However, the prohibition does not apply if:

(c) the proxy is the Chairman; and

(d) the appointment expressly authorises the Chairman to exercise the proxy even if Resolutions 2 to 5 are connected directly or indirectly with remuneration of a member of the Key Management Personnel of the Company.

2.3 United Kingdom (CREST Voting Instruction)

DI Holders in CREST may transmit voting instructions by utilising the CREST voting service in accordance with the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider, should refer to their CREST sponsor or voting service provider, who will be able to take appropriate action on their behalf.

In order for instructions made using the CREST voting service to be valid, the appropriate CREST message (a "CREST Voting Instruction") must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instructions, as described in the CREST Manual (available via www.euroclear.com/CREST).

To be effective, the CREST Voting Instruction must be transmitted so as to be received by the Company's agent (3RA50) no later than 24 March 2015 at 4.30pm (GMT). For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the CREST Voting Instruction by the CREST applications host) from which the Company's agent is able to retrieve the CREST Voting Instruction by enquiry to CREST in the manner prescribed by CREST. DI Holders in CREST and, where applicable, their CREST sponsors or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the transmission of CREST Voting Instructions. It is the responsibility of the DI Holder concerned to take (or, if the DI Holder is a CREST personal member or sponsored member or has appointed a voting service provider, to procure that the CREST sponsor or voting service provider takes) such action as shall be necessary to ensure that a CREST Voting Instruction is transmitted by means of the CREST voting service by any particular time.

In this connection, DI Holders and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

2.4 United Kingdom (Form of Instruction)

DI Holders are invited to attend the Meeting but are not entitled to vote at the Meeting. In order to have votes cast at the Meeting on their behalf, DI holders must complete, sign and return the Forms of Instruction forwarded to them along with the Notice to the Company's agent, Computershare UK, 24 March 2015 at 4.30pm (GMT).

3. Resolution 1 – Approval for the issue of Securities to Core Capital

3.1 Background

As announced on ASX on 11 December 2014, Range has entered into a subscription agreement and a convertible note deed (together, the **Subscription Agreement**) with Core Capital Management Co. (**Core Capital**) which, subject to the terms and conditions summarised below, will result in the Company raising up to US$60 million (**Transaction**). Details of the material terms and conditions of the Subscription Agreement are set out below.

3.2 About Core Capital

Core Capital is a Chinese private investment company headquartered in Beijing, China with branch offices in Shanghai, Shenzhen, Qingdao and Hong Kong, China. Core Capital provides comprehensive financial services including fund management, investment banking, asset management, financial leasing, etc. In line with increasing business diversity, the company is actively expanding overseas investment, especially focusing on energy industry. Besides oil and gas industry, its investment also covers offshore engineering, infrastructure construction, mineral resources, commercial real estate.

3.3 Budget

Following the Transaction, the Company intends to apply funds as follows:

PROPOSED BUDGET	AMOUNT $
Existing Cash	4,500,000
Proceeds from Transaction	60,000,000
Total Cash on completion of Transaction	64,500,000
USE OF FUNDS	
Repayment of debt (1)	7,200,000
Refundable security deposit – trade financing deposit with Sinosure for LandOcean $50m funding	7,500,000
First purchase order with LandOcean Energy Services Co under existing Master Services Agreement	5,000,000
Investment in exploration, development & acquisition activities in Trinidad	35,000,000
Working Capital	9,450,000
Transaction Costs	350,000
Total	64,500,000

[(1)] Lind debt facility face value

Note: The above table is a statement of the Board's current intention as at the date of this Notice. However, Shareholders should note that, as with any budget, the allocation of funds set out in the above table may change depending on a number of factors, including the outcome of operational and development activities, regulatory developments, market and general economic conditions and environmental factors. In light of this, the Board reserves the right to alter the way the funds are applied.

3.4 Subscription Agreement

The material terms of the Subscription Agreement are as follows:

(a) **Share Placement and Convertible Notes**

Subject to Shareholders approving Resolution 1, Core Capital (or its Associates) will subscribe for:

(i) US$40 million of Shares, at a subscription price of £0.008 per Share (being a 25% premium to the mid-market Share price on the close of AIM on 10 December 2014) (**Placement Shares**); and

(ii) US$20 million of unlisted unsecured convertible notes with a 12% per annum coupon which will have a face value of US$1.00 each (**Convertible Notes**).

The Convertible Notes are redeemable by the Noteholder after 3 years or earlier if a redemption event occurs (such as non-payment of monthly interest payments or breach of a covenant). The Convertible Notes are not convertible for a period of 6 months from completion of the Transaction and after that time are convertible into Shares at the Noteholder's election at a conversion price of the lower of £0.009 or a 15% discount to the 20 day VWAP of Shares prior to the conversion date (**Conversion Price**). Range also has the option of redeeming the Convertible Notes for cash or Shares (at the Conversion Price) after 18 months. Range may also pay monthly interest instalments by cash or the issue of Shares at the Conversion Price.

Further terms and conditions of the Convertible Notes are set out in Schedule 2.

(b) **Conditions Precedent**

At the date of this Notice, the remaining condition precedents to be satisfied for completion of the Transaction is the Company obtaining Shareholder approval for the issue of the Placement Shares and Convertible Notes pursuant to Resolution 1 and Core Capital obtaining any regulatory approvals required for completion of the Transaction.

(c) **Nominee Directors**

Following Completion and at all times that Core Capital and its Associates hold Shares in the Company, Core Capital may nominate two persons to be appointed as non-executive directors of the Company.

At the date of this Notice, Core Capital has indicated that it will not seek to appoint nominee directors on Completion, but may exercise this right in the future. The election or re-election of these nominee directors (as relevant) will be subject to the provisions of the Company's Constitution and other applicable law.

3.5 Effect of the Transaction on the Company

(a) Capital Structure

Below is a table showing the Company's current capital structure and the possible capital structure on completion of the Share Placement and upon conversion of the maximum possible Convertible Notes. This table assumes the Company does not issue any additional Shares and no Options expire, or are exercised, prior to the date that all of the Convertible Notes have converted.

	Shares	**Options**	**Convertible Notes**
Balance at the date of this Notice	5,117,169,188	723,853,454	Nil
Balance following Completion of the Transaction (being the Share Placement and issue of the Convertible Notes)	8,406,924,233 (1)	723,853,454	20,000,000
Balance following conversion of the Convertible Notes	9,869,037,586 (1)(2)(3)	723,853,454	Nil

(1) This number assumes a Conversion Price of £0.009 and an exchange rate of GBP1:US$1.5199 (being the exchange rate on 28 January 2015). For details of other scenarios possible as a result of an alternate Conversion Price and the effect this would have on the capital structure of the Company refer to Schedule 3.

(2) Assumes all of the Convertible Notes are converted to Shares prior to the expiry date of the Convertible Notes.

(3) Assumes Interest is paid monthly in cash pursuant to the terms of the Subscription Agreement. Assuming a Conversion Price of £0.009, if Interest is capitalised monthly, and the Convertible Notes are not converted or redeemed before the Maturity Date, up to 629,764,037 additional Shares may be issued to Core Capital and its Associates. The Company does not expect to issue this number of Shares, but has included this disclosure as it is the maximum theoretical number of Shares Core Capital and its Associates may be issued in such circumstances. For details of other scenarios possible as a result of an alternate Conversion Price in these circumstances refer to Schedule 3.

(b) Voting Power of Core Capital and its Associates

Under the terms of the Transaction, the Company has agreed to issue Shares and Convertible Notes to Core Capital (or its Associates).

Core Capital, nor any of its Associates, currently hold any Shares in the Company.

If all of the Convertible Notes are converted into Shares (and assuming the Company does not issue any additional Shares and no Options expire, or are exercised, prior to the date that all of the Convertible Notes have converted), Core Capital and its Associates will hold up to the following number of Shares and Convertible Notes and exercise the following voting power in the Company.

In addition, Mr Kevin Leng, who holds an interest of over 20% in the issued capital of Core Capital, will also be deemed to have the voting power set out below.

Event causing the Share issue	Number of Shares issued to Core Capital or its Associates	% of Share capital held by Core Capital or its Associates on issue of the Shares
Prior to Completion of the Transaction	Nil	0%
On Completion of the Transaction	3,289,755,045 (1)	39.13%(1)
On conversion of the Convertible Notes (including the Share Placement Shares)	4,751,868,398 (1)(2)(3)	48.15%(1)(2)(3)

(1) This number assumes a Conversion Price of £0.009 and an exchange rate of GBP1:US$1.5199 (being the exchange rate on 28 January 2015). For details of other scenarios possible as a result of an alternate Conversion Price and the effect this would have on the voting power of Core Capital and its Associates refer to Schedule 3 .

(2) Assumes all of the Convertible Notes are converted to Shares prior to the expiry date of the Convertible Notes.

(3) Assumes Interest is paid monthly in cash pursuant to the terms of the Subscription Agreement. Assuming a Conversion Price of £0.009, if Interest is capitalised monthly, and the Convertible Notes are not converted or redeemed before the Maturity Date, up to 629,764,037 additional Shares may be issued and the voting power of Core Capital and its Associates may increase to 51.26%. The Company does not expect to issue this number of Shares, but has included this disclosure as it is the maximum theoretical percentage Core Capital and its Associates may achieve in such circumstances. For details of other scenarios possible as a result of an alternate Conversion Price and the effect this would have on the voting power of Core Capital and its Associates in these circumstances refer to Schedule 3.

(c) **Increase or Decrease in Voting Power**

The voting power of Core Capital and its Associates in the Company may change as follows:

(i) Increase in voting power:

(A) Transaction of Shares by Core Capital or its Associates on and off market. Core Capital and its Associates could increase its Shareholding under Section 611, item 9 of the Corporations Act allowing it to acquire 3% every 6 months.

(B) Cancellation of Shares held by Shareholders other than Core Capital and its Associates.

(ii) Decrease in voting power:

(A) Disposal of Shares held by Core Capital or its Associates.

(B) Issue of Shares by the Company to Shareholders other than Core Capital and its Associates.

(C) Conversion of a proportion of Convertible Notes rather than all of the Convertible Notes.

(D) Exercise of Options by Option holders.

The Corporations Act and ASIC Regulatory Guide 74 set out a number of regulatory requirements which must be satisfied. These are summarised below.

3.6 Conversion variables

Shareholders should note that given the variables required to determine both the issue price pursuant to the Share Placement and the Conversion Price pursuant to the Convertible Notes, it is not possible to provide an exact number of Shares to be issued, or the total increase in the relevant interest of Core Capital or its Associates pursuant to the Transaction.

The issue price pursuant to the Share Placement will be subject to the GBP to US exchange rate at the time of issue. The Company does not expect this will have a material effect on the number of Shares to be issued pursuant to the Share Placement.

As stated above, for details of other scenarios possible as a result of an alternate Conversion Price refer to Schedule 3.

3.7 Relevant interest pursuant to this Resolution 1 may not be obtained

Shareholders should also note that, although the Company is obtaining Shareholder approval pursuant to Resolution 1 to enable the issue of Shares on conversion of all the Convertible Notes at the Conversion Price, the Convertible Notes may be redeemed in full or in part at the election of the Company or the Noteholder. That is, they may not all be converted. The material terms and conditions of the Convertible Notes, including the terms that govern redemption, repayment and conversion, are set out in Schedule 2.

Redemption of the Convertible Notes (rather than conversion) would result in Core Capital or its Associates being repaid the relevant amount in cash rather than Shares. The effect of this would be that Core Capital or its Associates may acquire less Shares (and a smaller relevant interest) than the approval of Resolution 1 permits.

3.8 ASX Listing Rule 7.1

Listing Rule 7.1 prohibits a listed company from issuing in any 12 month period new securities equivalent in number to more than 15% of the total number of ordinary securities on issue at the beginning of the twelve month period (**15% Capacity**) without either the prior approval of shareholders, or the issue otherwise falls within one of the prescribed exceptions to Listing Rule 7.1.

ASX Listing Rule 7.2 (Exception 16) provides an exception to Listing Rule 7.1 whereby if Shareholder approval is obtained under Item 7 of Section 611 of the Corporations Act (that is, approval for the issue of the Placement Shares and Convertible Notes), then separate shareholder approval under Listing Rule 7.1 is not required.

Accordingly, if Shareholders approve Resolution 1, 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.

3.9 Item 7 of Section 611 of the Corporations Act

(a) Section 606 of the Corporations Act prohibits a person acquiring a relevant interest in the issued voting shares of the Company if, because of the transaction, that person's or another person's voting power in the Company increases from:

(i) 20% or below to more than 20%; or

(ii) a starting point that is above 20% and below 90%.

(b) The voting power of a person in the Company is determined by reference to section 610 of the Corporations Act. A person's voting power in the Company is the total of the votes attaching to the Shares in the Company in which that person and that person's associates (within the meaning of the Corporations Act) have a relevant interest.

(c) Under section 608 of the Corporations Act, a person will have a relevant interest in Shares if:

(i) the person is the registered holder of the Shares;

(ii) the person has the power to exercise or control the exercise of votes or disposal of the Shares; or

(iii) the person has over 20% of the voting power in a company that has a relevant interest in Shares, then the person has a relevant interest in said Shares.

(d) For the purpose of determining who is an associate you need to consider section 12 of the Corporations Act. Any reference in chapters 6 to 6C of the Corporations Act to an associate is as that term is defined in section 12. The definition of 'associate' in section 12 is exclusive. If a person is an associate under section 11, 13 or 15 of the Corporations Act then it does not apply to chapters 6 to 6C. A person is only an associate for the purpose of chapter 6 to 6C if he is an associate under section 12.

(e) A person (second person) will be an associate of the other person (first person) if:

(i) the first person is a body corporate and the second person is:

(A) A body corporate the first person controls;

(B) A body corporate that controls the first person: or

(C) A body corporate that is controlled by an entity that controls the first person;

(ii) the second person has entered, or proposes to enter into, a relevant agreement with the first person for the purpose of controlling or influencing the composition of the board of a body corporate or the conduct of the affairs of a body corporate; and

(iii) the second person is a person with whom the first person is acting or proposes to act, in concert in relation to the affairs of a body corporate.

(f) The Corporations Act defines 'control' and 'relevant agreement' very broadly as follows:

(i) Under section 50AA of the Corporations Act control means the capacity to determine the outcome of decisions about the financial and operating policies of the Company. In determining the capacity you need to take into account the practical influence a person can exert and any practice or pattern of behaviour affecting the financial or operating policies of the Company.

(ii) Under section 9 of the Corporations Act relevant agreement means an agreement, arrangement or understanding:

(A) whether formal or informal or partly informal and partly informal;

(B) whether written or oral or partly written and partly oral; and

(C) whether or not having legal or equitable force and whether or not based on legal or equitable rights.

(g) Associates are determined as a matter of fact. For example where a person controls or influences the Board or the conduct of the Company's business affairs, or acts in concert with a person in relation to the entity's business affairs.

(h) Section 611 of the Corporations Act has exceptions to the prohibition in section 606 of the Corporations Act (**Prohibition**). Item 7 of section 611 of the Corporations Act provides a mechanism by which Shareholders may approve an issue of Shares to a person which results in that person's or another person's voting power in the Company increasing from:

(i) 20% or below to more than 20%; or

(ii) a starting point that is above 20% and below 90%.

3.10 Reason Section 611 Approval is required

Resolution 1 seeks Shareholder approval, for the purpose of Item 7 of Section 611 of the Corporations Act, to allow the Company to issue the Placement Shares to Core Capital and its Associates which will result in the deemed voting power of Core Capital and its Associates in the Company increasing to more than 20%, to allow the Company to issue Shares on conversion of the Convertible Notes.

3.11 Specific Information required by Section 611 Item 7 of the Corporations Act and ASIC Regulatory Guide 74

The following information is required to be provided to Shareholders under the Corporations Act and ASIC Regulatory Guide 74 in respect of obtaining approval for Item 7 of Section 611 of the Corporations Act. Shareholders are also referred to the Independent Expert's Report prepared by RSM Bird Cameron annexed to this Explanatory Statement.

(a) **The identity of Core Capital, its Associates and any person who will have a relevant interest in the Shares to be allotted to Core Capital or its Associates**

Core Capital Management Co., Ltd is a Chinese private equity firm that makes investments and provides other financial services through a variety of investment strategies. Core Capital's headquarters office is located in Beijing China.

Core Petroleum Co., Limited will have a relevant interest in the Shares (including any Shares issued on conversion of the Convertible Notes), as Core Petroleum Co., Limited will be the registered holder of such Shares as a nominee (and wholly owned subsidiary) of Core Capital.

Core Capital has a relevant interest in the Shares (including any Shares issued on conversion of the Convertible Notes) as Core Petroleum Co., Limited is a wholly owned subsidiary of Core Capital (and is an Associate of Core Capital). Core Capital will exercise or control the exercise of votes and/or the disposal of the Shares held by its nominee.

Mr. Kevin Leng has a relevant interest in the Shares (including any Shares issued on conversion of the Convertible Notes) to be allotted to Core Petroleum Co., Limited because he holds an interest exceeding 20% of Core Capital, and is the controller of Core Capital.

(b) **Full particulars (including the number and percentage) of the shares in the Company to which Core Capital and its Associates will be entitled immediately before and after the Transaction**

Core Capital, nor any of its Associates, hold any Shares in the Company prior to Completion of the Transaction.

Refer to Section 3.5(b) for full particulars (including the number and percentage) of Shares in which Core Capital (and its Associates, including Mr. Kevin Leng and Core Petroleum Co., Limited) has, or will have, a relevant interest in immediately before and after the Transaction and after conversion of the Convertible Notes (assuming all of the Convertible Notes are converted into Shares).

(c) **The identity, associations (with the Company, Core Capital or any of their associates) and qualifications of any person who is intended to become a director if Shareholders agree to the Transaction**

Following Completion and at all times that Core Capital or its Associates hold Shares in the Company, Core Capital may nominate two persons to be appointed as non-executive directors of the Company.

At the date of this Notice, Core Capital has advised the Company that it does not wish to appoint nominee directors, but may exercise this right in the future. The election or re-election of these nominee directors (as relevant) will be subject to the provisions of the Company's Constitution and other applicable law.

(d) **Core Capital's intentions regarding the future of the Company if Shareholders agree to the Transaction and the allotment of Shares and Convertible Notes to Core Capital and/or its Associates**

Core Capital and/or its Associates will be a Shareholder in the Company following Completion of the Transaction and:

(i) there is no intention to change the business of the Company;

(ii) there is no intention to inject further capital into the Company (other than as disclosed in this Notice);

(iii) there is no intention to change the future employment of the present employees of the Company;

(iv) there is no proposal whereby any property will be transferred between the Company and Core Capital or and its Associates; and

(v) there is no intention to otherwise redeploy any of the fixed assets of the Company.

These intentions are based on information concerning the Company, its business and the business environment which is known to Core Capital at the date of this document.

These present intentions may change as new information becomes available, as circumstances change or in the light of all material information, facts and circumstances necessary to assess the operational, commercial, taxation and financial implications of those decisions at the relevant time.

(e) **Particulars of the terms of the proposed allotment of Shares and Convertible Notes and any contract or proposed contract between Core Capital and the Company or any of their Associates which is conditional upon, or directly or indirectly dependent on, Shareholders agreement to the allotment of Shares to Core Capital and its Associates pursuant to the Transaction**

The terms of the Subscription Agreement governing the issue of the Shares and Convertible Notes are set out in Section 3.4 and Schedule 2.

Other than the Subscription Agreement, there are no contracts or proposed contracts between Core Capital and the Company or any of their Associates which are conditional upon, or directly or indirectly dependent on, Shareholder agreement to the issue of the Shares and/or the Convertible Notes to Core Capital or its Associates pursuant to the Transaction.

(f) **When the allotment of Shares under the Subscription Agreement is to be made**

The Placement Shares and Convertible Notes will be issued to Core Capital or its Associates on Completion. Completion is expected to occur shortly after approval of the Transaction by Shareholders.

(g) **An explanation of the reasons for the proposed allotment of Shares and Convertible Notes to Core Capital and its Associates**

The Placement Shares and Convertible Notes will be issued to Core Capital or its Associates on Completion as consideration for the funding package pursuant to the terms of the Subscription Agreement.

(h) **The interests of the Directors in Resolution 1**

None of the Directors have an interest in Resolution 1.

(i) **Identity of the Directors who approved or voted against the proposal to put Resolution 1 to Shareholders and the Explanatory Memorandum**

All of the Directors voted in favour of the proposal to put the Transaction to the approval of Shareholders.

(j) **Any intention of Core Capital to change significantly the financial or dividend policies of the Company**

Core Capital does not intend to change significantly the financial or dividend policies of the Company at this time.

(k) **Recommendation or otherwise of each Director as to whether Shareholders should agree to the proposed allotment and the reasons for the recommendation or otherwise**

See Section 3.16 of this Explanatory Memorandum.

(l) **An analysis of whether the proposed allotment of Shares and Convertible Notes pursuant to the Transaction is fair and reasonable when considered in the context of the interests of the Shareholders other than Core Capital and its Associates.**

See Section 3.14 of this Explanatory Memorandum.

3.12 Advantages of the Transaction

The Directors are of the view that the following non-exhaustive list of advantages may be relevant to a Shareholder's decision on how to vote in relation to the Transaction:

(a) it will allow the Company to continue as a going concern, particularly given the Company's limited cash resources and current financial obligations;

(b) it provides for the ongoing funding of the Company to develop its Trinidad operations;

(c) it provides funding access to a US$50 million financing facility made available by LandOcean Energy Services Co Ltd to be applied to the development of the Trinidad assets, including the waterflood program; and

(d) will allow the Company increased financial capacity that could be applied to future growth opportunities.

3.13 Disadvantages of the Transaction

The Directors are of the view that the following non-exhaustive list of disadvantages may be relevant to a Shareholder's decision on how to vote in relation to the Transaction:

(a) there is no guarantee of the market value of the Company's shares upon completion of the Transaction;

(b) should the Share Placement be completed and/or the Convertible Notes be converted, Shareholders will have their voting power reduced. Consequently, the ability of existing Shareholders to influence decisions, including the composition of the Board or the acquisition or disposal of assets will be reduced accordingly;

(c) as a minimum, Core Capital and its Associates will hold 39.1% of Range. Therefore, as a minimum, Core Capital and its Associates will be able to block special resolutions and will be able to have a significant influence over ordinary resolutions. In addition, Core Capital may nominate two persons to be nominated as non-executive directors of the Company; and

(d) the minimum conversion price of the Convertible Notes is not known and therefore the level of potential dilution to Shareholders cannot be measured.

3.14 Independent Expert's Report

The Independent Expert's Report assesses whether the issue of the Placement Shares and the issue of Shares on conversion of the Convertible Notes outlined in Resolution 1 is fair and reasonable to the Shareholders who are not associated with Core Capital.

The Independent Expert's Report also contains an assessment of the advantages and disadvantages of the proposed issue of the Placement Shares and the issue of Shares on conversion of the Convertible Notes the subject of Resolution 1. This assessment is designed to assist all Shareholders in reaching their voting decision.

The Independent Expert has provided the Independent Expert's Report and has provided an opinion that it believes the proposal as outlined in Resolution 1 IS **NOT FAIR BUT REASONABLE** to the Shareholders of the Company not associated with Core Capital. It is recommended that all Shareholders read the Independent Expert's Report in full.

The Independent Expert's Report is enclosed with this Notice of Meeting at Annexure 1.

3.15 Pro forma balance sheet

A pro forma balance sheet of the Company post the completion of the Transaction is set out in Schedule 5.

3.16 Interests and Recommendations of Directors

None of the current Board members have a material personal interest in the outcome of Resolution 1 other than their interests arising solely in their capacity as Shareholders of the Company. Each of the Directors who holds Shares in the Company (or whose associated entities hold Shares) and is entitled to vote will vote their Shares in favour of the Transaction.

All of the Directors are of the opinion that the Transaction is in the best interests of Shareholders and, accordingly, the Directors unanimously recommend that Shareholders vote in favour of Resolution.

The Director's recommendations are based on the reasons outlined in Section 3.12 above.

The Directors are not aware of any other information other than as set out in this Notice of Meeting that would be reasonably required by Shareholders to allow them to make a decision whether it is in the best interests of the Company to pass Resolution 1.

4. Resolutions 2 to 5 – Issue of Director Options

4.1 Background

Pursuant to Resolutions 2 to 5, the Company proposes to grant a total of 75,000,000 Director Options to Mr Yan Liu, Mr David Chen, Mr Zhiwei Gu and Ms Juan Wang, and/or their nominees.

The primary purpose of the grant of the Director Options is to provide a performance linked incentive component in the Directors' remuneration packages to assist the Company in attracting, retaining, motivating and rewarding their performance, and to align their interests with those of Shareholders. The Board considers that the experience of the Directors will greatly assist the development of the Company. As such, the Board believes that the number of Director Options to be granted to the Directors is commensurate with their value to the Company.

Listing Rule 10.11 requires shareholder approval to be obtained where an entity issues, or agrees to issue, securities to a related party, or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained, unless an exception in ASX Listing Rule 10.12 applies. Approval pursuant to Listing Rule 7.1 is not required in order to issue the Director Options as approval is being obtained under ASX Listing Rule 10.11.

Each of the directors whom Director Options will be issued is a related party of the Company by virtue of being a Director of the Company.

The Board (other than each Director in relation to the issue of Director Options to them, in which case they decline to make a recommendation) supports the grant of Director Options to each of Yan Liu, David Chen, Zhiwei Gu and Juan Wang.

4.2 Related Party Approval

The Company is not seeking Shareholder approval for the financial benefit covered by Resolutions 2 to 5 as the Board has resolved that the financial benefit to be provided to the Directors pursuant to the Director Options comes within the reasonable remuneration exemption to Chapter 2E of the Corporations Act 2001 (Cth).

4.3 Information required by Listing Rule 10.13

For the purposes of Listing Rule 10.13, information regarding the issue of the Director Options is provided as follows:

(a) The Director Options will be issued to Mr Yan Liu, Mr David Chen, Mr Zhiwei Gu and Ms Juan Wang, and/or their nominees.

(b) The maximum number of Director Options the Company can issue to each of the Directors and/or their nominees under Resolutions 2 to 5 is as follows:

- (i) Mr Yan Liu – 30,000,000 Director Options;
- (ii) Mr David Chen – 30,000,000 Director Options;
- (iii) Mr Zhiwei Gu – 7,500,000 Director Options; and
- (iv) Ms Juan Wang – 7,500,000 Director Options.

(c) The Company will issue the Director Options to the relevant Directors and/or their nominees no later than one month after the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is anticipated the Director Options will be issued on one date.

(d) The Director Options will be issued for nil cash consideration.

(e) The Director Options will have the terms and conditions set out in Schedule 4.

(f) A voting exclusion statement is included in the Notice.

Schedule 1 - Definitions

AEST means Australian Eastern Standard Time.

ASIC means Australian Securities and Investments Commission.

Associate means has the meaning described in Section 3.9 and as otherwise defined in the Corporations Act.

ASX means ASX Limited (ACN 008 624 691) and, where the context permits, the Australian Securities Exchange operated by ASX.

Board means the board of Directors.

Chairman means the person appointed to chair the Meeting.

Closely Related Party has the meaning in section 9 of the Corporations Act.

Company or **Range** means Range Resources Limited ACN 002 522 009.

Constitution means the constitution of the Company.

Corporations Act means the Corporations Act 2001 (Cth).

DI Holder means a DI holder.

DI means a depository interest representing a Share listed (or to be listed) on the AIM Market of the London Stock Exchange.

Director means a director of the Company.

Director Option means an Option issued on the terms set out in Schedule 4.

Explanatory Memorandum means the explanatory memorandum attached to the Notice.

GMT means Greenwich Mean Time, being the time in London, United Kingdom.

Group means the Company and its subsidiaries.

Key Management Personnel means a person having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

Listing Rules means the listing rules of ASX.

Meeting has the meaning in the introductory paragraph of the Notice.

Notice means this notice of meeting.

Noteholder means the holder of a Convertible Note.

Option means an option which entitles the holder to subscribe for one Share.

Proxy Form means the proxy form attached to the Notice.

Resolution means a resolution contained in this Notice.

Schedule means a schedule to this Notice.

Section means a section contained in this Explanatory Memorandum.

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

Shareholder means a shareholder of the Company.

Trading Day means a day determined by ASX to be a trading day in accordance with the Listing Rules.

VWAP means volume weighted average price.

WST means Western Standard Time, being the time in Perth, Western Australia.

In this Notice, words importing the singular include the plural and vice versa.

Schedule 2 – Terms and Conditions of the Convertible Notes

The terms and conditions of the Convertible Notes are as follows:

Term	**Details**
Subscription Amount	US$20,000,000
Face Value	US$1.00 per Convertible Note (to raise a total of US$20,000,000)
Maturity Date	3 years after issue
Interest Rate	12% per annum Default interest on any amount that is not paid when due will be at a rate of 13% per annum.
Interest	Interest will accrue daily and be payable monthly. The Company may (but is not obliged to) elect to capitalise any interest payable, or pay interest by the issue of Shares at the Conversion Price.
Conversion Price	Conversion Price means the lower of: a) £0.009; or b) a 15% discount to the lower of the 20-Day VWAP on AIM or ASX immediately prior to the conversion date. To calculate the Conversion Price in US Dollars, the exchange rate will be the mid-rate which appears on the Bloomberg Screen on that date.
Conversion by the Noteholder	At any time 6 months after the issue date, the Noteholder may convert some or all of the Convertible Notes into Shares at the Conversion Price.
Redemption by the Company	At any time 18 months after the issue date, the Company may elect to redeem all of the Convertible Notes by payment of the amount outstanding in cash, or by the issue of Shares at the Conversion Price.
Redemption on Maturity Date	On the Maturity Date, the Company must redeem all of the outstanding Convertible Notes (being those which have not been previously redeemed or converted) by payment of the amount outstanding in cash.
Redemption by the Noteholder	The Convertible Notes are subject to redemption events including a material breach of the Convertible Note terms, non-payment of funds within 10 business days of the due date, the Company making untrue or misleading representations, or the winding up or insolvency of the Company. The Noteholder may require the Company to redeem some or all of the Convertible Notes following the occurrence of any of these events.
Undertakings	The Company has given undertakings standard for a facility of this nature.
No Voting Rights	The Convertible Notes do not carry any voting rights but the Noteholder will have the same rights as a holder of Shares to receive notices of general meetings, reports, financial statements or any other communications issued by the Company.

Adjustment Event	If there is any reconstruction of the issued share capital of the Company before conversion of the Convertible Notes, the rights of the Noteholder may be varied to comply with the Listing Rules which apply to the reconstruction at the time of the reconstruction.
Security	Nil
Governing Law	Western Australia

Schedule 3 – Effect of Conversion Price variables

It is not possible to accurately predict the number of Shares that may be issued on conversion of the Convertible Notes as this will depend on the amounts of the Convertible Notes outstanding and the Conversion Price, which may be calculated on the VWAP on each occasion that a conversion notice is received by the Company.

However, using the examples of:

a) a Conversion Price of £0.009 (representing the highest Conversion Price pursuant to the Subscription Agreement); and

b) a Conversion Price of £0.0045 (representing 50% of the highest Conversion price pursuant to the Subscription Agreement and the lowest Share price on AIM during the last 12 months),

the effect on the Company's capital structure and the voting power of Core Capital and/or its Associates as set out below.

EFFECT ON CAPITAL STRUCTURE

Shares	**Conversion Price of £0.009**	**Conversion Price of £0.0045**
Total Shares on issue at the date of this Notice	5,117,169,188	5,117,169,188
Balance following Completion of the Share Placement	8,406,924,233	8,406,924,233
Total Shares on issue following conversion of the Convertible Notes pursuant to the Conversion Price (with Interest paid monthly in cash)	9,869,037,586	11,331,150,939
Total Shares on issue following conversion of the Convertible Notes pursuant to the Conversion Price (with all Interest capitalised until the Maturity Date)	10,498,801,623	12,590,679,012

EFFECT ON VOTING POWER

Conversion Price of £0.009

Event causing the Share issue	Number of Shares issued to Core Capital or its Associates	Total issued Share capital of the Company	% of Share capital held by Core Capital or its Associates on issue of the Shares
Prior to Completion of the Transaction	Nil	5,117,169,188	0%
On Completion of the Share Placement	3,289,755,045	8,406,924,233	39.13%
After Share Placement and on conversion of all Convertible Notes (with Interest paid monthly in cash)	4,751,868,398	9,869,037,586	48.15%
After Share Placement and on conversion of all Convertible Notes with all Interest capitalised until the Maturity Date	5,381,632,435	10,498,801,623	51.26%

Conversion Price of £0.0045

Event causing the Share issue	Number of Shares issued to Core Capital or its Associates	Total issued Share capital of the Company	% of Share capital held by Core Capital or its Associates on issue of the Shares
Prior to Completion of the Transaction	Nil	5,117,169,188	0%
On Completion of the Share Placement	3,289,755,045	8,406,924,233	39.13%
After Share Placement and on conversion of all Convertible Notes (with Interest paid monthly in cash)	6,213,981,751	11,331,150,939	54.84%
After Share Placement and on conversion of all Convertible Notes with all Interest capitalised until the Maturity Date	7,473,509,824	12,590,679,012	59.36%

Assumptions to above tables

(1) Assumes an exchange rate of GBP1:US$1.5199 (being the exchange rate on 28 January 2015).
(2) Assumes all of the Convertible Notes are converted to Shares on the Maturity Date.
(3) Assumes the Company does not issue any additional Shares and no Options expire, or are exercised, prior to the date that all of the Convertible Notes have converted.

Schedule 4 Terms and Conditions of Director Options

1. Entitlement

Each Option entitles the holder to subscribe for one Share upon the exercise of each Option.

2. Exercise price

The exercise price of each Option is £0.01.

3. Expiry date

The expiry date of each Option is 5.00pm (WST) on that date that is 5 years from the issue date. Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date. In addition the options (if not yet exercised) will automatically lapse should the director voluntarily cease to be a director, for whatever reason, of the Company.

4. Exercise period and vesting dates

The Options issued to a holder vest on the following dates (each a **Vesting Date**) as follows:

(a) 25% will become exercisable on the date that is one year from the issue date;

(b) 25% will become exercisable upon the Company reaching production of 1,500 barrels of oil per day for a continuous 15 day period in Trinidad;

(c) 25% will become exercisable upon the Company reaching production of 2,500 barrels of oil per day for a continuous 15 day period in Trinidad; and

(d) 25% will become exercisable upon the Company reaching production of 4,000 barrels of oil per day for a continuous 15 day period in Trinidad.

The Options in a particular tranche are exercisable at any time after the applicable Vesting Date set out above and on or prior to the Expiry Date.

5. Notice of exercise

The Options may be exercised by notice in writing to the Company (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised. Any Notice of Exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt.

6. Shares issued on exercise

Shares issued on exercise of the Options will rank equally with the then issued Shares of the Company.

7. Options not quoted

The Company will not apply to ASX for quotation of the Options.

8. Quotation of Shares on exercise

Application will be made by the Company to ASX for official quotation of the Shares issued upon the exercise of the Options.

9. Timing of issue of Shares

After an Option is validly exercised, the Company must as soon as possible:

(a) issue the Share; and

(b) do all such acts, matters and things to obtain:

(i) the grant of quotation for the Share on ASX no later than 5 days from the date of exercise of the Option; and

(ii) receipt of cleared funds equal to the sum payable on the exercise of the Option.

10. Participation in new issues

There are no participation rights or entitlements inherent in the Options and the holder will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options.

11. Adjustment for bonus issues of Shares

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):

(a) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the option holder would have received if the option holder had exercised the Option before the record date for the bonus issue; and

(b) no change will be made to the Exercise Price.

12. Adjustment for rights issue

If the Company makes an issue of Shares pro rata to existing Shareholders there will be no adjustment of the Exercise Price of an Option.

13. Adjustments for reorganisation

If there is any reconstruction of the issued share capital of the Company, the rights of the option holder may be varied to comply with the Listing Rules which apply to the reconstruction at the time of the reconstruction.

14. Options transferable

The Options shall be freely assignable and transferable, subject to the provisions of Chapter 6D of the Corporations Act and the applicable law.

15. Change of control

Notwithstanding condition 4, all Options may be exercised by the holder:

(a) if a takeover bid (as defined in the Corporations Act 2001) to acquire any Shares becomes or is declared unconditional, irrespective of whether the takeover bid extends to Shares issued and allotted after the date of the takeover bid or not; and

(b) if a merger by way of scheme of arrangement under the Corporations Act 2001 has been approved by the Court under section 411(4)(b) of the Corporations Act.

Schedule 5 - Pro-forma Balance Sheet

Range Pro-forma financial position	As at 30-Sep-14 *Unaudited* $US	Pro-forma Adjustments	Pro-forma as at 30-Sep-14 *Unaudited* $US
CURRENT ASSETS			
Cash and cash equivalents	1,378,592	59,650,000	61,028,592
Trade and other receivables	5,480,977		5,480,977
Other current assets	872,763		872,763
	7,732,332	59,650,000	67,382,332
Asset classified as held for sale	11,000,002		11,000,002
TOTAL CURRENT ASSETS	**18,732,334**	**59,650,000**	**78,382,334**
NON-CURRENT ASSETS			
Deferred tax asset	526,319		526,319
Available for sale financial assets	608,017		608,017
Goodwill	46,198,975		46,198,975
Property, plant and equipment	6,894,300		6,894,300
Exploration & evaluation expenditure	573,041		573,041
Producing assets	88,468,269		88,468,269
Investments in Associates	2,779,476		2,779,476
Other non-current assets	1,500,000		1,500,000
TOTAL NON-CURRENT ASSETS	**147,548,397**	**-**	**147,548,397**
TOTAL ASSETS	**166,280,731**	**59,650,000**	**225,930,731**
CURRENT LIABILITIES			
Trade and other payables	10,010,742		10,010,742
Current tax liabilities	71,456		71,456
Option liability	2,189,912		2,189,912
Provision	721,316		721,316
TOTAL CURRENT LIABILITIES	**12,993,426**	**-**	**12,993,426**
NON-CURRENT LIABILITIES			
Deferred tax liabilities	45,098,392		45,098,392
Employee service benefit	728,573		728,573
Financial liability	-	20,000,000	20,000,000
TOTAL NON-CURRENT LIABILITIES	**45,826,965**	**20,000,000**	**65,826,965**
TOTAL LIABILITIES	**58,820,391**	**20,000,000**	**78,820,391**
NET ASSETS	**107,460,340**	**39,650,000**	**147,110,340**
EQUITY			
Contributed equity	354,926,150	39,650,000	394,576,150
Reserves	27,690,362		27,690,362
Accumulated losses	(275,156,172)		(275,156,172)
TOTAL EQUITY	**107,460,340**	**39,650,000**	**147,110,340**

The pro-forma Statement of Financial Position includes the following pro-forma adjustments

1. The inclusion in cash and cash equivalents of the proceeds received from the Share Placement of US$40 million and the issue of Convertible Notes of US$20 million, less transaction costs
2. The initial recognition in financial liability of the Convertible Note issued
3. The inclusion in contributed equity of the value of the Placement Shares (less transaction costs)

RSM Bird Cameron Corporate Pty Ltd

Range Resources Limited

Financial Services Guide and Independent Expert's Report

February 2015

RSM Bird Cameron Corporate Pty Ltd

AFS Licence No 255847

Financial Services Guide

RSM Bird Cameron Corporate Pty Ltd ABN 82 050 508 024 ("RSM Bird Cameron Corporate Pty Ltd" or "we" or "us" or "ours" as appropriate) has been engaged to issue general financial product advice in the form of a report to be provided to you.

In the above circumstances we are required to issue to you, as a retail client, a Financial Services Guide ("FSG"). This FSG is designed to help retail clients make a decision as to their use of the general financial product advice and to ensure that we comply with our obligations as financial services licensees.

This FSG includes information about:

- who we are and how we can be contacted;
- the services we are authorised to provide under our Australian Financial Services Licence, Licence No 255847;
- remuneration that we and/or our staff and any associates receive in connection with the general financial product advice;
- any relevant associations or relationships we have; and
- our complaints handling procedures and how you may access them.

Financial services we are licensed to provide

We hold an Australian Financial Services Licence, which authorises us to provide financial product advice in relation to:

- deposit and payment products limited to:
  - (a) basic deposit products;
  - (b) deposit products other than basic deposit products.
- interests in managed investments schemes (excluding investor directed portfolio services); and
- securities (such as shares and debentures).

We provide financial product advice by virtue of an engagement to issue a report in connection with a financial product of another person. Our report will include a description of the circumstances of our engagement and identify the person who has engaged us. You will not have engaged us directly but will be provided with a copy of the report as a retail client because of your connection to the matters in respect of which we have been engaged to report.

Any report we provide is provided on our own behalf as a financial services licensee authorised to provide the financial product advice contained in the report.

General Financial Product Advice

In our report we provide general financial product advice, not personal financial product advice, because it has been prepared without taking into account your personal objectives, financial situation or needs.

You should consider the appropriateness of this general advice having regard to your own objectives, financial situation and needs before you act on the advice. Where the advice relates to the acquisition or possible acquisition of a financial product, you should also obtain a product disclosure statement relating to the product and consider that statement before making any decision about whether to acquire the product.

Benefits that we may receive

We charge fees for providing reports. These fees will be agreed with, and paid by, the person who engages us to provide the report. Fees will be agreed on either a fixed fee or time cost basis.

Except for the fees referred to above, neither RSM Bird Cameron Corporate Pty Ltd, nor any of its directors, employees or related entities, receive any pecuniary benefit or other benefit, directly or indirectly, for or in connection with the provision of the report.

Remuneration or other benefits received by our employees

All our employees receive a salary.

Referrals

We do not pay commissions or provide any other benefits to any person for referring customers to us in connection with the reports that we are licensed to provide.

Associations and relationships

RSM Bird Cameron Corporate Pty Ltd is beneficially owned by the partners of RSM Bird Cameron, a large national firm of chartered accountants and business advisers. Our directors are partners of RSM Bird Cameron Partners.

From time to time, RSM Bird Cameron Corporate Pty Ltd, RSM Bird Cameron Partners, RSM Bird Cameron and / or RSM Bird Cameron related entities may provide professional services, including audit, tax and financial advisory services, to financial product issuers in the ordinary course of its business.

Complaints Resolution

Internal complaints resolution process

As the holder of an Australian Financial Services Licence, we are required to have a system for handling complaints from persons to whom we provide financial product advice. All complaints must be in writing, addressed to The Complaints Officer, RSM Bird Cameron Corporate Pty Ltd, P O Box R1253, Perth, WA, 6844.

When we receive a written complaint we will record the complaint, acknowledge receipt of the complaint within 15 days and investigate the issues raised. As soon as practical, and not more than 45 days after receiving the written complaint, we will advise the complainant in writing of our determination.

Referral to External Dispute Resolution Scheme

A complainant not satisfied with the outcome of the above process, or our determination, has the right to refer the matter to the Financial Ombudsman Service ("FOS"). FOS is an independent company that has been established to provide free advice and assistance to consumers to help in resolving complaints relating to the financial services industry.

Further details about FOS are available at the FOS website or by contacting them directly via the details set out below.

Financial Ombudsman Service
GPO Box 3
Melbourne VIC 3001
Toll Free: 1300 78 08 08
Facsimile: (03) 9613 6399
Email: info@fos.org.au

Contact Details

You may contact us using the details set out at the top of our letterhead on page 1 of this report.

RSM Bird Cameron Corporate Pty Ltd

AFS Licence No 255847

Independent Expert's Report

TABLE OF CONTENTS **Page**

RSM Bird Cameron Corporate Pty Ltd

AFS Licence No 255847

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Email: andy.gilmour@rsmi.com.au
AJG/PG/SB/JUMO

19 February 2015

The Directors
Range Resources Limited
Ground Floor
BGC Centre
28 The Esplanade
Perth WA 6000

Dear Directors

Independent Expert's Report

1. Introduction

1.1. This Independent Expert's Report (the "Report" or "IER") has been prepared to accompany the Notice of General Meeting and Explanatory Statement ("Notice") to shareholders for a General Meeting of Range Resources ("Range" or "the Company") to be held on or around 27 March 2015, at which, shareholder approval will be sought for the issue of US$40 million in Range shares ("Placement") and US$20 million in Range convertible notes ("Notes") (combined "the Proposed Transaction") to Core Capital Management Co Ltd ("Core Capital").

1.2. The key terms of the Proposed Transaction are as follows:

- Issue of US$40 million in fully paid ordinary shares in Range at an issue price of £0.008 per share;
- Issue of US$20 million in Notes with the following key terms:
  - Coupon rate of 12% per annum;
  - Redemption period of three years;
  - Conversion price of the lower of £0.009 per share or a 15% discount to the 20-day VWAP of a Range share prior to conversion; and
  - The Notes will be unlisted and unsecured.
- Core Capital can nominate two non-executive directors to the Board of Range.

1.3. Core Capital will hold approximately 39.1% of the issued capital of Range following the Placement to raise US$40 million. Based on the exchange rate on 28 January 2015 of 1GBP:USD 1.5199, Range will issue 3,289,755,045 shares under the Placement.

1.4. If the Notes are converted at the conversion price of £0.009 per share, Core Capital will increase its holding in Range to approximately 48.1%. Based on the exchange rate on 28 January 2015 of 1GBP:USD1.5199, Range will issue 1,462,113,353 shares on conversion of the Notes.

1.5. A lower conversion share price on the Notes will result in Core Capital's interest in Range being greater than 48.1%.

1.6. The Directors of Range have requested that RSM Bird Cameron Corporate Pty Ltd ("RSMBCC"), being independent and qualified for the purpose, express an opinion as to whether the Proposed Transaction is fair and reasonable to shareholders not associated with the Proposed Transaction ("Shareholders").

1.7. The ultimate decision whether to approve the Proposed Transaction should be based on each Shareholder's assessment of their circumstances, including their risk profile, liquidity preference, tax position and expectations as to value and future market conditions. If in doubt as to the action they should take with regard to the Proposed Transaction, or the matters dealt with in this Report, Shareholders should seek independent professional advice.

2. Summary and Conclusion

2.1. In our opinion, and for the reasons set out in Sections 10 and 11 of this Report, the Proposed Transaction is **not fair but reasonable** for the Shareholders of Range.

Fairness

2.2. In order to assess the fairness of the Proposed Transaction, we have valued a share in Range prior to and immediately after the Proposed Transaction. Our assessed values are summarised in the tables below.

Assessment of fairness	Ref:	Value per Share	
		Low	High
Fair Value of an RRS share pre Proposed Transaction - Control basis	8	$0.019	$0.022
Fair Value of an RRS share post the Proposed Transaction assuming Notes are converted - Non control basis	9.2	$0.013	$0.016
Fair Value of an RRS share post the Proposed Transaction assuming Notes are not converted - Non control basis	9.2	$0.012	$0.015

Table 1: Valuation Summary (undiluted basis)

2.3. This is shown graphically below:

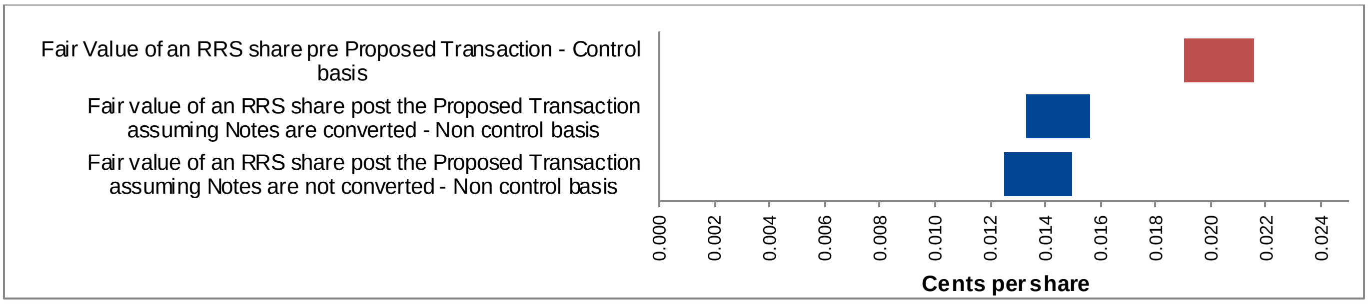


Figure 1: Range Share Valuation Graphical Representation (Source: RSMBCC Analysis)

2.4. We have determined that the value of a Range Share after the Proposed Transaction is lower than the value of a Range share prior to the Proposed Transaction.

2.5. Therefore, we consider the Proposed Transaction to be **not fair** to the Shareholders.

2.6. We note that the number of Notes that could be issued to Core is variable depending on Range's share price. For the purpose of our analysis, we have assumed that the Notes are converted at the stated conversion price of £0.009. We note that this is the highest price at which the Notes can be converted. A conversion price set at a 15% discount to the 20 day VWAP of a Range share will only be required if the conversion price is less than £0.009. For example, as detailed in the Notice, a conversion price of £0.0045 would result in approximately 2.9 million shares being issued and would reduce our post Proposed Transaction valuation assuming the Notes are converted by approximately $0.002 per share. Our post Proposed Transaction valuation assuming the Notes are not converted would not change. As the change in conversion price will result in a lower value post the Proposed Transaction, this would not change our opinion of the Proposed Transaction being not fair.

Reasonableness

2.7. Regulatory Guide 111 *Content of Experts Reports* ("RG111") issued by the Australian Securities and Investment Commission ("ASIC") establishes that an offer is reasonable if it is fair. It might also be reasonable if, despite not being fair, there are sufficient reasons for the security holders to accept the offer in the absence of any higher bid before the offer closes. In assessing the reasonableness of the Proposed Transaction, we have considered the following factors in our assessment:

- The future prospects of the Company if the Proposed Transaction does not proceed; and
- Any other commercial advantages and disadvantages to the Shareholders as a consequence of the Proposed Transaction proceeding.

2.8. If the Proposed Transaction does not proceed, Range will continue to seek the necessary capital to fund the exploration and development of its oil and gas assets. Range will also be required to seek alternative funding in order to repay the Lind facility and continue as a going concern. We note that Range's auditor has highlighted that Range requires additional capital in order for it to continue as a going concern.

2.9. The key advantages of the Proposed Transaction are:

- The funds from the Placement and Notes will provide Range with sufficient capital to refinance its current debt position. Failure to do so could result in the Company no longer trading as a going concern;
- The Proposed Transaction will provide sufficient funding for Range to develop its Trinidad asset; and
- The Proposed Transaction will provide sufficient liquidity to gain access to a US$50 million financing facility made available by LandOcean Energy Services Co Ltd ("LandOcean") to be applied to the waterflood program on the Trinidad asset. This provides additional funding flexibility to fully exploit the Trinidad asset.
- Funding will be sufficient to provide excess capital that could be applied to future growth opportunities.

2.10. The key disadvantages of the Proposed Transaction are:

- Should the Placement be completed and/or Notes be converted, the Company's Shareholders will have their voting power reduced. Consequently, the ability of the existing Shareholders to influence decisions, including the composition of the Board or the acquisition or disposal of assets will be reduced accordingly;
- As a minimum, Core Capital will hold 39.1% of Range. Therefore, as a minimum, Core Capital will be able to block special resolutions and will be able to have a significant influence over ordinary resolutions. In addition, Core Capital may nominate two persons to be nominated as non-executive directors of the Company; and
- The minimum conversion price of the Notes is not known and therefore the level of potential dilution to Shareholders cannot be measured. For example, if the conversion price was £0.0045, approximately 2.9 million shares would be issued on conversion and would result in Core Capital holding approximately 54.8% of the issued capital of Range. As the conversion mechanism of the Notes is consistent with market practice and any conversion price will be a 15% discount to the prevailing share price at the date of conversion, the increase in dilution does not change our reasonableness opinion.

2.11. We are not aware of any alternative proposals which may provide a greater benefit to the Shareholders of Range at this time.

2.12. In our opinion, the position of the Shareholders of Range if the Proposed Transaction is approved is more advantageous than the position if it is not approved. Therefore, in the absence of any other relevant information and/or a superior offer, we consider that the Proposed Transaction is reasonable for the Shareholders of Range.

3. Summary of Proposed Transaction

Overview

3.1. As announced to the ASX on 11 December 2014 Range entered into a subscription agreement and convertible note deed (together, the Subscription Agreement) with Core Capital which, subject to the terms and conditions summarised below, will result in the Company raising up to US$60 million (Proposed Transaction).

3.2. The key terms of the Proposed Transaction are:

- Issue of US$40 million in fully paid ordinary shares in Range of an issue price of £0.008 per share;
- Issue of US$20 million in Notes with the following key terms:
  - Coupon rate of 12% per annum;
  - Redemption period of three years;
  - Conversion price of the lower of £0.009 per share or a 15% discount to the 20-day VWAP of a Range share prior to conversion ("Conversion Price"); and
  - The Notes will be unlisted and unsecured.
- Core Capital can nominate two non-executive directors to the Board of Range.

3.3. Based on the exchange rate on 28 January 2015 of 1GBP:USD 1.5199, Range will issue 3,289,755,045 shares under the Placement and 1,462,113,353 shares under the Notes if converted at £0.009 per share.

3.4. As the Notes can be converted at the lower of £0.009 per share or a 15% discount to the 20-day VWAP of a Range share prior to conversion, the actual conversion price cannot be properly assessed and therefore the interest that Core Capital can take in Range post conversion may be far greater than 48.1%.

3.5. The Notes are redeemable by Core Capital after three years or earlier if a redemption event occurs (such as non-payment of monthly interest payments or breach of a covenant). The Notes are not convertible for a period of six months from completion of the Proposed Transaction and after that time are convertible into Range shares at Core Capital's election at the Conversion Price. Range also has the option of redeeming the Notes for cash or shares (at the Conversion Price) after 18 months. Range may also pay monthly interest instalments by cash or the issue of shares at the Conversion Price.

Rationale for the Proposed Transaction

3.6. The purpose of the Proposed Transaction is to raise up to US$60 million which, given Range's current limited cash resources, will allow the Company to continue as a going concern and to provide for the ongoing funding of the Company's Trinidad operations, providing funding access to the refundable security deposit which makes available to the Company an additional $50 million LandOcean funding.

Impact of Proposed Transaction on Range's Capital Structure

3.7. The table below sets out Range's capital structure pre the Proposed Transaction on an undiluted and fully diluted basis.

Securities currently on issue	Number
Shares on issue	5,117,169,188
Ordinary shares on issue at date of this Report	**5,117,169,188**
Listed Options exercisable at $0.05 on or before 31 January 2016	80,508,341
Unlisted Options	643,345,113
Total options on issue	**723,853,454**
Fully diluted number of shares on issue	**5,841,022,642**

Table 2: Range capital structure pre the Proposed Transaction (*Source: Range Notice of General Meeting)*

3.8. We note that Range has 80,508,341 listed options exercisable at $0.05 and expiring on 31 January 2016 and 643,345,113 unlisted options exercisable at numerous prices over numerous periods. We note all options are out of the money and have therefore assumed for the purpose of our analysis that they will not be exercised.

3.9. We set out in the table below the impact of the Proposed Transaction, assuming the Placement is completed and the Notes are converted at £0.009 per share.

Capital structure assuming Notes convert at £0.009	Current shareholders	Core Capital	Total
Shares on issue at the date of this report	5,117,169,188	-	5,117,169,188
Percent held at the date of this report	*100.0%*	*0.0%*	*100.0%*
Shares issued under the Placement*	-	3,289,755,045	3,289,755,045
Total shares issued post the Placement	5,117,169,188	3,289,755,045	8,406,924,233
Percent held post the Placement	*60.9%*	*39.1%*	*100.0%*
Shares issued upon conversion of the Notes**	-	1,462,113,353	1,462,113,353
Total shares issued post the Placement	5,117,169,188	4,751,868,398	9,869,037,586
Percent held post the Placement and conversion of the Notes	*51.9%*	*48.1%*	*100.0%*

Table 3: Range capital structure post the Placement (*Source: Range Notice of General Meeting)*

* The shares that will be issued is dependent on the GBP:USD exchange rate on completion of the Proposed Transaction. Based on the exchange rate on 28 January 2015 of 1GBP:USD1.5199, Range will issue approximately 3,289,755,045 shares under the Placement.

** The shares issued upon conversion assumes the Notes are converted at £0.009 per share based on the exchange rate at 28 January 2015 of 1GBP:USD1.5199, resulting in Range issuing approximately 1,462,113,353 shares upon conversion.

3.10. The Placement alone will give Core Capital an interest in the Company of approximately 39.1% on an undiluted basis.

3.11. Should the Notes be converted at £0.009 per share post the Placement, Core Capital will control approximately 48.1% on an undiluted basis immediately post the conversion of the Notes.

3.12. We set out in the table below the impact of the Proposed Transaction, assuming the Placement is completed and the Notes are converted at £0.0045 as per the example included in the Notice.

Capital structure assuming Notes convert at 0.0045	Current shareholders	Core Capital	Total
Shares on issue at the date of this report	5,117,169,188	-	5,117,169,188
Percent held at the date of this report	*100.0%*	*0.0%*	*100.0%*
Shares issued under the Placement*	-	3,289,755,045	3,289,755,045
Total shares issued post the Placement	5,117,169,188	3,289,755,045	8,424,922,562
Percent held post the Placement	*60.9%*	*39.1%*	*100.0%*
Shares issued upon conversion of the Notes**	-	2,924,226,707	2,924,226,707
Total shares issued post the Placement	5,117,169,188	6,213,981,752	11,331,150,940
Percent held post the Placement and conversion of the Notes	*46.1%*	*54.8%*	*100.0%*

Table 4: Range capital structure post the Placement (*Source: Range Notice of General Meeting)*

* The shares that will be issued is dependent on the GBP:USD exchange rate on completion of the Proposed Transaction. Based on the exchange rate on 28 January 2015 of 1GBP:USD1.5199, Range will issue approximately 3,289,755,045 shares under the Placement.

** The Notes are assumed to convert at approximately £0.0045 per share and Range issuing approximately 2,924,226,707 shares upon conversion.

3.13. Should the Notes be converted at £0.0045 per share, Core Capital will control approximately 54.8% of the issued shares in Range on an undiluted basis immediately post the conversion of the Notes.

3.14. We note that the Notes may convert at a price lower than those indicated above and this would result in Core Capital taking a greater interest in Range than that indicated.

4. Purpose of this Report

Corporations Act

4.1. Section 606(1) of the Act provides that, subject to limited specified exemptions, a person must not acquire a "relevant interest" in issued voting shares in a public company if, as a result of the acquisition, any person's voting power in the company would increase from 19.99% or below to 20% or greater; or a starting point that is above 20% and below 90.0%. In broad terms, a person has a "relevant interest" in shares if that person holds shares or has the power to control the right to vote or dispose of shares. A person's voting power in a company is the number of voting shares in which the person (and its associates) has a relevant interest compared with the total number of voting shares in a company.

4.2. Completion of the Placement will result in Core Capital acquiring a "relevant interest" in the Company above 20% and therefore in breach of Section 606(1) of the Act in the absence of an applicable exception. Similarly, conversion of the Notes to Range shares will increase Core Capital's relevant interest at the point of conversion.

4.3. Section 611, Item 7 of the Act provides an exemption to the rule noted in paragraph 4.1 above. Section 611, Item 7 allows a party (and its associates) to acquire a relevant interest in shares that would otherwise be prohibited under section 606(1) of the Act if the proposed acquisition is approved in advance by a resolution passed at a general meeting of the company, and:

(i) no votes are cast in favour of the resolution by the proposed acquirer or respective associates; and

(ii) there was full disclosure to shareholders of all information that was known to the proposed acquirer or its associates or known to the company that was material to a decision on how to vote on the resolution.

4.4. Section 611 of the Act states that shareholders must be given all information that is material to the decision on how to vote at the meeting. ASIC advises the commissioning of an Independent Expert's Report in such circumstances and provides guidance on the content.

4.5. Consequently Range is to hold a meeting of its shareholders where it will seek approval for the Proposed Transaction and the Company has engaged RSMBCC, to prepare a report which sets out our opinion as to whether the Proposed Transaction is fair and reasonable to the Shareholders.

Basis of Evaluation

4.6. In determining whether the Proposed Transaction is "fair and reasonable" we have given regard to the views expressed by ASIC in Regulatory Guide 111 Contents of Expert's Reports ("RG 111").

4.7. RG 111 provides ASIC's views on how an expert can help security holders make informed decisions about transactions. Specifically, it gives guidance to experts on how to evaluate whether or not a proposed transaction is fair and reasonable.

4.8. RG 111 states that the expert report should focus on:

- the issues facing the security holders for whom the report is being prepared; and
- the substance of the transaction rather than the legal mechanism used to achieve it.

4.9. Where an issue of shares by a company otherwise prohibited under section 606 is approved under item 7 of section 611 and the effect on the company shareholding is comparable to a takeover bid, RG 111 states that the transaction should be analysed as if it was a takeover bid.

4.10. RG 111 applies the "fair and reasonable" test as two distinct criteria in the circumstance of a takeover offer, stating:

- A takeover offer is considered "fair" if the value of the offer price or consideration is equal to or greater than the value of the securities that are the subject of the offer; and
- A takeover offer is considered "reasonable" if it is fair or, where the offer is "not fair", it may still be "reasonable" if the expert believes that there are sufficient reasons for security holders to accept the offer.

4.11. Consistent with the guidelines in RG 111, in determining whether the Proposed Transaction is "fair and reasonable" to the Shareholders, the analysis undertaken is as follows:

- A comparison of the Fair Value of an ordinary share in Range prior to (on a control basis) and immediately following (on a non-control basis) the Proposed Transaction, being the 'consideration' for the Shareholders – fairness; and
- A review of other significant factors which the Shareholders might consider prior to approving the Proposed Transaction – reasonableness.

4.12. In particular, we have considered the advantages and disadvantages of the Proposed Transaction in the event that it proceeds or does not proceed including:

- The future prospects of the Company if the Proposed Transaction does not proceed; and
- Any other commercial advantages and disadvantages to the Shareholders as a consequence of the Proposed Transaction proceeding.

5. Profile of Range

Overview and history

5.1. Range is a Perth based public company listed on the ASX, engaging in the exploration, development, and production of oil and gas in Trinidad; Guatemala; Puntland, Somalia; Colombia; Georgia; and Texas, USA. Range was incorporated in 1982 and admitted to the official list of the ASX in January 1985. A brief overview of the Company's recent history is provided in the table below.

Year	Milestone
2011	➢ 1 June, Range completed 100% acquisition of SOCA Petroleum by acquiring the remaining 90% it did not previously own for AUD 67.6 million in cash and stock. SOCA holds the Company's Trinidad assets
2012	➢ 20 March, Range signed a memorandum of understanding to acquire 100% working interest in Nugaal basin offshore block from the Puntland Government
2013	➢ 25 January, Range acquired interest in Citation Resources, holder of Guatemalan assets ➢ 24 April, Range made a proposal to acquire International Petroleum for approximately AUD $100 million in stock ➢ 24 July, Range announced that its merger partner International Petroleum was in negotiations with a third party relating to the potential sale of its Russian assets for cash, expected to be between AUD $120 million to $AUD 150 million.
2014	➢ 3 February, Range cancelled AUD $100 million proposed acquisition of International Petroleum Limited ➢ 22 April, Range forms alliance with LandOcean Energy Services for future projects ➢ February, June, August, October and December Range announces management and Board changes ➢ 29 September, Range cancelled the acquisition of a 100% working interest in Nugaal basin offshore block from the Puntland Government ➢ 30 September, Range received US $15 million in funding from the Lind Partners, LLC ➢ 2 November, Range announces letter of intent with Core for the Proposed Transaction ➢ 23 December, Range agrees to sell Range Australia Resources (US) to Citation Resources for AUD $1.7 million leaving interest in Citation at approximately 13% ➢ 30 December, Range agrees to sell Range Resources Drilling Services to LandOcean Petroleum for US $7.2 million including US $2.8 million for repayment of intercompany loans
2015	➢ 14 January, Range announces receipt of letter from Lind Partners LLC seeking repayment of the full outstanding amount under the US$15 million facility.

Table 5: Range history (*Source: Range ASX announcements*)

Directors

5.2. A profile of the current board of directors of Range is set out in the table below.

Name	Title	Experience
Mr David Yu Chen	Non-Executive Chairman	Mr Chen has over 15 years of corporate experience, having served as Chief Executive and Board member for companies listed both on US and Chinese stock markets. He founded Huashan Capital in 2009 to specialise in cross border investment transactions in the resources sector. His investment experience includes the establishment of a listed special purpose acquisition fund and venture capital investments. He has served as an independent director at Zhonglu Group, a Shanghai Stock Exchange listed diversified investment holding company, and serves as a director at SmartLink Ltd, a mobile payment service provider in China of which he is a lead investor. Mr Chen is currently the Vice Chairman and President of Hengxing Gold, a Hong Kong Stock Exchange listed gold mining company.

Name	Title	Experience
Mr Yan Liu	Chief Executive Officer and Executive Director	Mr Liu, has over 17 years of accounting and corporate advisory experience in China and Australia. Mr Liu was the Chief Financial Officer with AIM listed China Rerun Chemical Group Limited, a China-based lubricant oil company and a partner of Agile Partners, a financial advisory company based in China. Previously, Mr Liu was the Financial Controller at Legalwise Seminars Pty in Australia and he spent 8 years at Chinatex Corporation where he worked in project management positions. Mr Liu holds a Bachelor degree in Economics from Central University of Finance and Economics, China, and a Master degree in Commerce from the University of New South Wales, Australia.
Mr Zhiwei (Kerry) Gu	Non-executive Director	Mr Gu, is an experienced corporate lawyer, who has worked with numerous companies seeking listing approval on various stock markets including Chinese A share, NASDAQ, TSX and HKSE. He is currently a partner of Dacheng Law Offices, the largest law firm in China. During his time with China National Gold Group Corp., Mr Gu was in charge of mineral resource M&A activities. Mr Gu holds a LL.B. from the Jilin University in China; a LL.M. from the Northeast University in China; and a Master of Applied Finance from the Macquarie University in Australia. Mr Gu is a qualified lawyer and securities practitioner in China.
Ms Juan (Kiki) Wang	Non-executive Director	Ms Wang is currently an investment manager at Anterra Energy Inc. where she is responsible for Chinese investor liaisons. Prior to joining Anterra she was manager of corporate mergers and acquisitions at Land Ocean Energy Services Co. Ltd. Ms Wang has a commercial banking background, having previously worked for Deutsche Bank and Bank of East Asia.

Table 6: Profile of Range Directors (*Source: ASX releases*)

Projects

5.3. The Company is engaged in the exploration of oil and gas projects in Trinidad, Guatemala, Puntland, Colombia, Georgia, and Texas, USA.

Trinidad

5.4. Range holds a 100% interest in three onshore production licenses. The asset has independently assessed (by Forrest Garb and Associates) Proved (1P) reserves in place of 19.0 million barrels of oil ("mmbbl") with 28.2 mmbbl of proved, probable and possible (3P) reserves. Range also has a farm in arrangement with Niko Resources, giving it exposure to circa 280,000 acres of prospective onshore and offshore acreage. On 30 December 2014 Range announced that it had agreed to sell its fully operational drilling subsidiary Range Resources Drilling Services to Land Ocean Petroleum for approximately US $7.2 million, including the repayment of intercompany loans between the Company and Range Resources Drilling Services of US $2.8 million.

Guatemala

5.5. Range has a 12.77% stake in Citation Resources Limited (ASX: CTR) which holds a 60% interest in Latin American Resources (LAR). LAR holds an 80-100% interest in two oil and gas development and exploration blocks in Guatemala with Canadian NI 51-101 certified proved plus probable (2P) reserves of 2.3 MMBBL (100% basis). Range also holds a 20% interest in LAR.

Georgia

5.6. Range has a 45% interest in the unlisted company, Strait Oil and Gas (UK) Limited, which holds a 100% interest in onshore blocks VIa and VIb, covering approx. 7,000sq.km. Strait is focussing on a revised development strategy that will focus on low-cost, shallow appraisal drilling of the contingent resources around the Tkibuli-Shaori ("Tkibuli") coal deposit, which straddles the central sections of the Company's two blocks.

5.7. The Georgian assets are currently on Range's balance sheet as held for sale assets for US$10 million.

Puntland

5.8. Range holds a 20% working interest in two licenses encompassing the highly prospective Dharoor and Nugaal valleys. The operator and 60% interest holder, Horn Petroleum Corp. (TSXV:HRN), has completed two exploration wells. Whilst Range supports the JV, the focus on Trinidad means it is seeking to restrict any further investment in non-core assets.

Colombia

5.9. Range holds 10% interest in three exploration blocks, PUT-5, VMM-7, and VSM-1, located in mature basins of the Putumayo and Magdalena Valleys.

Financial Information

5.10. The financial information provided below has been extracted from the audited financial statements for the year ended 30 June 2013 and 30 June 2014 and the unaudited management accounts for the three months ended 30 September 2014.

5.11. The Audit Reports for both the years ended 30 June 2013 and 30 June 2014 were qualified in relation to the carrying value of the Company's investment in Strait Oil and Gas (UK) Limited as at 30 June 2012 and 30 June 2013 as the auditors were unable to obtain sufficient audit evidence as to the carrying value of the investment as at those dates or of the profit or loss derived from the investment in the years ended 30 June 2013 and 30 June 2014 accounted for by the equity method. At 30 June 2014, the investment was written down to its recoverable value of US$10 million resulting in an impairment expense of US$29.3 million for the year then end.

5.12. The Audit Report for the year ended 30 June 2014 included an emphasis of matter stating that the ability of the consolidated entity to continue as a going concern is dependent upon the future successful raising of necessary funding through debt or equity and/or sale of non-core assets.

Financial Performance

5.13. The financial performance of Range for the years ended 30 June 2013 (“FY13”) and 30 June 2014 (“FY14”) and the three months ended 30 September 2014 is set out in the table below.

Range Income statement	Ref:	3 months to 30-Sep-14 *Unaudited* US$	Year ended 30-Jun-14 *Audited* US$	Year ended 30-Jun-13 *Audited* US$
Revenue from continuing operations	5.14	**4,568,687**	**21,185,745**	**26,073,811**
Operating expenses		(2,072,096)	(9,549,610)	(6,304,313)
Royalties		(1,630,217)	(7,353,237)	(6,990,430)
Depreciation, depletion and amortisation		(449,302)	(7,909,945)	(8,307,574)
Cost of sales	**5.15**	**(4,151,615)**	**(24,812,792)**	**(21,602,317)**
Gross profit/(loss)		**417,072**	**(3,627,047)**	**4,471,494**
Other income		95,579	1,221,108	484,539
Finance costs	5.16	(1,410,892)	(21,797,779)	(4,027,704)
General and administration costs		(2,169,749)	(14,485,854)	(13,404,402)
Assets write-off	5.17	(41,873)	(24,267,968)	-
Exploration expenditure		(96,404)	(1,163,920)	(5,839,253)
Share of net loss of investments in associates		-	(659,400)	-
Loss before income tax from continuing operations		(3,206,267)	(64,780,860)	(18,315,326)
Income tax expense		(688,296)	(906,620)	(2,628,763)
Loss after income tax from continuing operations		(3,894,563)	(65,687,480)	(20,944,089)
Profit/(loss) from discontinued operations, net of tax	5.19	(95,298)	(36,854,510)	639,828
Loss after income tax attributable to the equity holders of Range		**(3,989,861)**	**(102,541,990)**	**(20,304,261)**
Other comprehensive income/(loss)				
Items that may be reclassified to profit or loss				
Revaluation of available for sale financial assets		-	325,263	(1,105,172)
Exchange differences on translation of foreign operations		-	(411,110)	(681,064)
Other comprehensive income/(loss) for the year, net of tax		-	(85,847)	(1,786,236)
Total comprehensive loss attributable to the equity holders of Range		**(3,989,861)**	**(102,627,837)**	**(22,090,497)**

Table 7: Range financial performance for FY12, FY13 and FY14 *(Source: Range FY13 & FY14 annual financial reports)*

5.14. Revenue from continuing operations in FY14 represents oil and gas production from Ranges Trinidad assets.

5.15. Cost of sales predominantly represent costs incurred in production of hydrocarbons and direct amortisation and royalties related to production.

5.16. Finance costs were significant in FY14 as a result of fair value movements in liabilities, corporate advisory fees and derivative losses on equity swap instruments.

5.17. Assets written off of US$24.3 million in FY14 mostly relate to the Company’s Putumayo Basin assets in Columbia.

5.18. The Company generated losses before tax of approximately US$18.3 million in FY13, US$64.8 million in FY14 and approximately US$3.2 million in the three months ended 30 September 2014.

5.19. The losses for discontinued operations in FY14 of US $36.9 million and the three months ended 30 September 2014 of US$0.1 million relate to amounts written off in relation to the Georgian and Texan assets which have been classified as assets held for sale on the balance sheet.

Financial Position

5.20. The consolidated financial position of Range as at 30 September 2014 and 30 June 2014 is set out in the table below.

Range Financial position	Ref:	As at 30-Sep-14 *Unaudited* $US	As at 30-Jun-14 *Audited* $US
CURRENT ASSETS			
Cash and cash equivalents	5.22	1,378,592	2,977,410
Trade and other receivables		5,480,977	5,338,769
Other current assets		872,763	728,544
		7,732,332	9,044,723
Asset classified as held for sale	5.23	11,000,002	11,000,000
TOTAL CURRENT ASSETS		**18,732,334**	**20,044,723**
NON-CURRENT ASSETS			
Deferred tax asset		526,319	462,325
Available for sale financial assets		608,017	876,347
Goodwill	5.24	46,198,975	46,198,974
Property, plant and equipment	5.24	6,894,300	11,254,269
Exploration & evaluation expenditure		573,041	523,605
Producing assets	5.24	88,468,269	82,517,820
Investments in Associates	5.25	2,779,476	2,779,476
Other non-current assets	5.26	1,500,000	1,500,000
TOTAL NON-CURRENT ASSETS		**147,548,397**	**146,112,816**
TOTAL ASSETS		**166,280,731**	**166,157,539**
CURRENT LIABILITIES			
Trade and other payables		10,010,742	8,705,006
Current tax liabilities		71,456	310,335
Option liability	5.27	2,189,912	2,189,912
Provision		721,316	696,244
TOTAL CURRENT LIABILITIES		**12,993,426**	**11,901,497**
NON-CURRENT LIABILITIES			
Deferred tax liabilities	5.28	45,098,392	44,376,033
Employee service benefit		728,573	584,746
TOTAL NON-CURRENT LIABILITIES		**45,826,965**	**44,960,779**
TOTAL LIABILITIES		**58,820,391**	**56,862,276**
NET ASSETS		**107,460,340**	**109,295,263**
EQUITY			
Contributed equity		354,926,150	352,599,569
Reserves		27,690,362	27,862,006
Accumulated losses		(275,156,172)	(271,166,312)
TOTAL EQUITY		**107,460,340**	**109,295,263**

Table 8: Range financial position as at 30 June 2014 *(Source: Range 30 June 2014 annual report)*

5.21. As at 30 September 2014, Range disclosed net assets of approximately US$107.5 million and a net working capital deficit (current assets, excluding held for sale assets, less current liabilities) of approximately US$5.3 million. This compares to the net asset position at 30 June 2014 of approximately US$109.3 million.

5.22. The Company had cash and cash equivalents as at 30 September 2014 of approximately US$1.4 million.

5.23. During the financial year ended 30 June 2014, the Company had significant impairment losses resulting from writing down the value of its assets in Colombia and write downs associated with its assets in Georgia and Texas which are now classified as held for sale.

5.24. The most significant assets on the balance sheet at 30 September 2014 were the goodwill and producing assets relating to the Trinidad assets. The majority of the plant and equipment also relates to the Trinidad assets.

5.25. The investment in associates balance relates to Range's Guatemalan assets accounted for using the equity method. A provision for impairment of US$1.4 million has been applied against this investment, reducing the carrying value from US$4.4 million to US$2.8 million.

5.26. Other non-current assets relate to an amount owed to Range by International Petroleum Limited. A provision for impairment of US$7.4 has been applied against this asset, reducing the carrying value from US$8.8 million to US$1.5 million.

5.27. Range carries an option liability of US$2.2 million on its balance sheet in relation to prior convertible security issues.

5.28. A deferred tax liability has been recognised, as a result of the acquisition of the Trinidad assets, in relation to the difference between the carrying amount of the deferred exploration and development costs for accounting purposes and the cost base of the asset for tax purposes in accordance Australian accounting standards. Range does not have a tax payable in relation to the deferred tax liability and it is anticipated that the deferred taxation liability will be reduced in the future as the deferred exploration and development costs are amortised in future periods.

Capital Structure

5.29. As at the date of this Report the Company has 5.1 million shares on issue. The Company also has 723.8 million options on issue as summarised in the table below.

Securities currently on issue	Number
Shares on issue	5,117,169,188
Ordinary shares on issue at date of this Report	**5,117,169,188**
Listed Options exercisable at $0.05 on or before 31 January 2016	80,508,341
Unlisted Options	643,345,113
Total options on issue	**723,853,454**
Fully diluted number of shares on issue	**5,841,022,642**

Table 9: Range capital structure (*Source: Notice of General Meeting*)

5.30. Approximately 72.1% of the Company's ordinary shares are held by the top 10 shareholders as summarised in the table below.

Range Top 10 Shareholders	Number held	% of total shares issued
Abraham Limited	712,377,560	13.92
TD Direct Investing Nominees (Europe) Limited	537,998,328	10.51
Barclayshare Nominess Limited	494,532,031	9.66
Hargreaves Lansdown (Nominees) Limited	460,442,544	9.00
HSDL Nominees Limited	447,551,645	8.75
Investor Nominees Limited	423,044,864	8.27
HSBC Client Holdings Nominee (UK) Limited	192,144,944	3.75
Wealth Nominees Limited	181,475,884	3.55
State Street Nominees Limited	167,000,000	3.26
Share Nominees Limited	71,108,079	1.39
Top 10 shareholders	**3,687,675,879**	**72.06**
Other shareholders	1,429,493,309	27.94
Total shares on issue	**5,117,169,188**	**100.00**

Table 10: Range major shareholders (*Source: Range share register October 2014*)

Share Price and Performance

5.31. A summary of Range's recent share price and volume is set out in the figure below (ASX pricing and combined ASX/AIM volume).

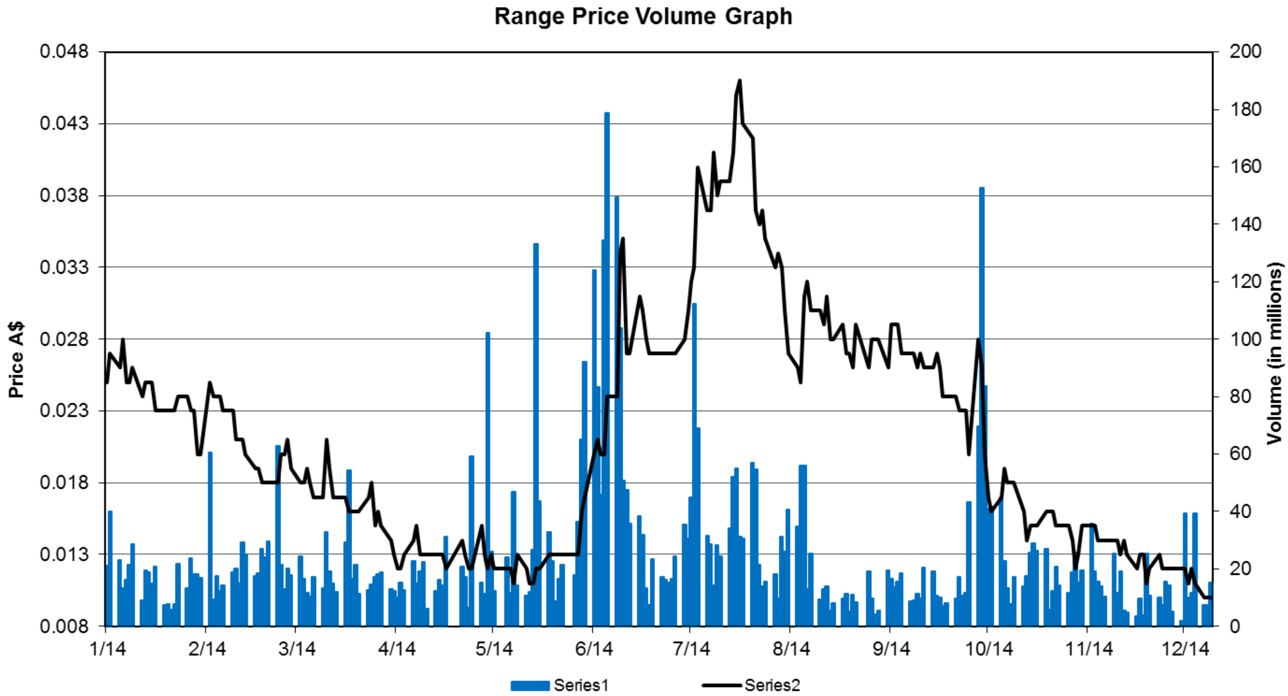


Figure 2: Range Daily Closing Share Price and Traded Volumes *(Source: S&P Capital IQ)*

5.32. We make the following comments with regard to Range's recent share price performance:

- In the 12 months prior to the Proposed Transaction, Range's shares have traded between a low of $0.010 on 10 December 2014 and a high of $0.046 on 17 July 2014 on the ASX and a low of $0.0085 and a high of $0.049 on AIM. We note that trading on the ASX and AIM are highly correlated, as would be expected;
- Following the request by the Company for trading halt on the ASX on 10 December 2014, and subsequent announcement of the Proposed Transaction and a US$50 million credit facility, the Company's share price had reached a 12 month low of $0.010. Range shares have not traded since; and
- Further analysis on the recent volume and price at which Range shares have traded is set out at paragraph 8.35 to 8.44.

6. Profile of Core Capital

6.1. Core Capital is a Chinese private investment company headquartered in Beijing with branch offices in Shanghai, Shenzhen, Qingdao and Hong Kong. Core Capital provides a range of financial services including fund management, investment banking, asset management and financial leasing.

6.2. Core Capital is diversifying its business with expansion in its overseas investments. It has focused on the oil and gas industry but its investments also cover offshore engineering, infrastructure construction, mineral resources and commercial real estate.

7. Valuation approach

Valuation methodologies

7.1. In assessing the Fair Value of an ordinary Range share prior to and immediately following the Proposed Transaction, we have considered a range of valuation methodologies. RG 111 proposes that it is generally appropriate for an expert to consider using the following methodologies:

- the discounted cash flow ("DCF") method and the estimated realisable value of any surplus assets;
- the application of earnings multiples to the estimated future maintainable earnings or cash flows added to the estimated realisable value of any surplus assets;
- the amount which would be available for distribution on an orderly realisation of assets;
- the quoted price for listed securities; and
- any recent genuine offers received.

7.2. We consider that the valuation methodologies proposed by RG 111 can be split into three valuation methodology categories, as follows:

- Market based methods;
- Income based methods; and
- Asset based methods.

7.3. These methodologies are discussed in more detail below.

Market based methods

7.4. Market based methods estimate the Fair Value by considering the market value of a company's securities or the market value of comparable companies. Market based methods include;

- The quoted price for listed securities; and
- Industry specific methods.

7.5. The recent quoted price for listed securities method provides evidence of the fair market value of a company's securities where they are publicly traded in an informed and liquid market.

7.6. Industry specific methods usually involve the use of industry rules of thumb to estimate the fair market value of a company and its securities. Generally rules of thumb provide less persuasive evidence of the fair market value of a company than other market based valuation methods because they may not account for company specific risks and factors.

Income based methods

7.7. Income based methods estimate value by calculating the present value of a company's estimated future stream of earnings or cash flows. Income based methods include:

- Capitalisation of maintainable earnings; and
- Discounted cash flow methods.

7.8. The capitalisation of earnings methodology is generally considered a short form DCF, where an estimation of the Future Maintainable Earnings ("FME") of the business, rather than a stream of cash flows is capitalised based on an appropriate capitalisation multiple. Multiples are derived from the analysis of transactions involving comparable companies and the trading multiples of comparable companies.

7.9. The DCF technique has a strong theoretical basis, valuing a business on the net present value of its future cash flows. It requires an analysis of future cash flows, the capital structure and costs of capital and an assessment of the residual value or the terminal value of the company's cash flows at the end of the forecast period. This method of valuation is appropriate when valuing companies where future cash flow projections can be made with a reasonable degree of confidence.

Asset based methods

7.10. Asset based methodologies estimate the Fair Value of a company's securities based on the realisable value of its identifiable net assets. Asset based methods include:

- orderly realisation of assets method;
- liquidation of assets method; and
- net assets on a going concern basis.

7.11. The value achievable in an orderly realisation of assets is estimated by determining the net realisable value of the assets of a company which would be distributed to security holders after payment of all liabilities, including realisation costs and taxation charges that arise, assuming the company is wound up in an orderly manner. This technique is particularly appropriate for businesses with relatively high asset values compared to earnings and cash flows.

7.12. The liquidation of assets method is similar to the orderly realisation of assets method except the liquidation method assumes that the assets are sold in a shorter time frame.

7.13. The net assets on a going concern method estimates the market values of the net assets of a company but unlike the orderly realisation of assets method it does not take into account realisation costs. Asset based methods are appropriate when companies are not profitable, a significant proportion of the company's assets are liquid, or for asset holding companies.

Selection of valuation methodologies

Basis of fairness assessment

7.14. In forming our opinion as to whether we consider the Proposed Transaction to be fair to the Shareholders we have assessed and compared:

- The Fair Value of Range and a Range share pre the Proposed Transaction; and
- The Fair Value of Range and a Range share post the Proposed Transaction.

7.15. In accordance with the guidance set out in RG 111, our assessment of the Fair Value of a Range share pre the Proposed Transaction is on a controlling basis, and on a non-controlling basis post the Proposed Transaction.

Valuation of an ordinary Range share pre the Proposed Transaction

7.16. In assessing the Fair Value of Range and a Range share pre the Proposed Transaction, our primary valuation methodology has been derived by determining the Fair Value of Range using a sum of parts comprising:

- the Company's Trinidad operations which we have derived through a DCF valuation based on the forecast production and cash flows of the business;
- the Company's held for sale assets based on current market offers and/or expectation of sale price based on preliminary negotiations, less costs to sell; and
- other assets and liabilities of the Company at book value.

7.17. We note that our sum of parts valuation is inclusive of a premium for control.

Secondary valuation methodology

7.18. Range's securities are listed and freely tradeable on the ASX and AIM. Therefore we have used the recent quoted price of Range on the ASX to assess the market value as a cross check to our valuation of Range derived under the sum of parts.

Valuation of a Range share post the Proposed Transaction

7.19. Should the Shareholders approve the Proposed Transaction they will relinquish control of Range. Accordingly, we have assessed the value of an ordinary Range share immediately post the Proposed Transaction on a non-control basis, through the application of an appropriate portfolio discount to the assessed Fair Value of a Range share on a control basis, after the impact of the Proposed Transaction.

7.20. The Fair Value of Range and a Range share on a non-controlling basis immediately post the Proposed Transaction, using the sum of parts methodology, has been assessed by taking the Fair Value of Range pre the Proposed Transaction and reflecting the impact of the Proposed Transaction in two separate scenarios:

- Scenario 1 – Adding the cash raised, deducting a minority discount and assuming the conversion of the Notes; and
- Scenario 2 – Adding the cash raised, reflecting the impact of the debt, interest and embedded derivative arising from the Notes, deducting a minority discount and assessing the Fair Value of a Range share immediately prior to conversion of the Notes.

8. Valuation of an ordinary Range share pre the Proposed Transaction (control basis)

8.1. As stated in paragraph 7.16 we have assessed the Fair Value of Range and a share in Range prior to the Proposed Transaction on a control basis using a sum of parts methodology and have also considered the market price of its listed securities. In both valuations we have included a premium for control.

Sum of parts value

8.2. As stated in paragraph 7.16, our primary valuation methodology has been derived by determining the Fair Value of Range share using a sum of parts approach as summarised below:

- The Company's Trinidad operations which we have derived through a DCF valuation based on the forecast projections and cashflows of the business;
- The Company's held for sale assets based on current market offer and/or expectation of sale price, less costs to sell; and
- Other assets and liabilities of the company at book value.

8.3. Set out in the table below is the allocation of assets and liabilities of Range as at 30 September 2014 between the parts:

Range		30-Sep-14 Trinidad Assets	30-Sep-14 Assets for sale	30-Sep-14 Other Assets and Liabilities	30-Sep-14 Consolidated
Financial Position	**Ref**	***$US'000***	***$US'000***	***$US'000***	***$US'000***
CURRENT ASSETS					
Cash and Cash equivalents		-	-	1,378	1,378
Trade and other receivables		-	-	5,481	5,481
Other Current Assets		-	-	873	873
Assets classified as held for sale		-	11,000	-	11,000
TOTAL CURRENT ASSETS		**-**	**11,000**	**7,732**	**18,732**
NON CURRENT ASSETS					
Deferred Tax Asset		-	-	526	526
Available for sale financial assets		-	608	-	608
Goodwill		46,199	-	-	46,199
Property, Plant and Equipment		6,894	-	-	6,894
Exploration and evaluation expenditure		574	-	-	574
Producing assets		88,468	-	-	88,468
Investment in associate		-	-	2,779	2,779
Other non current assets		-	-	1,500	1,500
TOTAL NON CURRENT ASSETS		**142,135**	**608**	**4,805**	**147,548**
TOTAL ASSETS		**142,135**	**11,608**	**12,537**	**166,280**
CURRENT LIABILITIES					
Trade and other payables		-	-	10,011	10,011
Current Tax Liabilities		-	-	71	71
Option Liabilities		-	-	2,190	2,190
Provision		-	-	721	721
TOTAL CURRENT LIABILITIES		**-**	**-**	**12,993**	**12,993**
NON CURRENT LIABILITIES					
Deferred Tax Liability		-	-	45,098	45,098
Employee Service Benefit		-	-	729	729
TOTAL NON CURRENT LIABILITIES		**-**	**-**	**45,827**	**45,827**
TOTAL LIABILITIES		**-**	**-**	**58,820**	**58,820**
NET ASSETS		**142,135**	**11,608**	**(46,283)**	**107,460**

Table 11: *Allocation of assets and liabilities of Range as at 30 September 2014 between the parts (Source: RSMBCC analysis)*

8.4. We have assessed the Fair Value of a Range share to be in the range of US$0.015 (A$0.019) to US$0.017 (A$0.022) per share, prior to the Proposed Transaction, based on the sum of parts valuation methodology and inclusive of a control premium, as summarised in the table below.

Valuation of Range and a Range share pre the Proposed Transaction	Ref:	Carrying value 30-Sep-14 $US	Low $US	High $US
Fair value of Trinidad assets	8.5	142,135	110,903	122,745
AUD value of assets held for sale	8.31	11,608	11,269	11,269
Net value of other assets and liabilities	8.34	(46,283)	(46,282)	(46,282)
Net assets sum of parts		**107,460**	**75,890**	**87,732**
Number of Range shares on issue at the date of this Report	3.7	5,117,169	5,117,169	5,117,169
Fair Value of a Range share on a control basis		**US$0.021**	**US$0.015**	**US$0.017**
AUD:USD exchange rate		0.7941	0.7941	0.7941
AUD Fair Value of a Range share on a control basis		**A$0.026**	**A$0.019**	**A$0.022**

Table 12: Assessed Fair Value of a Range share pre Proposed Transaction *(Source: RSMBCC analysis)*

Valuation of Trinidad assets

8.5. The carrying value of the Trinidad assets in the Statement of Financial Position is based on accumulated costs less an amount for amortisation, utilising the units of production method based on the rates of actual production to remaining proved reserves. We have replaced this carrying value with a DCF valuation.

8.6. The DCF methodology requires the future cash flow estimates over the forecast production period and assessment of an appropriate discount rate. The DCF methodology is generally preferred to other methodologies as it recognises that:

- the ultimate value of an asset depends upon the cash flow that will be generated during its economic life;
- there is a benefit in receiving cash flow today rather than in the future; and
- the inducement to make an investment in an asset with a high level of risk is the expected higher return from the higher risk assets.

8.7. Utilising technical inputs provided by Forrest A Garb and Associates, Inc (“FGA”) in a reserves report as at 1 January 2014, the Company has prepared 16 year projections for the Trinidad assets to 31 December 2031 (“the Model”). FGA has confirmed to us that the key inputs into the financial projections from their report have not materially changed in the period from 1 January 2014 to the date of this Report.

8.8. We have reviewed the projections which have been prepared on a real basis (not a nominal basis) and where appropriate, made changes to key assumptions based on our review of current market factors and production for the calendar year 2014.

8.9. Our review of projections has included:

- Confirmation that the model reflects the key inputs of the FGA reserves report;
- Review of the integrity and accuracy of the calculations in the financial projections; and
- Consideration of the key assumptions in the Model and the performance of sensitivity analysis on the assumptions to highlight the impact of movements in the key assumptions on the value of the Trinidad assets.

8.10. The table below provides a summary of the DCF valuation of the Trinidad assets. We have assessed the fair value of the assets to be in the range of US$110.9 million and US$122.7 million.

Discounted Cash Flows	Ref	Total	2015	2016	2017	2018	2019	2020	2021	2022	2023 - 2031
Production (mbbl)	8.11	20,864	273	1,317	2,555	3,244	2,164	2,387	2,206	1,749	4,970
Oil price (US$/bbl)	8.17	n/a	52	68	68	68	68	68	68	68	68
Total oil revenue (US$'000)		**1,254,192**	**14,213**	**89,531**	**173,711**	**220,568**	**147,146**	**162,290**	**150,037**	**118,955**	**177,741**
Operating costs (including taxes and royalties)	8.19	929,969	7,676	58,705	120,367	162,600	108,481	126,237	116,628	92,806	136,469
General and administration costs	8.19	58,033	5,000	5,716	6,475	6,598	6,298	5,487	4,642	4,092	13,725
Total operating expenditure (US$'000)		**988,002**	**12,676**	**64,421**	**126,842**	**169,198**	**114,779**	**131,724**	**121,271**	**96,897**	**150,195**
CAPEX	8.24	71,113	16,737	14,549	21,385	11,539	1,095	-	5,807	-	-
Net cash flows (US$'000)		**195,077**	**(15,200)**	**10,561**	**25,484**	**39,830**	**31,272**	**30,566**	**22,960**	**22,057**	**27,546**
NPV											
@ 10.5%		**122,745**									
@ 11.5%		**116,625**									
@ 12.5%		**110,903**									

Table 12: Summary of DCF valuation for Trinidad assets *(Source: RSMBCC analysis)*

Key assumptions

Production

8.11. Production is based on the 1P and 2P reserves calculated for the Trinidad assets. A reserves report was prepared by FGA for reserves at 1 January 2014. We have deducted the production of 196,022 barrels of oil for 2014 in order to estimate the 1P and 2P reserve as at the date of our report.

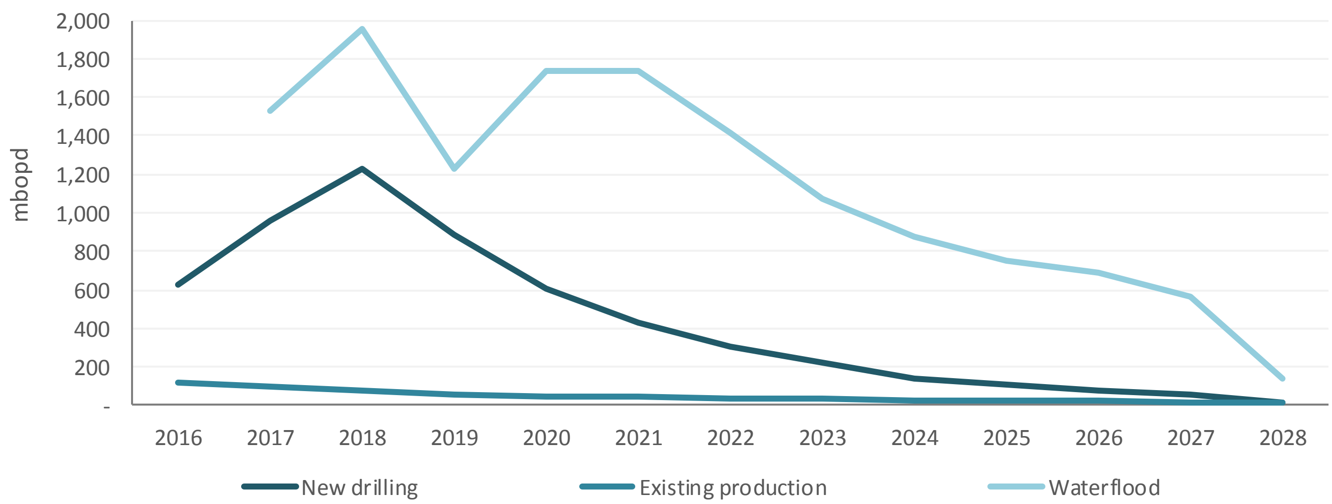
	1P (mbbl)	2P (excl 1P) (mbbl)	Total (1P & 2P) (mbbl)
Reserve as at 1 January 2014	18,327	2,733	21,060
Production to date of our report	(196)	-	(196)
Current reserve	**18,131**	**2,733**	**20,864**

Table 13: Range reserve estimate *(Source: FGA reserve report and Range)*

8.12. The reserves were calculated inclusive of the use of a waterflood program. As such, there are three sources of production; current conventional production, new wells and the waterflood program. Production from each source is summarised in the table below:

Annual oil production (mbbl)	Total	2015	2016	2017	2018	2019	2020	2021	2022	2023 - 2031
Morne Diablo										
Existing production	520	142	97	76	51	39	29	23	18	45
Waterflood program	1,954	1	265	244	188	155	188	157	130	627
New drilling	4,172	61	447	774	970	678	436	293	198	316
Total	**6,646**	**204**	**808**	**1,094**	**1,209**	**871**	**653**	**473**	**346**	**988**
South Quarry										
Existing production	208	34	18	14	15	15	14	14	14	70
Waterflood program	-	-	-	-	-	-	-	-	-	-
New drilling	712	23	76	71	154	115	90	63	43	78
Total	**920**	**56**	**94**	**85**	**170**	**130**	**104**	**76**	**57**	**149**
Beach Marcelle										
Existing production	67	9	8	7	6	5	5	4	4	18
Waterflood program	12,450	-	358	1,289	1,768	1,070	1,545	1,584	1,283	3,551
New drilling	750	4	48	79	92	87	80	69	59	232
Total	**13,267**	**13**	**415**	**1,376**	**1,865**	**1,163**	**1,630**	**1,657**	**1,346**	**3,802**
Combined										
Existing production	794	184	123	97	72	59	47	41	36	134
Waterflood program	14,436	1	623	1,533	1,956	1,225	1,733	1,741	1,413	4,210
New drilling	5,634	88	570	924	1,216	880	606	425	300	626
Total	**20,864**	**273**	**1,317**	**2,555**	**3,244**	**2,164**	**2,387**	**2,206**	**1,749**	**4,970**

Table 15: per field production *(Source: RSMBCC analysis and FGA reserve report)*



8.13. The field decline is approximately 4% per month. The field production curve is set out below:

Figure 3: Graphical presentation of production decline (Source: RSMBCC Analysis)

8.14. The decline curve above shows that the drilling of new wells will continue into 2018, at which point natural field decline will no longer be offset by new wells. The waterflood program is expected to occur in two stages, initially impacting production in 2017 and then again in 2019. Peak field production is expected to occur in 2018.

8.15. We have performed per well analysis of new wells drilled. Range proposes to drill 178 new wells that will have average daily production rates of 24 barrels of oil per day ("BOPD") and average estimated ultimate recoveries ("EURs") of 23,083 barrels of oil. Per well production is based on rates estimated by FGA. The reduction in EUR in 2019 is due to most new wells being drilled in the Beach Marcelle field where final well flow rates are not expected to be significant.

	Total	2015	2016	2017	2018	2019
Number of new wells	178	33	47	71	20	7
Average initial flow rate of a new well (BOPD)	24	30	28	19	29	4
Average EUR (bbl)	23,083	20,056	23,137	23,280	31,851	9,935

Table 146: New well production summary *(Source: RSMBCC analysis)*

8.16. The per well analysis indicates that the Trinidad asset is dependent upon a large number of wells being drilled and a successful waterflood program required in order to boost production.

Oil price

8.17. We have considered the West Texas Intermediate ("WTI") crude oil pricing as the benchmark oil price for the asset. Historically, Range has received a US$0.89 discount to the WTI price. As such, when considering future oil prices, we have deducted US$0.89 from the forecast price. Also, a facilitation fee of US$2 per barrel is paid by Range to the Trinidad authorities. This facilitation fee has been deducted from the oil price received by Range.

8.18. Oil analysts have recently commented on the potential low for the oil price to be approximately US$40 per barrel, returning to a long term price of approximately US$70 in the future. The US Energy Information Administration ("EIA") has released similar forecast expectations.Based on the forecast prepared by EIA (adjusted for the specific oil discount and facilitation fees), we have used an oil price of US$52 for calendar year 2015 and US$68 for calendar year 2016 and beyond.

Expenditure, royalties and production taxes

8.19. The table below summarises the last three years' royalties, taxes and expenses and compares them to the next four years' forecast royalties, taxes and expenses.

	FY12 US$'000	FY13 US$'000	FY14 US$'000	FY15 US$'000	FY16 US$'000	FY17 US$'000	FY18 US$'000
Royalties	9,320	7,869	7,353	4,494	29,287	63,796	82,704
Taxes	1,142	1,220	1,881	1,457	21,416	44,065	63,263
Other production costs	1,522	2,059	4,706	1,724	8,709	17,119	21,847
per barrel	*6*	*9*	*24*	*6*	*7*	*7*	*7*
General and administration	4,985	5,586	7,008	5,000	5,716	6,475	6,598

Table 157: Expenses, royalties and taxes *(Source: RSMBCC analysis)*

8.20. We note that other production costs for FY14 included an increase in repairs and maintenance costs of approximately US$1.4 million and land rent of US$0.6 million. These costs are not expected to be maintained at such levels.

8.21. Royalties are calculated based on contractual obligations with the Trinidadian authorities as set out below:

Type of royalty	Rate
Government royalty	12.50%
Base overriding royalty (sliding scale based on oil price)	10-27% (up to 40% for BM)
Enhanced overriding royalty (calculated on production above the base ORR measure and a sliding scale based on oil price)	10-17% (up to 34% for BM)

Table 168: Expenses, royalties and taxes *(Source: RSMBCC analysis)*

8.22. Direct costs are calculated as a percentage of revenue, being 12% for 2015 and reducing to 10% for 2016 onwards. This is broadly consistent with the historic direct cost levels of the asset. Direct costs include items such as fuel and oil, electricity, equipment rental and land costs.

8.23. General and administration expenses are calculated as a percentage of revenue (8% in 2015 and 6% for all subsequent years), with a floor of US$5 million and a ceiling of US$6.6 million. In 2019, following final drilling of new wells, the floor for general and administration costs reduces to US$2.5 million. General and administration costs include items such as salaries and wages, professional fees and insurance.

Capital costs

8.24. Capital costs are based on historic well costs and depend on the complexity and depth of expected wells. Capital costs vary from between US$60,000 for a simple shallow well to US$900,000 for a more complex and deeper well. In addition, there is approximately US$25 million in capital expenditure expected to be incurred as a result of the waterflood program.

Capital expenditure	Total US$'000	2015 US$'000	2016 US$'000	2017 US$'000	2018 US$'000	2019 US$'000	2020 US$'000	2021 US$'000	2022 US$'000	2023 US$'000
Drilling capex	46,895.0	6,597.5	11,831.3	20,005.0	7,407.5	1,053.8	-	-	-	-
Waterflood capex	24,256.8	10,139.1	2,718.0	1,380.0	4,131.8	41.7	-	5,807.0	-	39.2
Total capex	**71,151.8**	**16,736.6**	**14,549.3**	**21,385.0**	**11,539.3**	**1,095.4**	**-**	**5,807.0**	**-**	**39.2**

Table 179: Capital expenditure *(Source: RSMBCC analysis)*

8.25. The projections assume that capital expenditure will be funded through project cash flows. There is expected to be a cash deficit which can be funded by a US$50 million financing facility secured to fund the waterflood program with LandOcean.

Calculation of an appropriate discount rate

8.26. The discount rate we have selected allows for both the time value of money and the risks attached to future cash flows. In addition, it is a real discount rate on the basis that the Model does not consider inflation. The applicable discount rate is the likely rate of return an acquirer of the Trinidad asset would require for the risks inherent in investing in the asset.

8.27. We have utilised the weighted average cost of capital ("WACC") as our discount rate. We have assessed the WACC to be in the range of 10.5% to 12.5%. Details of our assessment of the preferred range for the WACC are included in Appendix B.

Sensitivity Analysis

8.28. We have performed four key sensitivities on our DCF for the Trinidad asset. We have selected our sensitivities based on the likelihood of changes in the key assumptions that underpin the Model. We consider the key sensitivities to be:

- Changes in the price of oil received by Range;
- Changes in the total recoverable oil (production);
- Changes in the amount of capital expenditure; and
- Changes in the operating costs.

8.29. The tables below summarise the impact of the changes in our key assumptions assuming a range of discount rates.

	Oil Price (US$/bbl)					
Discount Rate	40	50	60	68	80	90
10.5%	67	91	110	123	152	171
11.5%	63	86	104	117	145	163
12.5%	59	82	99	111	138	156

	Change in production				
Discount Rate	-20%	-10%	0%	10%	20%
10.5%	97	111	123	132	145
11.5%	92	105	117	125	138
12.5%	87	100	111	119	131

	Change in CAPEX				
Discount Rate	-20%	-10%	0%	10%	20%
10.5%	129	140	123	127	131
11.5%	122	120	117	114	111
12.5%	117	114	111	108	105

	Change in operating costs (excluding royalties and taxes)				
Discount Rate	-20%	-10%	0%	10%	20%
10.5%	130	126	123	119	115
11.5%	124	120	117	113	109
12.5%	118	114	111	107	104

Table 18: Impact of sensitivities on value *(Source: RSMBCC analysis)*

The previous tables are graphically summarised in the figure below:

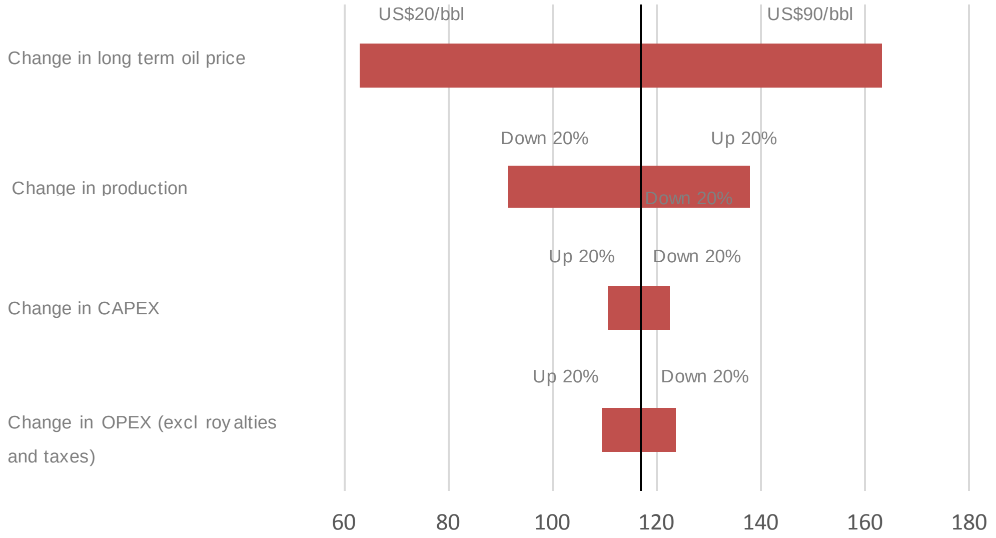


Figure 4: Graphical presentation of impact on NPV from change in assumptions (Source: RSMBCC analysis)

8.30. Our analysis indicates that the asset is most sensitive to movements in the oil price but will also experience material movements in value if production rates vary.

Valuation of assets held for sale

8.31. Our assessment of the assets held for sale by Range is set out in the table below.

Valuation of Range's assets held for sale	Ref:	US$'000
Fair value of Georgian assets	8.32	10,000
Fair value of Texas assets	8.32	1,000
Financial assets held for sale	8.33	269
Total assets held for sale		**11,269**

Table 19: Valuation of assets held for sale *(Source: RSMBCC analysis)*

8.32. The values for each asset are based on management's assessment of expected sales price to be achieved on agreed values with potential buyers of the assets as at the date of this report.

- Georgian assets – a draft purchase agreement supports a minimum value of US$10 million.

- Texas assets – an agreement has been established but not yet finalised for the sale of the Texas assets. The indicative value in the contract is variable based on the share price of the purchaser, however, based on the current share price the indicative value is approximately $1 million.

8.33. The financial assets held for sale relate to shares held by Range. Where possible, we have recorded these investments at current market values. Any investments that could not be valued at current market value are considered immaterial.

Valuation of other assets and liabilities

8.34. We have accepted the book value as fair value for the other assets and liabilities of Range as at 30 September 2014, as set out in the table below.

Valuation of Range's other assets and liabilities	Ref:	US$'000
Investments in associates	5.25	2,779
Other non-current assets	5.26	1,500
Option liability	5.27	(2,190)
Deferred tax liabilities	5.28	(45,098)
Employee service benefit		(729)
Other assets and liabilities		(2,545)
Total assets held for sale		**(46,282)**

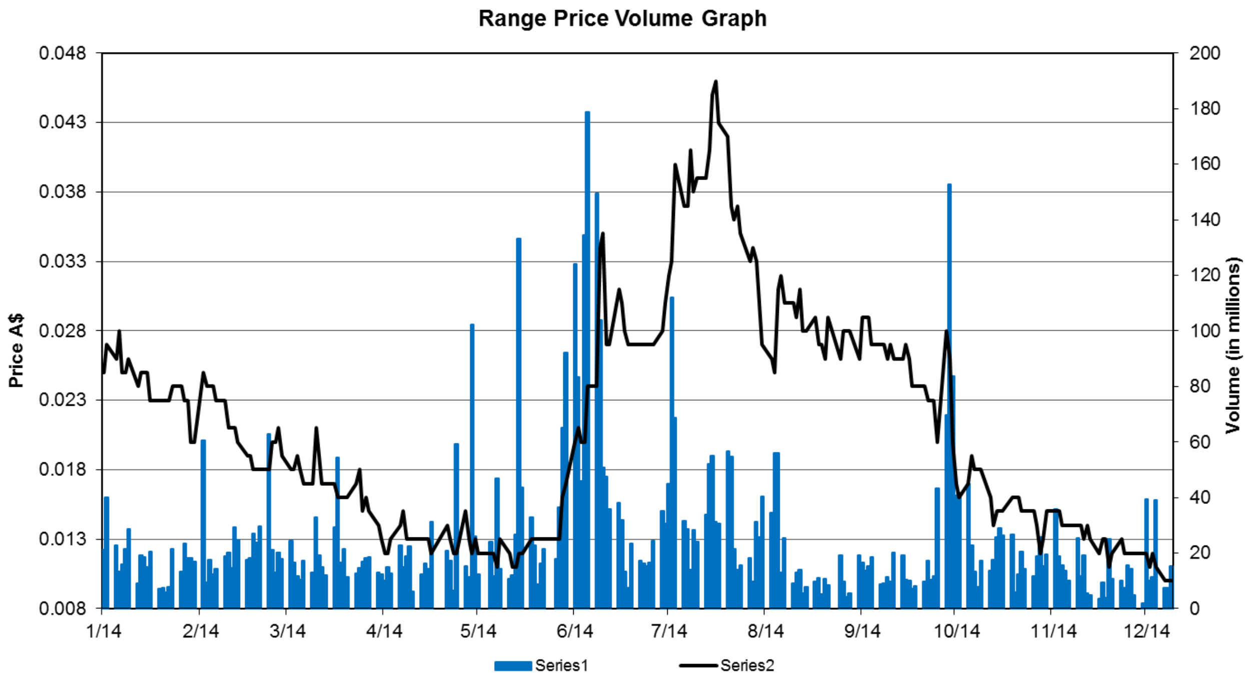
Table 20**:** Valuation of other assets and liabilities *(Source: RSMBCC analysis)*

Quoted Price of Listed Securities

8.35. In order to provide a comparison and a cross-check to our sum of parts valuation of a Range share, we have considered the recent quoted market prices of Range's shares on the ASX prior to the announcement of the Proposed Transaction.

Analysis of recent trading in Range shares

8.36. Figure 5 below sets out a summary of Range's closing share price and volume of Range shares traded in the 12 months to 10 December 2014 when the company enters into a trading halt prior to the announcement of the Proposed Transaction. The assessment only reflected trading prior to the announcement of the Proposed Transaction in order to avoid the influence of any movement in price that



may have occurred as a result of the announcement.

Figure 5: Daily closing price and traded volumes of Range from 12 months prior to date of announcement.

8.37. Over the trading period prior to the announcement of the Proposed Transaction, Range shares have traded on the ASX between a low of $0.010 ($0.085 on AIM) on 10 December 2014 to a high of $0.046 ($0.049 on AIM) on 17 July 2014.

8.38. In order to provide further analysis of the market prices for Range shares, we have considered the volume weighted average market price ("VWAP") for 10 day, 30 day, 60 day, 90 day, 120 day and 180 trading day periods to 10 December 2014:

VWAP as at 10 December 2014	1 Day	10 Day	30 Day	60 Day	90 Day	120 Day	180 Day
VWAP - ASX (A$)	**0.0100**	**0.0111**	**0.0122**	**0.0135**	**0.0148**	**0.0210**	**0.0208**
VWAP - AIM (A$)	**0.0111**	**0.0122**	**0.0133**	**0.0173**	**0.0196**	**0.0268**	**0.0239**
Total Volume (000's)	15,204	186,862	495,298	1,305,226	1,645,954	2,762,821	4,802,399
Total Volume as a % of Total Shares	0.30%	3.65%	9.68%	25.51%	32.17%	53.99%	93.85%

Table 213: VWAP Range share pre Proposed Transaction *(Source: RSMBCC analysis)*

8.39. The table indicates a high volume and liquidity in Range shares with approximately 10% of the Company's share capital being traded in the past 30 trading days.

8.40. The VWAP has been trending downwards over the past 180 trading days. The falling price reflects the fall in the oil price over a similar period.

Value of a Range Share on a non-control minority basis

8.41. Given the liquidity in Range's shares, particularly on the AIM market, we have selected the recent 1 to 60 day VWAP of between \$0.011 and \$0.017 for our assessment of the quoted market price valuation of a Range share.

Valuation of a Range Share

8.42. Our valuation of a Range share, on the basis of the recent quoted market price including a premium for control is between \$0.014 and \$0.022, as summarised in the table below.

	Ref.	Low	High
Quoted market price of Range share	8.41	\$0.011	\$0.017
Add premium for control	8.43	25%	30%
Quoted market price controlling value		**\$0.014**	**\$0.022**

Table 24: Assessed value of a Range Share – Quoted Price of Listed Securities (Source: RSMBCC analysis)

Key assumptions

Control Premium

8.43. The value derived at paragraph 8.42 is indicative of the value of a marketable parcel of shares assuming the shareholder does not have control of Range. RG 111.11 states that when considering the value of a company's shares the expert should consider a premium for control. If the Proposed Transaction is successful, Core Capital will hold an interest in Range of 39.1% of the issued share capital of Range on the completion of the Placement and at least 48.1% on the conversion of the Notes, therefore, our assessment of the fair value of a Range share must include a premium for control.

8.44. In selecting a control premium we have given consideration to the RSM Bird Cameron 2013 Control Premium Study. The study performed an analysis of control premiums paid over a 7-year period to 31 December 2012 in 345 successful takeovers and schemes of arrangements of companies listed on the

ASX. Our study concluded that, on average, control premiums in takeovers and schemes of arrangements involving Australian companies was in the range of 20% to 35%. In valuing an ordinary Range Share prior to the Proposed Transaction using the quoted price of listed securities methodology we have reflected a premium for control in a range determined either side of the midpoint of 27.5%.

Valuation summary and conclusion

8.45. A summary of our assessed values of an ordinary Range Share on a control basis pre the Proposed Transaction, derived under the two methodologies, is set out in the table below.

	Ref.	Low	High
Sum of parts	8.4	$0.019	$0.022
Quoted market price of Range share	8.42	$0.014	$0.022
Preferred value		**$0.019**	**$0.022**

Table 225: Range Share valuation summary *(Source: RSMBCC analysis)*

8.46. In our opinion the sum of parts valuation methodology is supported by the quoted market price of a Range share. However, the low value using the quoted market price for a Range share does not factor recent changes in market perception in relation to oil prices (due to the current suspension in trading). In our opinion, there has been a stability in the past month in oil price expectation and the market has started to factor a floor into future oil prices. Therefore, we consider our the low valuation calculated using the sum of parts methodology as reflective of the low value of a Range share on a controlling interest basis.

9. Valuation of an ordinary Range share post the Proposed Transaction

9.1. In determining the Fair Value of Range and a Range share on a non-controlling basis immediately post the Proposed Transaction, using the sum of parts methodology, we have taken the Fair Value of Range pre the Proposed Transaction and reflected the impact of the Proposed Transaction in two separate scenarios:

- Scenario 1 – Adding the cash raised, deducting a minority discount and assumed conversion of the Notes; and
- Scenario 2 – Adding the cash raised, reflecting the impact of the debt and embedded derivative arising from the Notes, deducting a minority discount and assessed the value of a Range share immediately prior to conversion of the Notes.

9.2. Based on our analysis, we have calculated a range of values for a Range share post the Proposed Transaction of between $0.012 and $0.016.

Valuation of a Range share post the Proposed Transaction	Ref:	Low $	High $
Scenario 1 Value	9.3	0.013	0.016
Scenario 2 Value	9.7	0.012	0.015
Preferred Range		**0.012**	**0.016**

Table 23: Assessed Fair Value of a Range share post Proposed Transaction *(Source: RSMBCC analysis)*

Scenario 1 valuation

9.3. Our assessed value of Range following the Proposed Transaction under Scenario 1 is set out in the table below.

Valuation of Range share post the Proposed Transaction	Ref:	Low $US'000	High $US'000
Fair Value of a Range share pre the Proposed Transaction		75,890	87,732
Cash raised in the Proposed Transaction (less transaction costs)	9.4	59,650	59,650
Fair Value of Range post the Proposed Transaction on a control basis		135,540	147,382
Minority discount	9.6	23%	17%
Fair Value of Range post the Proposed Transaction on a minority basis		**104,366**	**122,327**
Number of Range shares on issue post the Placement and Notes being converted		9,869,038	9,869,038
Fair Value of a Range share on a control basis, post the Proposed Transaction		**$0.011**	**$0.012**
AUD:USD exchange rate		0.7941	0.7941
AUD Fair Value of a Range share on a control basis, post the Proposed Transaction		**$0.013**	**$0.016**

Table 24: Assessed Fair Value of a Range share post Proposed Transaction – Scenario 1 *(Source: RSMBCC analysis)*

9.4. If the Proposed Transaction is approved, Range will receive US$59.6 million in cash. As such, we have included this cash in our post Proposed Transaction valuation.

9.5. We have adjusted the number of shares on issue by the following:

	Shares on issue ('000)
Shares on issue at the date of this report	5,117,169
Plus	
Shares issued under the Placement	3,289,755
Shares issued upon conversion of the Notes	1,462,113
Total shares on issued post Proposed Transaction	**9,869,038**

Table 256: Shares on issue if Notes are converted *(Source: RSMBCC analysis)*

9.6. In selecting a minority discount we have given consideration to our control premium applied in Paragraph 8.44, where we established a range for a control premium of between 25% and 30%. The resulting corresponding minority discount range based on said control premiums is between 17% and 23%.

Scenario 2 valuation

9.7. Our assessed value of Range following the Placement but prior to conversion of the Notes is set out in the table below.

Valuation of Range and a Range share post the Proposed Transaction	Ref:	Low US$'000	High US$'000
Fair Value of a Range share pre the Proposed Transaction	8.4	75,890	87,732
Cash raised in the Proposed Transaction (less transaction costs)	9.4	59,650	59,650
Debt component arising from Notes	9.11	(10,993)	(7,960)
Present value of interest payable on the Notes	9.12	(4,685)	(4,685)
		119,862	**134,737**
Minority discount	*9.6*	*23%*	*17%*
Fair Value of Range post the Proposed Transaction on a minority basis		**92,294**	**111,831**
Adjustment for embedded call option on Notes	9.9	(9,007)	(12,040)
		83,287	**99,791**
Number of Range shares on issue post the Placement and pre the Notes being converted		8,406,924	8,406,924
Fair Value of a Range share on a control basis, post the Proposed Transaction		**$0.010**	**$0.012**
AUD:USD exchange rate		0.794	0.794
AUD Fair Value of a Range share on a control basis, post the Proposed Transaction		**$0.012**	**$0.015**

Table 27: Assessed Fair Value of a Range share post Proposed Transaction – Scenario 2 *(Source: RSMBCC analysis)*

9.8. In order to assess the impact of the Notes on the value of a Range share assuming the Notes are not converted, we have considered the accounting impact of the Notes on the Statement of Financial Position. Accounting standards require that, when Notes convert to a variable number of shares, that the embedded option in the Notes is valued and the difference between the face value of the Notes and the embedded option is considered the value of the debt portion of the Notes.

9.9. In order to calculate the value of the embedded option included in the Notes, we used the Binomial option pricing model. The Binomial option pricing model resulted in a range of values of between US$9.0 million and US$12.0 million for the embedded option in the Notes, assuming 1.5 billion shares are issued on conversion of the Notes (based on a £0.009 conversion price).

9.10. We have used the following assumptions when calculating the value of the embedded option:

- Grant date – we have assumed the grant date to be the date of this report.
- Spot price – we have assumed the spot price to reflect our preferred low and high prices as set out in Paragraph 8.45. We adjusted these values to convert the spot price into British Pounds (as that is the currency that Range shares trade in) and also to remove the control premium so that the value reflects a trading market value. This resulted in a spot price of between £0.008 (US$0.011) and £0.009 (US$0.014).
- Exercise price – the conversion price of the Notes is £0.009.
- Vesting period – the Notes have a conversion period of three years.
- Expected future volatility – We have applied a volatility rate of 100% for our option valuation. This reflects the expected volatility of a small cap trading company exposed to oil and gas.
- Risk free rate - We have determined this based on the yields of Commonwealth bonds using a three year bond, being the period which most closely correspond to the life of the Notes. A three year bond yielded 2.13% on 28 January 2015 as disclosed by the Reserve Bank of Australia.
- Dividend Yield – We have assumed a 0% dividend yield for Range as it does not have a history of paying dividends and we do not expect any dividends to be paid over the vesting period.

9.11. We have calculated the debt component of the Notes as the difference between the embedded option value in the Notes and the face value of the Notes.

9.12. The Notes have a coupon rate of 12% per annum with interest payable quarterly. We have calculated the net present value of the interest payable on the Notes to be $4.7 million.

10. Is The Proposed Transaction Fair?

10.1. Our assessed values of a Range share prior to and immediately after the Proposed Transaction are summarised in the tables below.

Assessment of fairness	Ref:	Value per Share Low	Value per Share High
Fair Value of an RRS share pre Proposed Transaction - Control basis	8	$0.019	$0.022
Fair Value of an RRS share post the Proposed Transaction assuming Notes are converted - Non control basis	9.2	$0.013	$0.016
Fair Value of an RRS share post the Proposed Transaction assuming Notes are not converted - Non control basis	9.2	$0.012	$0.015

Table 26: Assessed values of a Range share pre and post the Proposed Transaction on an undiluted basis

10.2. This is shown graphically below:

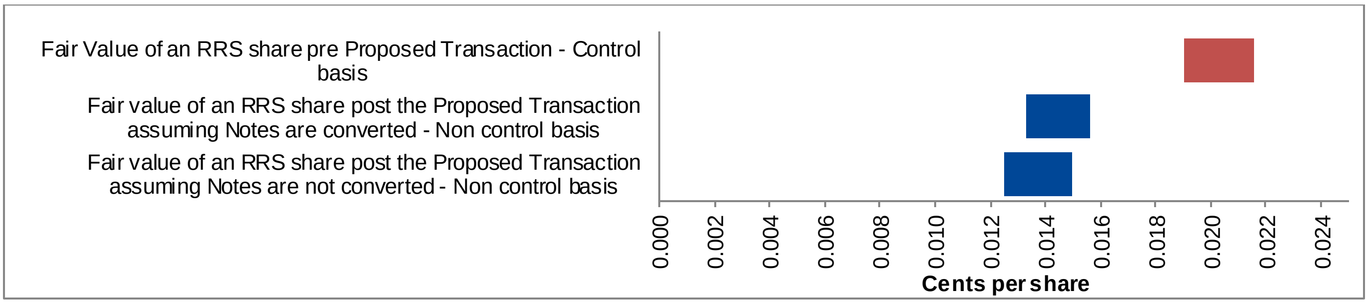


Figure 6: Range Share Valuation Graphical Representation (Source: RSMBCC Analysis)

10.3. We have compared the value per Range Share pre the Proposed Transaction on a control basis to the value of a Range Share post the Proposed Transaction on a control basis. Accordingly, our assessment of fairness assumes that the change in equity structure is appropriately recognised. Our analysis has concluded that the range of values of a Range share pre the Proposed Transaction is between $0.019 and $0.022 and the value of a Range share post the Proposed Transactions is between $0.012 and $0.016.

Conclusion on Fairness

10.4. As the value of a Range share pre the Proposed Transaction is greater than the value of a Range share post the Proposed Transaction, in our opinion the Proposed Transaction is not fair to Shareholders.

10.5. We note that the number of shares that could be issued upon the conversion of the Notes is variable. Any change in the number of shares that could be issued upon conversion of the Notes will result in a reduction in the post Proposed Transaction value of a Range share assuming that the Notes are converted. For example, if the conversion price was £0.0045, there would be a reduction in value of approximately $0.002 per share on the basis. The value of a share post the Proposed Transaction assuming the Notes are not converted would not change. A lower conversion price would not change our opinion.

11. Is The Proposed Transaction Reasonable?

11.1. RG111 establishes that an offer is reasonable if it is fair. If an offer is not fair it may still be reasonable after considering the specific circumstances applicable to the offer. In our assessment of the reasonableness of the Proposed Transaction, we have given consideration to:

- The stated intentions of Core Capital in relation to the Proposed Transaction;
- The future prospects of Range if the Proposed Transaction does not proceed; and
- Other commercial advantages and disadvantages to the Shareholders as a consequence of the Proposed Transaction proceeding.

Stated Intentions of Core Capital in Relation to the Proposed Transaction

11.2. As stated in the Notice of Meeting, Core Capital's intentions regarding the future of the Company if Shareholders approve the Proposed Transaction are:

- There is no intention to change the business of the Company;
- There is no intention to inject further capital into the Company (other than as disclosed in the Notice);
- There is no intention to change the future employment of the present employees of the Company;
- There is no proposal whereby any property will be transferred between the Company and Core Capital or any parties associated with Core Capital; and
- There is no intention to otherwise redeploy any of the fixed assets of the Company.

Future Prospects of Range if the Proposed Transaction Does Not Proceed

11.3. If the Proposed Transaction does not proceed, Range will continue to seek the necessary capital to fund the exploration and development of its oil and gas assets. It will also need to source additional capital in order to repay the Lind loan. If additional capital is not sourced, it is possible that Range may not continue as a going concern. Capital could be source from debt or equity capital raisings or the sale of non-core assets, however, there is no certainty as to possible timing or the ability to raise alternative capital.

11.4. Range has sought to raise capital in the recent past. These efforts resulted in the Lind funding facility but did not result in any other alternative funding.

Trading in Range Shares post the announcement of the Proposed Transaction

11.5. As at the date of this Report, Range has remained in suspension since the announcement of the Proposed Transaction and, as such, we are not able to determine the market's assessment of the Proposed Transaction.

Advantages and Disadvantages

11.6. In assessing whether the Shareholders are likely to be better off if the Proposed Transaction proceeds than if it does not, we have compared various advantages and disadvantages that are likely to accrue to the Shareholders.

Advantages

Advantage 1 – Provides capital for debt restructure

11.7. Range currently has approximately US$4.5 million in cash. Further, Lind is seeking repayment of a US$7.25 million loan. The Proposed Transaction will provide the cash required to repay the Lind loan. Without additional funding, it is possible that Range will not be able to continue as a going concern. The risk of going concern was raised in Range's most recent audit report.

Advantage 2 – Provides capital for operational expansion

11.8. The Proposed Transaction will provide Range with significant surplus funds that can be used to develop the Trinidad asset. Range intends to drill multiple wells and implement a waterflood program which will increase production from the Trinidad asset. As such, the funds from the Proposed Transaction should result in an increase in future cash flows as Range is able to advance the development of the Trinidad asset.

Advantage 3 – It provides leverage to borrow additional capital

11.9. LandOcean has committed to providing a facility of US$50 million to fund the waterflood program on the Trinidad asset. The terms of the LandOcean facility are such that it is not available to Range without additional cash being secured. As such, the Proposed Transaction will make available the LandOcean finance facility. This will give Range further flexibility in financing the Trinidad asset development.

Disadvantages

Disadvantage 1 – Dilution of Shareholders' Interests

11.10. The Proposed Transaction will result in dilution of the Shareholders' interests from 100% to 60.9% following the Placement and to at least 51.9% on the conversion of the Notes.

Disadvantage 2 – Core will gain control of Range

11.11. As a minimum, Core will hold 39.1% of Range. Therefore, as a minimum, Core Capital will be able to block special resolutions and will be able to have a significant influence over ordinary resolutions. In addition, Core Capital may nominate two persons to be nominated as non-executive directors of the Company.

Disadvantage 3 – The number of shares to be issued on conversion of the Notes is not known

11.12. The Notes include a conversion ratio of £0.009 per share or a 15% discount to the 20-day VWAP of a Range share prior to conversion. Should the Notes be converted, and to the extent that a 15% discount to the 20 day VWAP is lower than £0.009, Shareholders will be diluted further. For example, if the conversion price was £0.0045, approximately 2.9 million shares would be issued on conversion and would result in Core Capital holding approximately 54.8% of the issued capital of Range. As the conversion mechanism of the Notes is consistent with market practice and any conversion price will be a 15% discount to the prevailing share price at the date of conversion, the increase in dilution does not change our reasonableness opinion.

Alternative Proposal

11.13. We are not aware of any alternative proposal at the current time which might offer the Shareholders of Range a greater benefit than the Proposed Transaction.

Conclusion on Reasonableness

11.14. In our opinion, the position of the Shareholders if the Proposed Transaction is approved is more advantageous than the position if it is not approved. Therefore, in the absence of any other relevant information and/or a superior offer, we consider that the Proposed Transaction is reasonable for the Shareholders of Range.

11.15. An individual shareholder's decision in relation to the Proposed Transaction may be influenced by his or her individual circumstances. If in doubt, shareholders should consult an independent advisor.

Yours faithfully

RSM BIRD CAMERON CORPORATE PTY LTD

Andrew Gilmour

A J GILMOUR
Director

Glyn Yates

G YATES
Director

APPENDIX A

Declarations and Disclosures

RSM Bird Cameron Corporate Pty Ltd holds Australian Financial Services Licence 255847 issued by ASIC pursuant to which they are licensed to prepare reports for the purpose of advising clients in relation to proposed or actual mergers, acquisitions, takeovers, corporate reconstructions or share issues.

Qualifications

Our report has been prepared in accordance with professional standard APES 225 "Valuation Services" issued by the Accounting Professional & Ethical Standards Board.

RSM Bird Cameron Corporate Pty Ltd is beneficially owned by the partners of RSM Bird Cameron (RSMBC) a large national firm of chartered accountants and business advisors.

Mr Andrew Gilmour and Mr Glyn Yates are directors of RSM Bird Cameron Corporate Pty Ltd. Both Mr Gilmour and Mr Yates are Chartered Accountants with extensive experience in the field of corporate valuations and the provision of independent expert's reports for transactions involving publicly listed and unlisted companies in Australia. Mr Peter Gray, of RSM Bird Cameron, provided assistance in the preparation of this report. Prior to joining RSM Bird Cameron Mr Gray was an oil and gas analyst at a major stock broking firm in Perth.

Reliance on this Report

This report has been prepared solely for the purpose of assisting the Shareholders of Range in considering the Proposed Transaction. We do not assume any responsibility or liability to any party as a result of reliance on this report for any other purpose.

Reliance on Information

Statements and opinions contained in this report are given in good faith. In the preparation of this report, we have relied upon information provided by the directors and management of Range and we have no reason to believe that this information was inaccurate, misleading or incomplete. However, we have not endeavoured to seek any independent confirmation in relation to its accuracy, reliability or completeness. RSM Bird Cameron Corporate Pty Ltd does not imply, nor should it be construed that it has carried out any form of audit or verification on the information and records supplied to us.

The opinion of RSM Bird Cameron Corporate Pty Ltd is based on economic, market and other conditions prevailing at the date of this report. Such conditions can change significantly over relatively short periods of time.

In addition, we have considered publicly available information which we believe to be reliable. We have not, however, sought to independently verify any of the publicly available information which we have utilised for the purposes of this report.

Disclosure of Interest

At the date of this report, none of RSM Bird Cameron Corporate Pty Ltd, RSMBC, Andrew Gilmour, Glyn Yates, nor any other member, director, partner or employee of RSM Bird Cameron Corporate Pty Ltd and RSMBC has any interest in the outcome of the Proposed Transaction, except that RSM Bird Cameron Corporate Pty Ltd are expected to receive a fee of $60,000 based on time occupied at normal professional rates for the preparation of this Report. In addition RSM Bird Cameron Partners will invoice Range fees for the provision of due diligence services, taxation and accounting advice in relation to the Proposed Transaction. All fees are payable regardless of whether Range receives Shareholder approval for the Proposed Transaction, or otherwise.

Consents

RSM Bird Cameron Corporate Pty Ltd consents to the inclusion of this report in the form and context in which it is included with the Explanatory Memorandum to be issued to Shareholders. Other than this report, none of RSM Bird Cameron Corporate Pty Ltd, RSM Bird Cameron Partners or RSMBC has been involved in the preparation of the Notice of General Meeting and Explanatory Statement. Accordingly, we take no responsibility for the content of the Notice of General Meeting and Explanatory Statement as a whole.

APPENDIX B

In preparing this report we have relied upon the following principal sources of information:

- Range financial statements for the three years ended 30 June 2014;
- Range unaudited financial information for the period ended 30 September 2014;
- Range Resources (Barbados) Limited financial statements for the three years ended 30 June 2014 (holding company of the Trinidad asset);
- Forecast cash flows for the Trinidad asset for the period ending 31 December 2031;
- Notice of General Meeting and Explanatory Statement for the meeting of Range shareholders;
- Various draft purchase agreements related to Range's exploration and production assets;
- Subscription Agreement between Range and Core;
- Estimated Reserves, Prospective Resources and Future Net Revenue report prepared by Forrest A Garb and Associates, Inc, dated 1 January 2014;
- Comfort letter provided by Forrest A Garb and Associated, Inc, supporting key technical assumptions used in the Model are still reasonable;
- Information provided by Range management through meetings and correspondence;
- Capital IQ, IBIS World and other financial databases and subscription services; and
- Publicly available information including ASX announcements.

APPENDIX C – WACC Assessment

When assessing an appropriate discount rate to use in a discounted cash flow valuation, due regard must be given to the rates of return available in the marketplace, the degree of risk attached to the business, shares or project and the required rate of return.

Businesses are normally funded by a mix of debt and equity. The Weighted Average Cost of Capital ("WACC") is a widely used and accepted basis to calculate the "representative" rate of returns required by debt and equity investors. We have applied the WACC methodology to determine an appropriate discount rate to be used in assessing the fair value of Range cashflows.

The Capital Asset Pricing Model ("CAPM") is the most frequently used model in determining the cost of equity of an investment or project and the required rate of return for debt funding is determined having regard to current borrowing costs and prevailing credit ratings. The cost of equity and cost of debt are weighted by the respective proportions of equity and debt funding to arrive at the WACC.

WACC

The generally accepted WACC formula is the post-tax WACC as shown below:

$$WACC = [Re * E/V] + [Rd (1 - t) * D/V]$$

Where:

Re	=	Expected equity investment return or cost of equity
Rd	=	Interest rate on debt (pre-tax)
t	=	Corporate tax rate
E	=	Market value of equity
D	=	Market value of debt
V	=	Market value of debt plus equity

CAPM

The CAPM is based on the theory that the prudent investor will price investments so that the expected return is equal to the risk free rate of return plus a premium for risk. CAPM assumes that there is a positive relationship between risk and return; that is, investors are risk averse and therefore demand higher returns for accepting higher levels of risk.

The CAPM calculates the cost of equity through the following formula:

$$Re = Rf + \beta[E(Rm) - Rf]$$

Where:

Re	=	Cost of equity capital or expected return on the investment.
Rf	=	Risk free rate of return.
E(Rm)	=	Expected return on the market.
E(Rm) - Rf	=	Market risk premium
β	=	Beta

We have considered each component of the CAPM below.

Risk free rate - Rf

We have assumed a risk free rate of 2.53% being the average yield on the United States Treasury Government Bond for the last 10 years, calculated from CapitalIQ Database. We have used the 10-year bond rate as this is typically used as a proxy for the long-term risk-free rate.

Market Risk Premium – E(Rm) - Rf

Market risk premium represents the level of return investors require over and above the risk free rate in order to compensate them for the non-diversifiable risks associated with an investment in a market portfolio. Strictly speaking, the market risk premium is equal to the expected return from holding shares over and above the return from holding risk-free government securities.

Various empirical studies undertaken show that historical market risk premiums vary across markets; the US market is generally in line with the overall range of other developed countries but is slightly higher than the world average.

Having regard to this information, we have assumed a market risk premium of 6.0% in our determination of the discount rate.

Beta - β

The beta coefficient measures the systematic risk of the company compared to the market as a whole. A beta of 1 indicates that the company's risk is comparable to that of the market.

The choice of a beta requires judgement and necessarily involves subjective assessment as observations of beta in comparable companies may be subject measurement issues and other variations. Accordingly, depending upon circumstance, a sector average, or a basket of comparable companies may present a more reliable beta, rather than relying on a single comparable company.

Beta can be expressed as an equity beta (which includes the effect of gearing on equity returns) or as an asset beta (where the impact of gearing is removed). The asset beta will be lower than the equity beta for any given investments, with the difference dependent upon the level of gearing in the capital structure.

The selection of an appropriate beta involves a degree of professional judgement, particularly where the performance drivers of the company being valued are not directly aligned with the most comparable listed companies.

The comparable company data included in the table below illustrates the observed beta coefficients for public listed companies we consider most comparable to Range.

In assessing companies comparable to Range, we have considered companies in oil and gas industry in North and South America, whose securities are listed on the New York Stock Exchange.

The ungeared equity beta's for the companies selected ranged from a low of 0.455 to a high of 2.322, with an average of 1.166 as set out in the table below. We have relied on the average ungeared beta of 1.166. We assume that the preferred funding structure for an asset such as the Trinidad asset would result in a debt to equity of 50%. As such, we have relevered the beta at our assumed debt to equity ratio, resulting in a levered beta of 1.6.

Company	Levered beta	Total debt/ equity	Unlevered beta	Relevered beta
BPZ Resources, Inc.	2.141	57.75%	1.494	
Goodrich Petroleum Corp.	1.622	43.98%	1.218	
Harvest Natural Resources Inc.	2.373	2.91%	2.322	
Mesa Royalty Trust	0.455	0.00%	0.455	
Midstates Petroleum Company, Inc.	2.836	325.25%	0.825	
Swift Energy Co.	1.744	207.22%	0.683	
Average	**1.862**	**1.062**	**1.166**	**1.603**
Median	**1.942**	**0.509**	**1.021**	**1.404**

We provide descriptions of the comparable companies in the table below.

Ticker	Company Description
NYSE:BPZ	BPZ Resources, Inc., together with its subsidiaries, focuses on the exploration, development, and production of oil and natural gas in Peru and Ecuador. It owns license contracts for oil and gas exploration and production covering approximately 1.9 million net acres in 4 blocks located in northwest Peru and off the northwest coast of Peru in the Gulf of Guayaquil. The company also owns a 10% non-operating net profits interest in the Santa Elena property, an oil and gas producing property located in the southwest region of Ecuador. As of December 31, 2013, it had estimated net proved oil reserves of 16.1 million barrels of crude oil or other liquid hydrocarbons (MMBbls), including 12.7 MMBbls were in the Corvina field and 3.4 MMBbls were from the Albacora field located in northwest Peru. The company was founded in 2001 and is headquartered in Houston, Texas.
NYSE:GDP	Goodrich Petroleum Corporation, an independent oil and natural gas company, is engaged in the exploration, development, and production of oil and natural gas. The company holds interest in the Eagle Ford Shale Trend located in South Texas; the Haynesville Shale and Cotton Valley Taylor Sand in northwest Louisiana and East Texas; and the Tuscaloosa Marine Shale located in southwest Mississippi and southeast Louisiana. It owns working interests in 436 producing oil and natural gas wells located in 44 fields in 8 states. As of December 31, 2013, the company had estimated proved reserves of approximately 452.2 billion cubic feet equivalent of natural gas, 6.3 million barrels of crude oil or other liquid hydrocarbons (MMBbls) of natural gas liquids, and 14.1 MMBbls of oil and condensate. Goodrich Petroleum Corporation was founded in 1995 and is headquartered in Houston, Texas.
NYSE:HNR	Harvest Natural Resources, Inc., an independent energy company, is engaged in the acquisition, exploration, development, production, and disposition of oil and natural gas properties. It primarily holds interests in the Bolivarian Republic of Venezuela; exploration acreage, including in the offshore of the Republic of Gabon; onshore of West Sulawesi, Indonesia; and offshore of the People's Republic of China. As of December 31, 2013, the company, through its 20.4 percent interest in Petrodelta, S.A., had proved reserves of 20.7 million barrels of oil equivalent (MMBOE), probable reserves of 41.5 MMBOE, and possible reserves of 62.9 MMBOE; and proved plus probable reserves of 62.2 MMBOE. Harvest Natural Resources, Inc. was founded in 1988 and is headquartered in Houston, Texas.
NYSE:MPO	Midstates Petroleum Company, Inc. is engaged in the exploration, development, and production of oil, natural gas liquids, and natural gas in the United States. It primarily focused on oilfields in the Mississippian Lime trend in northwestern Oklahoma; the Anadarko Basin in Texas and Oklahoma; and the Upper Gulf Coast Tertiary trend in central Louisiana. The company was founded in 1993 and is headquartered in Houston, Texas.

NYSE:MTR	Mesa Royalty Trust holds net overriding royalty interests in various oil and gas properties in the United States. It has interests in properties located in the Hugoton field of Kansas; the San Juan Basin field of New Mexico and Colorado; and the Yellow Creek field of Wyoming. The company was founded in 1979 and is based in Austin, Texas.
NYSE:SFY	Swift Energy Company is engaged in acquiring, exploring, developing, and operating oil and natural gas properties. It focuses on oil and natural gas reserves in Texas, as well as onshore and in the inland waters of Louisiana. As of December 31, 2013, the company had estimated proved reserves of 219.2 million barrels of oil equivalent. Swift Energy Company was founded in 1979 and is headquartered in Houston, Texas.

Company specific risk premium and cost of equity assessment

We have also included a company specific risk factor in our calculation of the cost of equity to reflect conditions specific to the asset. We apply an additional company specific risk factor based on factors specific to an asset and its operations. These are detailed by below.

- Production from a single asset;
- Requirement for continual low production drilling; and
- Dependence on successful waterflood program.

The latest relative country risk rating published by the Economist Intelligence Unit ("EIU") for Trinidad and Tobago is BBB. As such, we have considered sovereign risk to be low.

Cost of debt

We have assumed a cost of debt for the Trinidad asset of 10%. This has been assumed based on publicly available information on other listed companies with oil and gas assets.

We have assumed that the best capital structure to employ for the Trinidad asset is to have a debt to enterprise value of 50%, as discussed in the beta section above.

WACC summary

We set out the detailed calculation of the WACC in the table below.

WACC	
Cost of Equity (CAPM) (K_e)	
Market Risk Premium, Mrp	6.0%
Beta, β	1.6
Adjusted market risk premium (AMrp = Mrp x β)	**9.6%**
Risk Free Rate, R_f	2.5%
Company specific risk a	2.0%
Standard (Vanilla) Capm Cost Of Equity (Pre-Tax Nominal) (K_e = (AMrp + R_f + a) / (1 – t)) where t is corporate tax rate of 25%	**18.9%**
Proportion of K_e included in WACC (equity / debt + equity)	50%
K_e portion of WACC	**9.4%**
Cost of Debt (K_d)	
Cost of Debt, K_d	10.0%
Proportion of K_d included in WACC (debt / debt + equity)	50%
Kd portion of WACC	**5.0%**
Weighted Average Cost Of Capital (Pre-Tax Nominal)	**14.4%**
Inflation	2.5%
Weighted Average Cost of Capital (Pre-Tax Real) = (1 + pre-taxnominal) / (1 + inflation) - 1	**11.5%**

Based on the assumptions set out above, we have assessed the pre-tax, nominal WACC to be 9.8%. We note that the Trinidad asset cash flows have been prepared on a real basis so we have adjusted our WACC for inflation of 2.5% in order to arrive at a pre-tax real WACC.

This results in a pre-tax, real WACC of 11.5%. We have selected a range of 10.5% to 12.5% as our range of discount rates in order to reflect a value range and sensitivity on changes in discount rates.

APPENDIX D

Glossary of Terms and Abbreviations

Term or Abbreviation	Definition
$	Australian Dollar
Act	Corporations Act 2001 (Cth)
APES	Accounting Professional & Ethical Standards Board
ASIC	Australian Securities & Investments Commission
ASX	Australian Securities Exchange
CAPM	Capital Asset Pricing Model
Company	Range Resources Limited
Control basis	As assessment of the fair value on an equity interest, which assumes the holder or holders have control of entity in which the equity is held
Conversion Price	The lower of £0.009 per share or a 15% discount to the 20-day VWAP of a Range share
Core Capital	Core Capital Management Co Ltd
DCF	Discounted Cash Flow
Directors	Directors of Range Resources Limited
EIA	US Energy Information Administration
Equity	The owner's interest in property after deduction of all liabilities
Fair Value	the amount at which an asset could be exchanged between a knowledgeable and willing but not anxious seller and a knowledgeable and willing but not anxious buyer, both acting at arm's length
FATF	Financial Action Taskforce
FGA	Forrest A Garb and Associates, Inc
FSG	Financial Services Guide
FY##	Financial year ended 30 June
IBIS	IBIS World, producer of industry reports
IER	This Independent Expert Report
The Model	The forecast of cash flows for the Trinidad asset
Non control basis	As assessment of the fair value on an equity interest, which assumes the holder or holders do not have control of entity in which the equity is held
Notes	Convertible notes with a coupon rate of 12%, a three year redemption period and a conversion price the lower of £0.009 per share or a 15% discount to the 20-day VWAP of a Range share
Notice	The notice of meeting to vote on the Proposed Transaction
NRI	Net Revenue Interest
Range	Range Resources Limited
PDS	Product Disclosure Statement
Placement	The issue of US$40 million in Range shares at an issue price of £0.008
Proposed Transaction	The issue of Placement shares and the Notes
Relevant Interest	If that person holds shares or has the power to control the right to vote or dispose of shares
Regulations	Corporations Act Regulations 2001 (Cth)
Report	This Independent Experts Report prepared by RSMBCC dated February 2015
RG 111	ASIC Regulatory Guide 111 Contents of Expert's Reports
RSMBCC	RSM Bird Cameron Corporate Pty Ltd
S&P Capital IQ	An entity of Standard and Poors which is a third party provider of company and other financial information
Tkibuli	Tkibuli-Shaori
VWAP	Volume weighted average share price
WACC	Weighted Average Cost of Capital
WTI	West Texas Intermediate

APPENDIX E

The International Oil and Gas industry Profile

The International Oil and Gas industry consists of two segments, being the upstream and downstream segments. The upstream segment explores, produces and processes crude oil and natural gas. The downstream segment refines these outputs into fuels, lubricants and petroleum products and then markets them for sale.

International oil exploration and production industry

The oil industry supplies product to a number of downstream markets, but the biggest is petroleum refining, which according to producer of industry reports IBIS World Inc ("IBIS") accounted for 68% of the industry's output. Crude oil is used to manufacture petroleum products, primarily gasoline and automotive distillate ("diesel").

There are many grades of crude oil produced worldwide, ranging from the highest quality light sweet crude oil to poor quality heavy, sour crude oil.

In 2013 the world consumed approximately 91.3 million barrels of oil per day ("MMBLS/day"). The biggest consumers of oil in the world based on 2013 consumption are the USA (18.9 MMBLS/day), China (10.6 MMBLS/day), Japan (4.5 MMBLS/day) and India (3.7 MMBLS/day)[1].

Combined, the global oil and gas exploration and production industries generated total revenues of approximately $4.6 trillion in 2014, up from $2.6 trillion in 2009.

Crude Oil Demand

The level of demand for petroleum products and as such crude oil is heavily influenced by global economic growth, and underlying levels of economic activity.

Global primary energy consumption accelerated in 2013 despite stagnant global economic growth. Global oil consumption grew by 1.4 MMBLS/day, or 1.4% – this is just above the historical average. Countries outside the OECD now account for the majority (51%) of global oil consumption and they once again accounted for all of the net growth in global consumption. OECD consumption declined by 0.4%, the seventh decrease in the past eight years.

Oil Supply

The world's crude oil is effectively supplied by two suppliers as follows:

- State owned producers located in countries which are members of the Organisation of Petroleum Exporting Countries ("OPEC"); and
- Private and state owned producers located in non OPEC countries.

[1] BP Statistical Review of World Energy 2014

In 2013 the world had proven oil reserves of 1,687.9 billion barrels of which OPEC accounted for 42.1%. Global oil production did not keep pace with the growth in global consumption, rising by just 550,000 b/d or 0.6%. The US (1.1 million b/d) recorded the largest growth in the world and the largest annual increment in the country's history for a second consecutive year. The US accounted for nearly all (97%) of the non-OPEC output increase of 1.1 million b/d (the strongest since 2002) to reach a record 49.9 million b/d. The table below sets out a breakdown of the world's proven oil reserves by region as at 31 December 2013.

Region	Proven Reserve (Billion Barrels)	% share
Middle East	808.5	47.9%
South & Central America	329.1	19.5%
North America	229.5	13.6%
Europe & Eurasia	148.5	8.8%
Africa	130.0	7.7%
Asia Pacific	42.20	2.5%
Total	**1,687.9**	**100.0%**

Table 14: Worlds' Proven Oil reserves *(Source: BP Statistical Review of World Energy 2014)*

Global oil production in 2013 was the highest of the last 24 years with a production of 86.7 MMBLS/day.

Oil Price

Crude oil is one of the most actively traded commodities in the world, and over 50% of annual world production is traded internationally. There are a number of different types of traded crude oil products and today there are over 150 different types of crude oil (known as markers), traded internationally.

As the Trinidad asset is located near the US we have set out the historical daily closing price for WTI over the period 2000 to 2013.

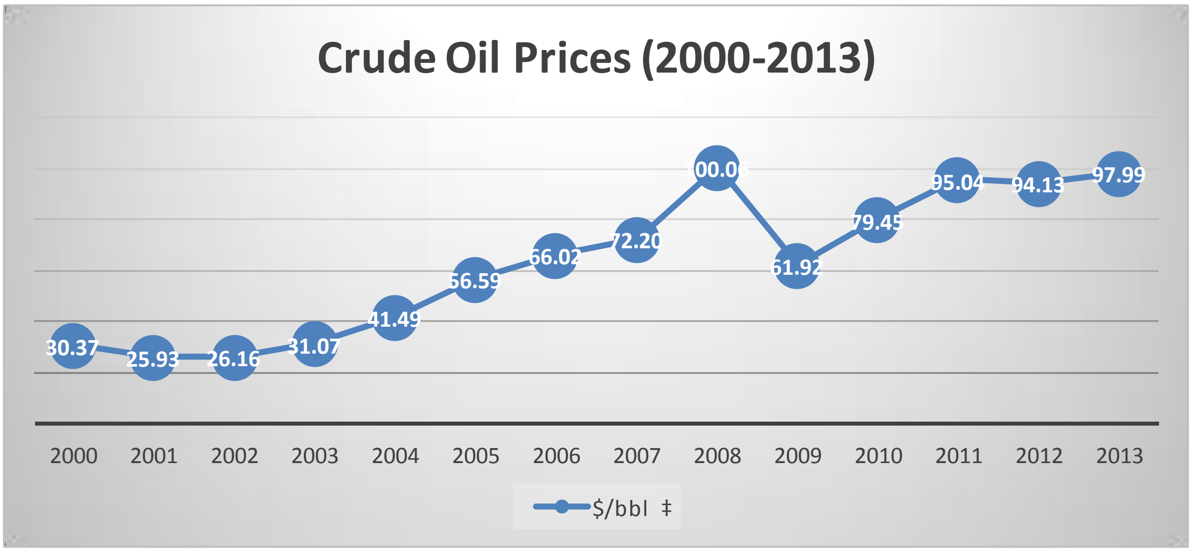


Figure 18: Historical WTI crude oil price 2000 – 2013 *(Source: BP Statistical Review of World Energy 2014)*

Short-term spikes in the price of oil and gas have largely driven the industry's expansion over the period. However, the industry experienced significant pitfalls during the global recession, when revenue dropped 39.5% in 2009.

Outlook

Oil is expected to be the slowest growing of the major fuels to 2035, with demand growing at an average of just 0.8% a year. Nonetheless, this will still result in demand for oil and other liquid fuels being nearly 19 million barrels a day higher in 2035 than 2012. All the net demand growth is expected to come from outside the OECD – demand growth from China, India and the Middle East will together account for almost all of net demand growth.

Global oil consumption is expected to grow from around 88.9 MMBLS/day in 2012 to 108.5 MMBLS/day by 2035.[2] 100% of this growth is expected to come from non OECD Asian countries primarily China and India. Most of the growth in demand is expected to come from the transportation industries.

China is the key component behind long term oil consumption growth. Their consumption is forecast to increase by 80% over the next 20 years from 9.7 MMBLS/day to 17.5 MMBLS/day by 2035 at which point they will have overtaken the USA as the world's largest oil consumer.

[2] OPEC World Energy Review 2013

RSM Bird Cameron Corporate Pty Ltd

Our one-firm structure enables us to provide strong connections and a focus on client relationships. Clients can readily connect to our national and international expertise and networks, our extensive understanding of Australian business and to our senior advisors. With RSM Bird Cameron you really are... Connected for Success

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Proxy Form

Vote online

- Go to www.investorvote.com.au **or** scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.

Your access information that you will need to vote:

Control Number: 999999

SRN/HIN: I9999999999 **PIN: 99999**

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

For your vote to be effective it must be received by 4:30pm (WST) Wednesday, 25 March 2015

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions for Postal Forms

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the help tab, "Printable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

GO ONLINE TO VOTE,
or turn over to complete the form ➔

MR SAM SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

☐ **Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

I 9999999999 IND

Proxy Form

Please mark ☒ to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Range Resources Limited hereby appoint

☐ **the Chairman of the Meeting** **OR** ☐

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the General Meeting of Range Resources Limited to be held at RSM Bird Cameron, Sir Cyril Bird boardroom, 8 St Georges Terrace, Perth, Western Australia on Friday, 27 March 2015 at 4:30pm (WST) and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 2 - 5 (except where I/we have indicated a different voting intention below) even though Resolutions 2 - 5 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 2 - 5 by marking the appropriate box in step 2 below.

STEP 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
Resolution 1	Approval for the issue of Securities to Core Capital	☐	☐	☐
Resolution 2	Issue of Director Options – Mr Yan Liu	☐	☐	☐
Resolution 3	Issue of Director Options – Mr David Chen	☐	☐	☐
Resolution 4	Issue of Director Options – Mr Zhiwei Gu	☐	☐	☐
Resolution 5	Issue of Director Options – Ms Juan Wang	☐	☐	☐

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1	Securityholder 2	Securityholder 3
Sole Director and Sole Company Secretary	Director	Director/Company Secretary

Contact Name ____________ Contact Daytime Telephone ____________ Date __ / __ /