



Range Resources Limited
(‘Range’ or ‘the Company’)

16 March 2015

ASX Code: RRS
AIM Code: RRL

Half-Yearly Report

Range today releases the half-yearly report for the 6 months ending 31 December 2014, with the following key points:

Corporate:

- New Board and additional management appointed;
- US\$60 million equity based financing secured from Core Capital. The transaction is on track to complete on or before 30 April 2015, subject to shareholder approval at the EGM on 27 March 2015;
- US\$50 million credit facility arranged for Trinidad waterflood and development programmes (subject to Range paying a security deposit of US\$7.5 million);
- Range will fully exploit and develop the potential of the Trinidad assets with the US\$110 million total financing package;
- In line with the Company’s strategic focus on Trinidad, the Company is looking to rationalise non-core assets of the Company;
- Range agreed to sell its drilling services company in Trinidad which will continue to provide full oilfield operations services to Range. Sale completion is anticipated before the end of March 2015;
- Sale & Purchase Agreement signed for the disposal of non-core Texas assets with completion anticipated before the end of March 2015; and
- Range announced the loan financing agreement of up to US\$15 million with Lind Asset Management, LLC (Lind). At present, a total of US\$5.5 million under the Lind facility has been drawn down. Subsequent to period end, Range received a statutory demand from Lind demanding repayment of approximately US\$7.2 million that Lind alleges is due and payable. Range submitted an application to the Supreme Court of Western Australia to set aside the statutory demand.

Operational:

- The average oil production in Trinidad has decreased by 11% to 545 bopd from 615 bopd in the same period last year. The decrease was mainly a result of lack of drilling activity and poor uptime of the rig fleet, resulting from historical underinvestment, which prevented the Company from running its drilling operations at full capacity;
- Seven development wells were spudded on the Company’s Morne Diablo and South Quarry licences. At the date of this announcement, five of those wells were put into production, and two wells to be tested;

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- Range continued to make significant progress on the waterflood programmes in Trinidad with LandOcean, with extended waterflooding studies successfully completed;
- Range entered into the second purchase order for the provision of technical services by LandOcean to implement waterflooding plans in Trinidad; and
- Range is finalising proposed exploration programme plans on the Guayaguayare licence, with the first shallow onshore well expected to spud in H1 2015.

Financial:

- Revenues decreased by 34% to US\$7.8 million (2013: US\$11.8 million), which was due to lower oil production in Trinidad and lower overall oil price. The average realised oil price for the period has decreased by 19% to US\$79.2 per barrel (2013: US\$97.4 per barrel);
- G&A costs decreased by 13% to US\$7.5 million (2013: US\$8.6 million), however the management considers these costs to be still too high and is focused on reducing them substantially;
- Range has recognised an impairment charge of US\$5 million against its Georgian assets. Range continues to explore options to exit these non-core assets and given the current low oil price environment and the challenging M&A conditions, the management believes that this represents fair value that might be received on any potential disposal;
- The net loss from operations on the assets being sold (Texas and Range Resources Drilling Services Limited) was US\$2.5 million; and
- Net loss for the period, therefore, was US\$19.9 million (2013: US\$19.1 million).

The management remains fully committed on turning the Company around, strengthening the balance sheet, and increasing production and look forward to providing more frequent operational updates to Shareholders. An update on Trinidad operations will be released to the market later this week.

RANGE

Range Resources Limited
ABN 88 002 522 009

Half-Year Results
For the period ended 31 December 2014

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CORPORATE DIRECTORY

Directors

David Yu Chen	<i>Non-Executive Chairman</i>
Yan Liu	<i>Executive Director and CEO</i>
Zhiwei (Kerry) Gu	<i>Non-Executive Director</i>
Juan (Kiki) Wang	<i>Non-Executive Director</i>

Company Secretary (Joint)

Rebecca Sandford
Sara Kelly

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Country of Incorporation

Australia

Auditors

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38 Station Street
Subiaco WA 6008
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Share Registry (Australia)

Computershare Investor Services Pty Ltd

Share Registry (United Kingdom)

Computershare Investor Services plc

Stock Exchange

Australian Stock Exchange Limited (ASX)

Alternative Investment Market of the London
Stock Exchange (AIM)

ASX Code: RRS

AIM Code: RRL

DIRECTORS' REPORT

Half-Yearly Report to 31 December 2014

The Directors of Range Resources Limited (Range or the Company) and the entities it controls (together, the Group) present the financial report for the half-year ended 31 December 2014.

DIRECTORS

The names of the Directors in office and at any time during or since the end of the half-year are:

Mr David Yu Chen	Non-Executive Chairman	<i>appointed as Non-Executive Director 30 November 2014; appointed as Non-Executive Chairman 11 December 2014;</i>
Mr Yan Liu	CEO & Executive Director	<i>appointed as CEO and Executive Director 11 December 2014;</i>
Ms Juan (Kiki) Wang	Non-Executive Director	<i>appointed 30 November 2014;</i>
Mr Zhiwei (Kerry) Gu	Non-Executive Director	<i>appointed 11 December 2014;</i>
Sir Samuel Jonah	Non-Executive Chairman	<i>resigned 28 November 2014;</i>
Mr Rory Scott Russell	CEO & Executive Director	<i>not re-elected as Executive Director 28 November 2014; ceased employment as CEO 5 December 2014;</i>
Mr Marcus Edwards-Jones	Non-Executive Director	<i>not re-elected 28 November 2014;</i>
Dr Christian Bukovics	Non-Executive Director	<i>not re-elected 28 November 2014;</i>
Mr Graham Lyon	Non-Executive Director	<i>not re-elected 28 November 2014;</i>
Mr Ian Macliver	Non-Executive Director	<i>resigned 14 August 2014;</i>
Mr David Riekie	Executive Director	<i>Non-Executive Director until 2 December 2014; appointed as Executive Director 2 December 2014, resigned 11 December 2014;</i>
Mr Ian Olson	Non-Executive Director	<i>appointed 18 August 2014; resigned 11 December 2014.</i>

At the date of this report, the Board comprises of Mr David Yu Chen, Mr Yan Liu, Mr Zhiwei (Kerry) Gu and Ms Juan (Kiki) Wang.

COMPANY SECRETARY

The following persons held the position of Company Secretary during or since the end of the half-year:

Ms Rebecca Sandford

Ms Amy Just appointed 21 July 2014, resigned 11 December 2014

Ms Sara Kelly resigned 21 July 2014, re-appointed 5 January 2015

Ms Rebecca Sandford and Ms Sara Kelly held the position of joint Company Secretary at the date of this report.

DIRECTORS' REPORT

Half-Yearly Report to 31 December 2014

PRINCIPAL ACTIVITIES

The principal activity of the Group during the period was oil and gas development and production in Trinidad. The Company's strategy is to create sustainable shareholder value by growing oil production and developing discovered resources from its assets in Trinidad, while rationalising non-core oil and gas projects in Georgia, Texas, Guatemala, Puntland and Colombia.

DIVIDENDS

No dividends have been declared, provided for or paid in respect of the financial half-year ended 31 December 2014.

FINANCIAL POSITION

The loss for the financial half-year ended 31 December 2014 after providing for income tax amounted to US\$19,944,375 (Half year ended 31 December 2013: US\$18,139,207). At 31 December 2014, the Group had net assets of US\$96,839,632 (30 June 2014: US\$109,295,263), cash assets of US\$1,383,895 (30 June 2014: US\$2,977,410), and amortised borrowings of US\$7,212,608 (30 June 2014: Nil).

AUDITOR'S INDEPENDENCE DECLARATION

The Lead auditor's independence declaration under section 307C of the Corporations Act 2001 is set out on page 7 for the half-year ended 31 December 2014. This report is made in accordance with a resolution of the Board of Directors.

REVIEW OF OPERATIONS

Production

The Company's oil and gas production for the period is as follows:

- Trinidad net to Range: 100,289 bbls (average 545 bopd)
- Texas net to Range: 56.4 MMcf and 1,877 bbls (average 63 boepd)
- **Total average production: 608 boepd***

Average oil production in Trinidad has decreased by 11% from 615 bopd to 545 bopd from the same period last year. The decrease was mainly a result of lack of drilling activity and poor uptime of the rig fleet, resulting from historical underinvestment, which prevented the Company from running its drilling operations at full capacity.

**The total average production for the period does not include production numbers for Guatemala. The Company is waiting to receive the final production numbers from the Operator.*

Trinidad

During the period, Range continued to make significant progress on the proposed waterflood programmes in Trinidad with its strategic partner LandOcean Energy Services Co Ltd (LandOcean). The Company has entered into the second purchase order for the provision of technical services by LandOcean to implement waterflooding plans in Trinidad, including reservoir geology, reservoir engineering, drilling engineering, production engineering, surface facilities engineering and economic evaluation.

Extended waterflooding programme

LandOcean completed an extended waterflooding study on the South Quarry, Beach Marcelle and Morne Diablo licences. The next key steps in the programme will be to finalise the preferred plan for waterflooding and commence surface studies, which will include well integrity surveys and sourcing injection water. The proposed Beach Marcelle waterflood project received a Certificate of Environmental Clearance from the Environmental Management Authority. The remaining regulatory approvals are currently pending review. The Company received all environmental and government approvals to proceed with the Morne Diablo waterflood expansion project.

DIRECTORS' REPORT

Half-Yearly Report to 31 December 2014

Development programme

During the period, seven development wells were spudded on the Company's Morne Diablo and South Quarry licences. At the date of this announcement, five of those wells were put into production, and two wells yet to be tested.

Exploration programme

The Company and Niko Resources Ltd (TSX: NKO) are finalising proposed exploration programme plans on the Guayaguayare licence, with the first shallow onshore well expected to spud in the first half of 2015, subject to final approval by the Ministry of Energy and Energy Affairs (Ministry).

Subsequent to the period end, the Company signed the St Mary's Joint Operating Agreement with the Ministry and Petrotrin. In order to ensure that Range fulfils its minimum work programme obligations under the E&P licence, the Company is required to provide the Ministry with a performance bond. Range is seeking financing options to satisfy the requirements for the bond and working with the Ministry on finalising the required documentation.

Sale of Range Resources Drilling Services Limited

Following a strategic review, management decided to realign its corporate strategy in order to solely focus its time and resources on rapidly growing its E&P business in Trinidad through increasing production and the potential acquisitions of additional assets. As a result of the review, Range announced the signing of a Sale & Purchase Agreement for the disposal of Range Resources Drilling Services Limited (RRDSL) to LandOcean Petroleum Corp. Ltd (LandOcean Petroleum). The total cash consideration after taking into account amounts due between Range and RRDSL is US\$4,870,000.

At the date of this announcement, the sale of RRDSL is progressing well with final completion anticipated before the end of March 2015. To date, Range has received US\$2.3 million of the sale proceeds with the remainder to be received at final completion.

RRDSL will continue to provide full drilling services to Range in Trinidad, to accelerate Range's planned development and exploration drilling programmes, with services to be priced in line with market rates in Trinidad, to be reviewed by Range's management periodically.

Puntland

Subsequent to the period end, the Joint Venture (JV) made a decision to close down its office in Somalia, in order to reduce the JV's cost exposure until there is clarity and contractual certainty around the Production Sharing Agreements (PSAs) and the legal regime that currently exists in Puntland. The JV proposed that the Puntland government offers a two year extension on both existing PSAs, free of any consideration, so that an adequate resolution can be achieved with regards to progressing the exploration programme.

Colombia

During the period, the Operator, Optima Oil Corp, completed and submitted the environmental impact study for the drilling programme in the PUT-5 block in the Putumayo Basin. Work continues on the VMM-7 and VSM-1 blocks, in the Upper Magdalena and the Middle Magdalena Basins respectively, with the Operator preparing the required environmental studies prior to the commencement of the seismic acquisition. The initial exploration term expires in December 2015, during which time 2D seismic and one exploration well will be required to be drilled on each block.

Georgia

The Georgian assets are non-core and are held for sale. Range is evaluating potential disposal options and whilst this process continues, the Company is seeking to restrict any further investments into Georgia. An update on progress will be provided in due course.

DIRECTORS' REPORT

Half-Yearly Report to 31 December 2014

Texas

During the period, Range announced the signing of a Sale & Purchase Agreement for the disposal of its Texas assets to Citation Resources Limited (Citation). Citation is an ASX-listed oil and gas company, which together with Range holds interests in oil production and exploration assets in Guatemala. The total value of the consideration for the transaction is approximately AU\$1.7 million (approximately US\$1.3 million), comprised of a AU\$500,000 cash payment to Range, a carry on the Guatemalan assets to the value of AU\$830,000, a forgiveness on monies owed by Range to Citation to the value of AU\$189,000 and 200 million new ordinary shares in Citation.

At the date of this report, the only remaining condition to completion is payment to the Operator of the assets of the amounts due for the upcoming well. Range is advised by Citation that it will be in a position to complete before the end of March 2015.

Guatemala

During the period, Range was advised that the Operator, Latin American Resources, will recommence the testing operations on the previously drilled Atzam 5 well at the Atzam Oil Project in Guatemala, as soon as Citation completes its financing arrangements. Following the Texas sale transaction, Range holds a 13% equity interest in Citation, which in turn provides a 28% direct and indirect interest in the Guatemalan project. Range has the right to appoint one Director to the Board of Citation, provided that Range holds a minimum of 100 million Citation shares.

CORPORATE

Directorate and management changes

During the Annual General Meeting of the Company held on 28 November 2014, a number of Directors were not re-elected to the Company's Board by the Shareholders, namely Mr Rory Scott Russell, Mr Graham Lyon, Dr Christian Bukovics and Mr Marcus Edwards-Jones. Subsequently, Mr David Riekie and Mr Ian Olson also resigned from the Board of the Company. Sir Sam Jonah, Non-Executive Chairman, resigned from the Board of the Company effective from the conclusion of the Company's Annual General Meeting. Following these changes, four new Director appointments have been made to the Company's Board, which now comprises of Mr David Yu Chen, Mr Yan Liu, Mr Zhiwei (Kerry) Gu and Ms Juan (Kiki) Wang.

US\$60 million financing

During the period, Range announced the execution of formal agreements for a US\$60 million funding package with Core Capital Management Co., Ltd (Core Capital), a China-based institutional investor. The US\$60 million funding package comprises of US\$40 million of equity and US\$20 million of unlisted unsecured convertible notes with a 12% per annum coupon. An extraordinary general meeting of shareholders will take place on 27 March 2015 to approve the issue of shares to Core Capital and the notice of meeting containing full details on the proposed transactions was despatched to shareholders on 24 February 2015.

At the date of this report, the proposed financing remains on track with the due diligence process successfully completed, and the Company expects the transaction to complete in line with the previously announced timing, on or before 30 April 2015.

US\$50 million trade financing package

During the period, Range announced that LandOcean shall arrange and make available a financing facility with China-based Sinosure for the Company to pay for the full US\$50 million of LandOcean's technical services. The financing is subject to interest at 10% per annum and repayments will be due 720 days after each drawdown on the financing. The Company will pay a security deposit of US\$7.5 million to LandOcean once the Core Capital financing is completed. The security deposit shall be refunded to the Company upon expiry or termination of the second purchase order and the Company's satisfaction of its obligations to pay all accrued interest on the financing facility at such time.

DIRECTORS' REPORT

Half-Yearly Report to 31 December 2014

Lind financing

During the period, Range announced the loan financing agreement of up to US\$15 million with Lind Asset Management, LLC (Lind). On 18 February 2015, Range received a statutory demand from Lind demanding repayment of approximately US\$7.2 million that Lind alleges is due and payable. On 9 March 2015, Range submitted an application to the Supreme Court of Western Australia to set aside the statutory demand.

International Petroleum loan settlement

During the period, and in line with the loan settlement agreement, International Petroleum Ltd (IOP; NSX: IOP) made a cash payment of US\$500,000 to Range and all other outstanding monies have been converted into 147,803,270 ordinary shares of IOP. Following conversion, Range holds approximately 9% of the enlarged share capital of IOP. In addition, IOP issued 5 million unlisted options to Range exercisable at AU\$0.06 per option on or before 2 October 2016. IOP shares remain suspended from trading on NSX.

SIGNIFICANT EVENTS SUBSEQUENT TO REPORTING DATE

Other than disclosed above, there are no significant events subsequent to the reporting date.

OUTLOOK

Range intends to continue with the onshore development campaign in Trinidad and plans to drill multiple development and exploration wells and implement waterflood programmes. The Company 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, the Company has the capabilities to achieve the incremental production plans, improve productivity efficiency and increase market value in the interests of all Shareholders.

In line with the Company's strategic focus on Trinidad, the Company is looking to rationalise non-core assets of the Company.

AUDITORS INDEPENDENCE DECLARATION

The lead auditor's independence declaration under section 307C of the Corporations Act 2001 for the half-year ended 31 December 2014 can be found on the following page.

This report is made in accordance with a resolution of the Board of Directors.



Yan Liu
Executive Director

Dated this 13th day of March 2015

DECLARATION OF INDEPENDENCE BY BRAD MCVEIGH TO THE DIRECTORS OF RANGE RESOURCES LIMITED

As lead auditor for the review of Range Resources Limited for the half-year ended 31 December 2014, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Range Resources Limited and the entities it controlled during the period.



Brad McVeigh

Director

BDO Audit (WA) Pty Ltd

Perth, 13 March 2015

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014**

	Notes	Consolidated	
		31 December 2014 US\$	31 December 2013* US\$
Revenue from continuing operations	2	7,840,168	11,761,811
Operating expenses		(1,809,002)	(1,344,006)
Royalties		(2,883,740)	(4,008,204)
Depreciation, depletion and amortisation		(2,097,117)	(3,575,554)
Cost of sales	3a	(6,789,859)	(8,927,764)
Gross profit		1,050,309	2,834,047
Other income	2	351,358	1,195,708
General and administrative costs	3c	(7,519,111)	(8,591,680)
Exploration costs		(198,183)	-
Finance costs	3b	(3,824,300)	(10,158,032)
Share of net (loss)/profit of investments in associates		(600,118)	102,291
Loss before income tax expense from continuing operations		(10,740,045)	(14,617,666)
Income tax expense		(578,666)	(499,397)
Loss after tax from continuing operations		(11,318,711)	(15,117,063)
Loss from discontinued operations, net of tax	4	(8,625,664)	(3,022,144)
Net loss for the half-year attributable to equity holders of Range Resources Limited		(19,944,375)	(18,139,207)
Other comprehensive income			
Items that may be reclassified to profit or loss			
Changes in the value of available-for-sale investments		-	(917,540)
Exchange differences on translation of foreign operatives		(10,815)	(7,940)
Other comprehensive loss for the half-year, net of tax		(10,815)	(925,480)
Total comprehensive loss attributable to equity holders of Range Resources Limited		(19,955,190)	(19,064,685)
Loss per share for the half year from continuing operations attributable to the equity holders of the company			
Basic loss per share (cents per share)		(0.23)	(0.66)
Diluted loss per share (cents per share)		N/A	N/A
Loss per share for the half year attributable to the equity holders of the company			
Basic loss per share (cents per share)		(0.40)	(0.80)
Diluted loss per share (cents per share)		N/A	N/A

*Restated: Refer to Note 4 for details

The Company's potential ordinary shares were not considered dilutive as the Company is in a loss position.
The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2014**

		Consolidated	
		31 December 2014	30 June 2014
		US\$	US\$
	Notes		
Current assets			
Cash and cash equivalents		1,383,895	2,977,410
Trade and other receivables		4,536,853	5,338,769
Other current assets	6	394,322	728,544
		<u>6,315,070</u>	<u>9,044,723</u>
Non-current asset held for sale	8	10,870,000	11,000,000
		<u>17,185,070</u>	<u>20,044,723</u>
Total current assets			
Non-current assets			
Goodwill	7	46,198,974	46,198,974
Available for sale financial assets	9	1,134,188	876,347
Property, plant & equipment	11	1,673,961	11,254,269
Exploration & evaluation expenditure	12	622,189	523,605
Producing assets	13	87,697,553	82,517,820
Deferred tax asset		271,110	462,325
Investments in associates	14	2,179,358	2,779,476
Other non-current assets		-	1,500,000
		<u>139,777,333</u>	<u>146,112,816</u>
Total non-current Assets			
Total assets		<u>156,962,403</u>	<u>166,157,539</u>
Current liabilities			
Trade and other payables	15	8,398,977	8,705,005
Current tax liabilities		71,456	310,335
Borrowings	16	7,212,608	-
Option liability		425,621	2,189,813
Provisions		859,063	696,244
		<u>16,967,725</u>	<u>11,901,497</u>
Total current liabilities			
Non-current liabilities			
Deferred tax liabilities		42,662,123	44,376,033
Employee service benefit		492,923	584,746
		<u>43,155,046</u>	<u>44,960,779</u>
Total non-current liabilities			
Total liabilities		<u>60,122,771</u>	<u>56,862,276</u>
Net assets		<u>96,839,632</u>	<u>109,295,263</u>
Equity			
Issued capital	17	356,600,702	352,599,569
Reserves		31,349,617	27,862,006
Accumulated losses		(291,110,687)	(271,166,312)
		<u>96,839,632</u>	<u>109,295,263</u>
Total equity			

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED
31 DECEMBER 2014**

	Contributed Equity	Accumulated Losses	Foreign Currency Translation Reserve	Available for Sale Investments Reserve	Share Based Payment Reserve	Option Premium Reserve	Total Equity
	US\$	US\$	US\$	US\$	US\$	US\$	US\$
Balance at 1 July 2013	314,199,634	(168,624,322)	3,415,742	(325,263)	14,085,042	9,815,752	172,566,585
Net movement in available for sale investments reserve	-	-	-	(917,540)	-	-	(917,540)
Exchange difference on translation of foreign operations	-	-	(7,940)	-	-	-	(7,940)
Loss for the half-year	-	(18,139,205)	-	-	-	-	(18,139,205)
Total comprehensive income/ (loss) for the half-year	-	(18,139,205)	(7,940)	(917,540)	-	-	(19,064,685)
Transactions with equity holders in their capacity as equity holders:							
Shares issued during the half-year	15,749,019	-	-	-	-	9,987	15,759,006
Transaction costs	-	-	-	-	-	-	-
Value of share based payments issued	-	-	-	-	-	-	-
Balance at 31 December 2013	329,948,653	(186,763,527)	3,407,802	(1,242,803)	14,085,042	9,825,739	169,260,906
	Ordinary Shares	Accumulated Losses	Foreign Currency Translation Reserve	Available for Sale Investments Reserve	Share Based Payment Reserve	Option Premium Reserve	Total
	US\$	US\$	US\$	US\$	US\$	US\$	US\$
Balance at 1 July 2014	352,599,569	(271,166,312)	3,004,632	-	14,226,861	10,630,513	109,295,263
Exchange difference on translation of foreign operations	-	-	(10,815)	-	-	-	(10,815)
Loss for the half-year	-	(19,944,375)	-	-	-	-	(19,944,375)
Total comprehensive loss for the half-year	-	(19,944,375)	(10,815)	-	-	-	(19,955,190)
Transactions with equity holders in their capacity as equity holders:							
Shares issued during the half-year	4,001,133	-	-	-	-	-	4,001,133
Value of share based payments issued	-	-	-	-	2,081,185	1,417,241	3,498,426
Balance at 31 December 2014	356,600,702	(291,110,687)	2,993,817	-	16,308,046	12,047,754	96,839,632

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

**CONSOLIDATED STATEMENT OF CASHFLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014**

	Notes	Consolidated	
		31 December 2014 US\$	31 December 2013 US\$
Cash flows from operating activities			
Receipts from customers		8,694,206	11,971,371
Payments to suppliers and employees		(7,674,155)	(17,237,342)
Income taxes (paid)/refunded		(508,903)	1,139,235
Interest, deposits and royalties received		3,308	2,692,077
Interest paid/finance cost		(12,927)	(2,513,366)
Net cash from/ (used in) operating activities		501,529	(3,948,025)
Cash flows from investing activities			
Payments for property, plant and equipment		(1,450,811)	(360,799)
Payments for producing assets		(7,171,825)	(678,403)
Payments for exploration and evaluation expenditure		(296,767)	(205,498)
Proceeds from available for sale assets		236,082	-
Payments from/(provided to) other entities		500,000	(949,068)
Loans to associate		-	(930,373)
Disposal of cash on transfer of subsidiary to held for sale	8	(27,534)	-
Net cash used in investing activities		(8,210,855)	(3,124,141)
Cash flows from financing activities			
Proceeds from issues of equity		923,879	4,180,719
Proceeds from borrowings		5,250,000	13,663,281
Repayment of borrowings		-	(8,142,860)
Net cash from financing activities		6,173,879	9,701,140
Net (decrease)/increase in cash and cash equivalents held		(1,535,447)	2,628,974
Cash and cash equivalents at beginning of period		2,977,410	1,732,231
Exchange rate adjustment		(58,068)	-
Cash and cash equivalents at end of period		1,383,895	4,361,205

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED
31 DECEMBER 2014**

Note 1: Basis of Preparation

The half-year consolidated financial statements are a general purpose financial report prepared in accordance with the requirements of the Corporations Act 2001 and Accounting Standard AASB 134: Interim Financial Reporting.

The half-year financial statements do not include all the notes of the type normally included in an annual financial report. Accordingly, it is recommended that these financial statements be read in conjunction with the annual financial report for the year ended 30 June 2014 and any public announcements made by Range and its controlled entities during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001.

Impact of standards issued but not yet applied by the entity

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period. There were no new standards issued since 30 June 2014 that have been applied by Range. The 30 June 2014 annual report disclosed that Range anticipated no material impacts (amounts recognised and/or disclosed) arising from initial application of those standards issued but not yet applied at that date, and this remains the assessment as at 31 December 2014.

Reporting Basis and Conventions

The half-year financial statements have been prepared on an accruals basis and are based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

New and amended standards adopted by the group

None of the new standards and amendments to standards that are mandatory for the first time for the financial year beginning 1 July 2014 affected any of the amounts recognised in the current period or any prior period and is not likely to affect future periods.

Going Concern

The Directors have prepared the financial statements on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

As disclosed in the financial statements, the Group incurred losses after tax of US\$19,944,375 for the half-year ending 31 December 2014. The Group also had net cash outflows from operating and investing activities for the half-year totalling US\$7,709,326. The Group has significant trade creditors with a number past their due date and the group has a net current liability position (excluding assets held for sale) of US\$10,652,655. As disclosed in note 16, the Group also received a statutory demand for payment from Lind.

The ability of the Group to continue as a going concern is dependent upon the ability of the Group to operate its oil & gas properties profitably, raise additional funding for future activities and resolution of the Lind debt matter. The Directors consider that there are reasonable grounds to believe that the Group will be able to raise additional funding as necessary to advance Trinidad operations and meet working capital requirements.

The Company will seek to rationalise the portfolio of non-core assets and redeploy capital to maximise current production from its core assets in Trinidad and pursue growth opportunities that enhance cash generation and returns to shareholders.

As announced on 11 December 2014, the Group has secured new equity based financing of US\$60 million with Core Capital. In addition, a US\$50 million trade finance facility has been secured which will become available once the Core Capital investment is completed. Core Capital have confirmed to Range that they have successfully finalised their due diligence for their investment and an Extraordinary General Meeting of the Company has been scheduled for 27 March 2015 to allow the shareholders to review and agree the terms of the equity issuance to Core Capital. The investment is scheduled to complete within 5 business days of satisfying the final conditions precedent, and the principal remaining condition is shareholder approval. The Directors strongly believe that the Core Capital investment is in the best interests of shareholders and have unanimously recommended it to shareholders for approvals.

Successful completion of this transaction will provide Range with the necessary financing to progress the Trinidad operations and meet other commitments and requirements

The financial report does not include any adjustments relating to the amounts or classification of recorded assets or liabilities that might be necessary if the Group does not continue as a going concern.

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Note 2: Revenue

	Consolidated	
	31 December 2014	31 December 2013
	US\$	US\$
From continuing operations		
– revenue from sale of hydrocarbons	7,840,168	11,761,811
Other income		
– interest	3,308	1,195,708
– rental income	46,367	-
– FX gains	301,683	-
Total other income	351,358	1,195,708

Note 3: Expenses

	Consolidated	
	31 December 2014	31 December 2013
	US\$	US\$
Loss before income tax includes the following specific expenses:		
(a) Cost of sales		
– Cost of production	638,372	688,984
– Royalties	2,883,740	4,008,204
– Staff costs	1,170,630	655,002
– Oil and gas properties depreciation, depletion and amortisation	368,439	731,910
– Amortisation in relation to fair value uplift of oil properties on business combination	1,728,678	2,843,664
	6,789,859	8,927,764
(b) Expenses		
Finance costs		
interest and premium paid on financial liabilities at fair value		
– Interest expense	38,004	-
– Interest and premium paid on financial liabilities at fair value	2,672,937	4,702,378
– Facility fees settled in shares	1,633,316	1,835,412
– Loss on equity swap	-	2,269,887
– Fair value movement of option liability	(519,957)	1,350,355
– Total Finance Costs	3,824,300	10,158,032

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Note 3: Expenses (cont'd)

(c)	Technical, consultancy, General and administration expenses	Consolidated	
		31 December 2014 US\$	31 December 2013 US\$
	Consulting fees	995,256	1,581,647
	Equity based payments	2,081,185	2,088,783
	Foreign exchange loss	12,206	1,711,174
	Directors and officers fees and benefits	644,918	403,737
	Travel expenses	441,845	436,157
	Legal fees	139,788	84,229
	Corporate management services	303,327	891,996
	Insurance	234,968	255,823
	Marketing and PR	153,131	159,454
	Share registry expense and AIM listing	198,906	411,600
	Audit and taxation fees	117,955	70,544
	Depreciation	1,192	28,697
	Loss on disposal of available for sale asset	343,390	-
	Impairment of available for sale asset (note 9)	162,687	-
	Share based payments: Employee shares	580,455	-
	Other expenses	1,107,902	467,839
		7,519,111	8,591,680

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Note 4: Discontinued operations

In 2013, the Company indicated that it was in the process of disposing of the Company's North Chapman Ranch and East Texas Cotton Valley assets hence the transfer from producing assets to assets classified as held-for-sale in that accounting period. As announced on 23 December 2014 a sale of Range's 100% equity interest in Range Australia (US) (holder of Texas assets) was agreed with Citation Resources Limited.

During 2014, the Company committed to a plan to dispose its shares in the unlisted UK Company Strait Oil & Gas (UK) Limited (Strait), representing 40% of the shares on issue of Strait to place greater focus on the Group's core producing assets in Trinidad.

On 30 December 2014 Range announced the signing of a Sale & Purchase Agreement (SPA) for the disposal of 100% of RRDSL to LandOcean Petroleum. The value of this sale will be for US\$4,870,000.

a) Result of discontinued operations	Consolidated	
	31 December 2014 US\$	31 December 2013 US\$
Revenue	238,194	283,311
Cost of sales	(1,740,210)	(1,244,096)
Other expenses	(981,628)	(2,000,290)
Impairment of Strait Oil and Gas (Note 8)	(5,000,000)	-
Impairment of Range Resources Drilling Services Limited*	(1,127,358)	-
Result from operating activity	(8,611,002)	(2,961,055)
Income tax expense	(14,662)	(61,089)
Results from operating activities after tax	(8,625,664)	(3,022,144)

*An impairment has been raised in respect of the disposal of RRDSL for US\$1,127,358 during the period. The sale value of RRDSL of US\$4,870,000 was equal to the company net assets at the date of sale. However, the consolidated net assets of RRDSL at 31 December 2014 were US\$5,997,358 due to historic fair value adjustments raised at Group level. It has therefore been necessary to raise an impairment to ensure the assets are carried at fair value at 31 December 2014.

The loss from the discontinued operations of US\$8,625,664 (2013: US\$3,022,144) is attributable entirely to the owners of the Company.

b) Cash flow used in discontinued operations

Net cash used in operating activities	(1,823,213)	(3,891,428)
Net cash flow for the year	(1,823,213)	(3,891,428)

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Note 5. Contingent Liabilities and Contingent Assets

Avanti Advisors (Consultant)

Range has received notification from Avanti Advisors Ltd (Avanti) of a potential claim for payment under the terms of a commission agreement purportedly entered into dated 24 October 2014 between Range and Avanti ("the Commission Agreement"). This potential claim relates to a commission payment of up to 6% of the amount of the Core Capital investment (approximately US\$3.6 million) which would be due (if payable) after the investment was completed. Range is currently reviewing in conjunction with its legal advisers the validity of this Commission Agreement and should any formal claim for payment ultimately be received this will be similarly reviewed. Given no formal claim has yet been received, Range is unable to quantify any financial impact of a successful claim against the Company however, it is not anticipated that it will have a material impact on Range.

Mark Patterson (Consultant)

Range has received a demand for payment of approximately US\$2.7 million from Mark Patterson who was engaged by Range pursuant to a Consulting Agreement over a period from 2010 - 2014. Mr. Patterson is claiming he terminated his contract, dated 29 August 2013, with good reason, as defined in the contract, due to a reduction in duties, and in that circumstance he claims to be entitled to full payment for the remainder of the term of the contract plus various other payments. Range has engaged legal advisers to assist with this claim and will strongly defend our position. The parties will attend mediation in an attempt to resolve the matter, and if resolution is not possible, the claim will be heard through an arbitration process in Texas. It is currently expected that the arbitration hearing will occur in the second half of 2015. Given the process is still at an early stage, Range is unable to quantify any likely financial impact of a successful claim against the Company however, it will not have a material impact.

Crown Capital Partners (Financial Advisor)

Range is involved as a defendant in a court action in Alberta, Canada related to an alleged breach in early 2013 of an exclusivity undertaking in a commitment letter from a potential financier dated 6 November 2012. The claim is for approximately C\$500,000. Range strongly refutes the allegations and intends to vigorously defend our position. A Statement of Defence has been filed and Range is currently in the discovery phase of litigation. There is no date as yet for a court hearing and the Company is not in a position therefore to determine the likely financial impact of any successful claim. Range however, believes that any outcome against the Company will not have a material impact.

Lanndon LLC & Benedict Silverman

Los Bajos Oil Limited is a defendant in a court action in federal court in the state of Connecticut, USA which dates back to the period prior to Los Bajos being acquired by Range in 2011. The claim relates to an alleged breach of contract with respect to payments due by Los Bajos to Lanndon LLC under a settlement agreement dated May 2011. Range has an indemnity from the sellers of Los Bajos so even in the event of a successful claim against the Company, Range does not anticipate any cost to the Company.

Note 6: Other Current Assets

	Consolidated	
	31 December 2014	30 June 2014
	US\$	US\$
Current		
Prepayments	93,341	728,544
Collateral shares	300,981	-
Total	394,322	728,544

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Note 7: Goodwill

Goodwill on acquisition of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. The Group reported goodwill of US\$46,198,974, which was derived from the acquisition of SOCA Petroleum Limited through the parent's subsidiary Range Resources (Barbados) Ltd.

	Consolidated	
	31 December 2014	30 June 2014
	US\$	US\$
Cost	46,198,974	46,198,974
Accumulated amortisation and impairment	-	-
Net book amount	<u>46,198,974</u>	<u>46,198,974</u>

Note 8: Non-current assets held-for-sale

	Consolidated	
	31 December 2014	30 June 2014
	US\$	US\$
Strait Oil & Gas (UK) Limited	5,000,000	10,000,000
Range Australia Resources (US) Ltd	1,000,000	1,000,000
Range Resources Drilling Services Limited	4,780,000	-
	<u>10,870,000</u>	<u>11,000,000</u>

	Consolidated	
	31 December 2014	30 June 2014
	US\$	US\$
Opening net book amount	11,000,000	8,769,792
Transfer from investment in associate (note 15)	-	39,281,987
Transfer from PPE	-	193,057
Transfer of RRDSL as held for sale (ii)	4,870,000	-
Impairment (i)	(5,000,000)	(37,244,836)
Closing net book amount	<u>10,870,000</u>	<u>11,000,000</u>

- (i) A US\$5,000,000 impairment has been recognised in relation to Range's investment in Strait Oil and Gas (UK) Limited (Strait). This impairment is based upon Range's assessment of the fair market value of the asset having taken into consideration the best available market evidence being the expected sales proceeds. Range is in discussions with parties regarding a potential sale. Given the low oil price and challenging M&A environment for exploration assets, Range has impaired the value to \$5m being our best estimate of upfront proceeds to be received from any disposal.
- (ii) On 30 December 2014, the Company announced the signing of a sale and purchase agreement for the disposal of 100% of Range Resources Drilling Services Ltd ("RRDSL"). The final agreed consideration for the disposal is US\$4,870,000. The carrying value of RRDSL services at 31 December 2014 was US\$5,997,358 which was transferred to non-current assets held for sale at 31 December 2014. As the consideration was less than the carrying value, an impairment of \$1,127,358 has been recognised in the accounts. A breakdown of RRDSL assets and liabilities is as follows:

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Note 8: Non-current assets held-for-sale (cont'd)

Assets held as held for sale (at carrying value):	US\$
Cash	27,534
Trade and other receivables	796,904
PPE	9,984,731
Total assets	<u>10,809,169</u>
Liabilities directly associated with assets classified as held for sale:	
Trade and other payables	(2,697,900)
Deferred tax loss	(2,113,911)
Total liabilities	<u>(4,811,811)</u>
Net carrying value of entity classified as held for sale	<u>5,997,358</u>
Impairment	(1,127,358)
Recoverable value of net assets classified as held-for-sale	<u>4,870,000</u>

Note 9: Financial Assets Available-For-Sale

	Consolidated	
	31 December 2014 US\$	30 June 2014 US\$
Listed investments, at fair value		
- Interest in other corporations	1,134,188	876,347
Total available-for-sale financial assets	<u>1,134,188</u>	<u>876,347</u>
Movement in Financial Assets Available-for-Sale		
Opening balance	876,347	822,751
Shares received on settlement of loan receivable	-	3,762,367
Acquisitions	-	1,207,598
Transferred from other non-current assets*	1,000,000	-
Share disposed of to settle liabilities	-	(3,720,555)
Share disposed of for cash	(579,472)	-
Foreign exchange variance	-	59,021
Impairment recognised through profit or loss	(162,687)	(724,952)
Fair value movement recognised in equity	-	(529,883)
Closing balance	<u>1,134,188</u>	<u>876,347</u>

*On 2 October 2014, Range received confirmation of its shareholding in International Petroleum Limited ("IOP"). This balance was held as an other non-current asset at 30 June 2014 as the shares had yet to be received. The US\$1,000,000 balance was therefore transferred from other non-current assets to available for sale financial assets in the period.

Available-for-sale financial assets comprise investments in the ordinary share capital of Citation, IOP and Energia Iberica Ltd. There are no fixed returns or fixed maturity date attached to these investments.

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Note 10. Segment Information

The Group has determined that their operating segments reflect the areas in which they are active. The reporting segments are shown below

	Continuing Operations							Consolidated
	Somalia	Trinidad	Colombia	Guatemala	Unallocated corporate	Total	Discontinued operations	
	US\$	US\$	US\$	US\$	US\$	US\$	US\$	
31 December 2014								
Segment Revenue								
Revenue from continuing operations	-	7,840,168	-	-	-	7,840,168	-	7,840,168
Revenue from discontinued operations	-		-	-	-	-	238,194	238,194
Other income	-		-	-	351,358	351,358	-	351,358
Total revenue	-	7,840,168	-	-	351,358	8,191,526	238,194	8,429,720
Segment Result								
Segment expenses	(198,183)	(8,308,484)	(30,203)	(600,118)	(9,794,532)	(18,931,571)	(8,849,196)	(27,780,767)
Profit/(loss) before income tax	(193,183)	(468,316)	(30,203)	(600,118)	(9,448,225)	(10,740,045)	(8,611,002)	(19,351,047)
Income tax	-	(578,666)	-	-	-	(578,666)	(14,662)	(593,328)
Profit/(loss) after income tax	(193,183)	(1,046,982)	(30,203)	(600,118)	(9,448,225)	(11,318,711)	(8,625,664)	(19,944,375)
Segment Assets								
Segment assets	-	140,945,360	-	2,179,358	2,967,685	146,092,403	10,870,000	156,962,403
Total assets	-	140,945,360	-	2,179,359	2,697,685	146,092,403	10,870,000	156,962,403
Segment Liabilities								
Segment liabilities	-	46,865,205	-	-	13,257,567	60,122,771	-	60,122,771
Total liabilities	-	46,865,205	-	-	13,257,567	60,122,771	-	60,122,771

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Note 10. Segment Information (continued)

	Continuing Operations							
	Somalia	Trinidad	Colombia	Guatemala	Unallocated corporate	Total	Discontinued operations	Consolidated
	US\$	US\$	US\$	US\$	US\$	US\$	US\$	US\$
31 December 2013								
Segment Revenue								
Revenue from continuing operations	-	11,761,811	-	-	-	11,761,811	-	11,761,811
Revenue from discontinued operations	-	-	-	-	-	-	283,331	283,331
Other income	-		-	-	1,195,708	1,195,708	-	1,195,708
Total revenue	-	11,761,811	-	-	1,195,708	12,957,519	283,331	13,240,850
Segment Result								
Segment expenses	-	(9,797,337)	-	-	(17,689,507)	(27,486,844)	(3,244,386)	(30,731,230)
Profit/(loss) before income tax	-	1,964,474	-	-	(16,493,799)	(14,529,325)	(2,961,055)	(17,578,719)
Income tax	-	(587,739)	-	-	-	(587,739)	(61,088)	(560,486)
Profit/(loss) after income tax	-	(1,376,736)	-	-	(16,493,799)	(15,117,063)	(3,022,143)	(18,139,205)
30 June 2014								
Segment Assets								
Segment assets	-	147,238,949	-	2,779,476	5,058,337	155,076,762	11,080,777	166,157,539
Total assets	-	147,238,949	-	2,779,476	5,058,337	155,076,762	11,080,777	166,157,539
Segment Liabilities								
Segment liabilities	-	51,383,185	125,000	-	5,273,313	56,781,499	80,777	56,862,276
Total liabilities	-	51,383,185	125,000	-	5,273,313	56,781,499	80,777	56,862,276

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Note 10. Segment Information (continued)

Segment revenues and expenses are those directly attributable to the segments and include any joint revenue and expenses where a reasonable basis of allocation exists. Segment assets include all assets used by a segment and consist principally of cash, receivables, plant and equipment and exploration and development expenditure. While most such assets can be directly attributed to individual segments, the carrying amount of certain assets used jointly by two or more segments is allocated to the segments on a reasonable basis. Segment liabilities consist principally of payables, employee benefits, accrued expenses, provisions and borrowings. Segment assets and liabilities do not include deferred income taxes.

Intersegment Transfers

Segment revenues, expenses and results include transfers between segments. The prices charged on intersegment transactions are the same as those charged for similar goods to parties outside of the economic entity at an arm's length. These transfers are eliminated on consolidation.

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Note 11: Property, Plant and Equipment

Consolidated	Production equipment and access roads	Gathering station and field office	Leasehold improvement	Motor vehicle, furniture, fixtures & fittings	Total
	US\$	US\$	US\$	US\$	US\$
Year ended 30 June 2014					
Opening net book amount	10,897,690	159,025	433,409	810,294	12,300,418
Foreign currency movement	4,372	-	546	2,603	7,521
Additions	746,400	-	-	111,534	857,934
Disposals	-	-	-	(2,708)	(2,708)
Depreciation charge	(1,543,103)	(19,756)	(49,139)	(296,898)	(1,908,896)
Closing net book amount	10,105,359	139,269	384,816	624,825	11,254,269
At 30 June 2014					
Cost or fair value	20,969,042	424,876	1,061,478	2,032,909	24,488,305
Accumulated depreciation	(10,863,683)	(285,607)	(676,662)	(1,408,084)	(13,234,036)
Net book amount	10,105,359	139,269	384,816	624,825	11,254,269
Period ended 31 December 2014					
Opening net book amount	10,105,359	139,269	384,816	624,825	11,254,269
Foreign currency movement	2,188	-	-	1,400	3,588
Additions	644,805	288,597	23,543	114,925	1,071,870
Disposals	-	-	-	(5,384)	(5,384)
Depreciation charge	(265,760)	(228,611)	(21,808)	(149,472)	(665,651)
Transferred to assets held for sale	(9,790,243)	-	-	(194,488)	(9,984,731)
Closing net book amount	696,349	199,255	386,551	391,806	1,673,961
At 31 December 2014					
Cost or fair value	4,450,481	713,473	1,085,021	1,232,844	7,481,819
Accumulated depreciation	(3,754,132)	(514,218)	(698,470)	(841,037)	(5,807,858)
Net book amount	696,349	199,255	386,551	391,806	1,673,961

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	Consolidated	
	31 December 2014	30 June 2014
	US\$	US\$
Note 12. Exploration & Evaluation Expenditure		
Opening net book amount	523,605	9,453,636
Additions - exploration	98,584	683,887
Assets written off	-	(9,613,918)
Closing net book amount	622,189	523,605

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

The recoverability of the carrying amount of exploration assets is dependent on the successful development and commercial exploitation or sale of the respective mining permits. Amortisation of the costs carried forward to the development phase is not being charged pending the commencement of production when the assets are reclassified as development assets.

At 31 December 2014, the US\$622,189 (2013: US\$523,605) capitalised exploration and evaluation expenditure relates to the interests of the group in the Guayaguayare and St Mary's exploration blocks in Trinidad.

	Consolidated	
	31 December 2014	30 June 2014
	US\$	US\$
Note 13. Producing Assets		
Cost or fair value	117,920,432	110,748,605
Accumulated amortisation	(30,222,879)	(28,230,785)
Net book value	87,697,553	82,517,820
Opening balance	82,517,820	85,422,826
Foreign currency movement	6,128	11,633
Additions	7,171,825	3,146,149
Amortisation charge	(1,998,220)	(6,062,788)
Closing net book amount	87,697,553	82,517,820

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Consolidated

		31 December 2014 US\$	30 June 2014 US\$
Note 14.	Investments in Associates		
	Opening balance	2,779,476	37,295,453
	Transfer from other non-current assets	-	2,897,785
	Transfer investment in unlisted UK company Strait Oil and Gas (UK) Limited to held for sale	-	(39,281,987)
	Consideration for equity interest	-	1,293,214
	Further investments	-	2,644,549
	Loss on impairment*	(484,504)	(1,410,138)
	Share of net loss using equity method	(115,614)	(659,400)
	Closing net book amount	2,179,358	2,779,476

*The loss on impairment of US\$484,504 relates to an adjustment in the unaudited accounts of Latin American Resources (LAR).

Consolidated

		31 December 2014 US\$	30 June 2014 US\$
Note 15.	Trade and Other Payables		
	Trade payables	4,991,354	4,233,904
	Sundry payables and accrued expenses	3,407,623	4,471,101
		8,398,977	8,705,005

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	Consolidated	
	31 December 2014 US\$	30 June 2014 US\$
Note 16. Borrowings at fair value		
Opening balance	-	11,026,440
Proceeds from borrowings	5,250,000	16,407,790
Face value premium	2,500,000	-
Effective interest	-	13,323,578
Interest on default	25,108	-
Amount classified as equity	-	(2,123,709)
Cash repayments	-	(16,119,380)
Conversion to equity	(562,500)	(17,727,995)
Settled through transfer of assets	-	(2,470,353)
Settled through issue of options	-	(3,146,491)
Foreign currency movement	-	830,120
Closing net book amount	7,212,608	-

On 30 September 2014, Range announced that it had signed a loan agreement for up to US\$15 million in medium-term financing with Lind Asset Management, LLC, ("Lind"). The terms of the financing were subsequently amended, as announced on 17 October 2014.

The Loan was signed for a maximum term of 24 months and was to be available in 2 tranches. The first tranche (Tranche 1) totalling US\$10 million was available at closing with the second tranche (Tranche 2) totalling US\$5 million available at the Company's option, 6 months later. The total amount repayable under the facility was to be US\$18.375 million (US\$12.25 million for Tranche 1 and US\$6.125 million for Tranche 2).

Each tranche was repayable over an 18-month period from date of drawdown. Each repayment could be made on a monthly basis, at Range's option, either through cash or shares ("Repayment Shares") (or a mixture of both). Following the first 6 monthly repayments, if the Company elected to repay in cash, the repayment amount carried a premium of 2.5% of that monthly repayment amount. Repayment shares were to be priced at the lower of 92.5% of the average of three daily volume weighted average prices (VWAP), to be chosen by Lind, during the 20 trading days prior to each issuance of shares and 130% of the average daily VWAP per share during the 11 trading days prior to 17 October 2014 (for Tranche 1) and the second closing date (for Tranche 2).

In addition, after a period of 6 months from the initial drawdown, Lind had the option to convert any amounts outstanding under the agreement into ordinary shares at a premium conversion price equal to 130% of the average of the VWAP during the 11 trading days prior to the amended agreement being signed (equal to either A\$0.0243 or 1.203p per share).

As part of the financing package, Lind was also entitled to receive up to 46,500,000 options exercisable for up to 36 months after the date of issue. The options were to be issued in two tranches; 31,000,000 upon drawdown of Tranche 1 and 15,500,000 if Range drew down Tranche 2. The exercise price for the options was to be equal to 130% of the average of the VWAP during the 11 trading days prior to the amended agreement being signed (in respect of the Tranche 1 options) and for the 20 trading days prior to the second closing date (in respect of the Tranche 2 options). For Tranche 1, this exercise price is £0.01203.

As security for the facility, Range issued to Lind 38,000,000 ordinary shares in the Company ("Collateral Shares").

Range is entitled to repay the facility at any time, and Lind would have had the right upon such repayment to convert an amount equal to 25% of the outstanding loan at that time into equity at the premium conversion price equal to 130% of the average of the VWAP during the 20 trading days prior to the agreement being signed (equal to A\$0.0335 or 1.8938p per share). The agreement also contained other standard conditions and events of default for a loan of this nature.

Please refer to note 20 for further details.

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Note 17. Contributed Equity	Consolidated	
	31 December 2014	30 June 2014
	US\$	US\$
Issued share capital		
5,117,169,188 (June 2014: 4,521,201,870) ordinary shares, fully paid	374,568,825	364,567,692
Nil (June 2014: 386,188,780) unissued fully paid ordinary shares	-	6,000,000
4,925,000 (June 2014: 4,925,000) partly paid shares	1,362,344	1,362,344
Share issue costs	(19,330,467)	(19,330,467)
	356,600,702	352,599,569
	31 December 2014	30 June 2014
	No. of Shares	No. of Shares
Balance at the beginning of the period	4,521,201,870	2,898,084,648
Ordinary shares issued during the period	546,915,850	1,623,117,222
Options exercised during the period	49,051,468	-
	5,117,169,188	4,521,201,870

	Details	Number of shares	Issue Price US\$	US\$
1 July 2014	Opening balance	4,521,201,870		364,567,692
	Transfer from unissued	356,188,780	0.017	6,000,000
	Shares issued as loan repayment	58,440,891	0.010	562,500
	Shares issued upon option conversion	49,051,468	0.010-0.024	923,880
	Shares issued as Collateral Shares (i)	38,000,000	0.008	300,979
	Shares issued to employees	19,987,481	0.013-0.040	580,458
	Shares issued in lieu of corporate advisory/ capital raising and loan commencement fees	74,298,698	0.009-0.037	1,633,316
31 December 2014	Balance	5,117,169,188		374,568,825

- (i) On 30 September 2014, the Company entered into a US\$15m convertible note agreement with Lind wherein 38 million Range shares were issued as collateral against the loan pursuant to the loan agreement.

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Note 17. Contributed Equity (continued)

2013	Details	Number of shares	Issue Price US\$	US\$
1 July 2013	Opening balance	2,898,084,648		331,447,756
	Issue of shares through conversion of notes	907,296,105	0.020	17,727,995
	Placement	53,125,000	0.037	1,963,500
	Shares issued to YA Global through equity swap	72,000,000	0.025	1,794,238
	Equity tranche under global YA agreement	8,119,059	0.027	219,012
	YA advance	31,000,954	0.036	1,107,013
	Equity tranche under convertible notes	81,460,298	0.026	2,123,709
	Issue of shares to Abraham Ltd for US\$12m financing as per subscription agreement	356,188,780	0.017	6,000,000
	Issue of shares through exercise of options	70,833,334	0.009	652,778
	Shares issued in lieu of corporate advisory fees	43,093,692	0.036	1,531,691
30 June 2014	Balance	4,521,201,870		364,567,692

Options:

The Company has on issue 723,853,454 (June 2014: 453,203,084) options over un-issued capital in the Company.

	31 December 2014 Number of Options	30 June 2014 Number Of Options
Movements in Options:		
Balance at the beginning of the period	453,203,084	266,612,503
Options issued during the period	319,701,842	257,423,915
Options exercised during the period	(49,051,468)	(70,833,334)
Balance at the end of the period	723,853,454	453,203,084

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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As at 31 December 2014, the unissued ordinary shares of Range Resources Limited under option are as follows:

Date of Expiry	Exercise Price	Number Under-Option
31 January 2016	A\$0.05	80,508,341
30 June 2015	£0.04	855,166
30 April 2016	£0.17	7,058,824
31 January 2017	£0.075	5,180,000
31 March 2015	£0.125	9,000,000
19 October 2015	£0.0615	15,708,801
30 November 2015	£0.05075	32,275,862
31 January 2016	A\$0.10	5,000,000
10 February 2016	A\$0.06	5,000,000
30 April 2016	£0.04	146,533,850
11 July 2016	£0.037	5,000,000
25 July 2016	£0.021	476,190
29 July 2016	£0.021	952,381
31 August 2016	£0.021	6,714,284
31 August 2016	£0.020	9,000,000
30 September 2016	£0.019	3,947,368
30 September 2016	£0.018	8,666,670
31 October 2016	£0.018	694,445
31 October 2016	£0.017	2,205,885
31 October 2016	£0.016	1,250,000
31 October 2016	£0.015	17,333,336
30 November 2016	£0.015	3,000,001
30 November 2016	£0.013	5,153,846
11 December 2016	A\$0.0321	2,000,000
31 December 2016	£0.012	2,000,000
31 December 2016	£0.011	5,000,000
31 January 2017	£0.011	23,636,364
9 September 2017	£0.03	7,500,000
14 July 2018	£0.01	161,472,247
14 July 2018	£0.02	118,729,593
31 January 2018	A\$0.05	1,000,000
15 October 2017	£0.01203	31,000,000
		723,853,454

The holders of these options do not have any rights under the options to participate in any share issues of the company.

Terms and Conditions of Contributed Equity

Ordinary shares have the right to receive dividends and, in the event of winding-up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held.

Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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Note 18. Related Parties

During the period, four new Directors were appointed to the board. Their remuneration during the period was as follows:

	31 December 2014 US\$	31 December 2013 US\$
Mr David Yu Chen	11,208	-
Mr Yan Liu	8,750	-
Mr Zhiwei (Kerry) Gu	1,694	-
Ms Juan (Kiki) Wang	4,152	-
	<hr/>	
Total	25,804	-

Other than the above, there are no changes in related party transactions to those reported in the annual report for the year ended 30 June 2014.

Note 19. Controlled Entities

The consolidated financial statements include the assets, liabilities and results of the following subsidiaries as disclosed in note 1.

Controlled Entities Consolidated	Country of Incorporation	Percentage Owned (%)	
		31 December 2014	30 June 2014
<i>Subsidiaries of Range Resources Limited:</i>			
Westblade Pty Ltd (i)	Australia	-	100
Donnybrook Gold Pty Ltd (i)	Australia	-	100
Range Australia Resources (US) Ltd	USA	100	100
Range Resources Barbados Limited	Barbados	100	100
<i>Subsidiaries of Range Resources Barbados Limited:</i>			
SOCA Petroleum Limited	Barbados	100	100
Range Resources Drilling Services Limited	Trinidad	100	100
West Indies Exploration Company Limited	Trinidad	100	100
Range Resources Trinidad Limited	Trinidad	100	100
Los Bajos Oil Limited (ii)	Trinidad	-	100
Range Resources (Barbados) GY Limited	Barbados	100	100
<i>Subsidiaries of Range Resources (Barbados) GY Limited</i>			
Range Resources GY Deep Limited	Trinidad	100	100
Range Resources GY Shallow Limited	Trinidad	100	100
Range Resources St Mary's Limited	Trinidad	100	-
Range Resources Cayman Limited	Cayman Islands	100	100
Range Resources Upstream Services Limited	United Kingdom	100	100

- (i) Westblade Pty Ltd and Donnybrook Gold Pty Ltd were dormant subsidiaries which were deregistered during the period
- (ii) Los Bajos Oil Limited was amalgamated with Range Resources Trinidad Limited during the period

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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Note 20. Events Subsequent To Reporting Date

Lind financing

As announced on 11 December 2014, pursuant to the Company's US\$15 million loan facility provided by Lind Asset Management, LLC ("Lind"), the Company made an undertaking to Lind that, to the best of its ability and subject to AIM and ASX listing rules, the Company's Shares would not be suspended from trading on either the ASX or AIM market for more than 5 days, commencing from the execution date of the loan facility agreement. With the suspension which started on 10 December 2014, the Company fully utilized these allowed days which subsequently provided Lind with certain additional rights under the agreement, including the ability to demand re-payment of the loan.

On 18 February 2015 Range received a statutory demand from Lind demanding repayment of approximately US\$7.2 million that Lind alleges is due and payable.

On 9 March 2015, Range submitted an application to the Supreme Court of Western Australia to set aside the statutory demand.

Texas sale

During the period, Range announced the signing of a Sale & Purchase Agreement for the disposal of its Texas assets to Citation Resources Limited (Citation). Citation is an ASX-listed oil and gas company, which together with Range holds interests in oil production and exploration assets in Guatemala. The total value of the consideration for the transaction is approximately AU\$1.7 million (approximately US\$1.3 million), comprised of a AU\$500,000 cash payment to Range, a carry on the Guatemalan assets to the value of AU\$830,000, a forgiveness on monies owed by Range to Citation to the value of AU\$189,000 and 200 million new ordinary shares in Citation.

At the date of this report, the only remaining condition to completion is payment to the Operator of the assets of the amounts due for the upcoming well. Range is advised by Citation that it will be in a position to complete before the end of March 2015.

RRDSL sale

At the date of this announcement, the sale of RRDSL is progressing well with final completion anticipated before the end of March 2015. To date, Range has received US\$2.3 million of the sale proceeds with the remainder to be received at final completion.

RRDSL will continue to provide full drilling services to Range in Trinidad, to accelerate Range's planned development and exploration drilling programmes, with services to be priced in line with market rates in Trinidad, to be reviewed by Range's management periodically.

Note 21. Fair Value Measurement of Financial Instruments

(a) Fair value hierarchy

AASB 13 requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- (a) Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1),
- (b) Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (level 2), and
- (c) Inputs for the asset or liability that are not based on observable market data (unobservable inputs (level 3)).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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Note 21. Fair Value Measurement of Financial Instruments (cont'd)

The following table presents the Group's financial assets and financial liabilities measured and recognised at fair value at 31 December 2014 and 30 June 2014 on a recurring basis:

At 31 December 2014	Level 1 US\$	Level 2 US\$	Level 3 US\$	Total
Assets				
Available-for-sale financial assets				
Equity securities	134,188	-	1,000,000	1,134,188
Total assets	134,188	-	1,000,000	1,134,188
Liabilities				
Borrowings at fair value				
Borrowings	-	-	7,212,608	7,212,608
Option liability at fair value through profit or loss	-	425,621	-	425,621
Total liabilities	-	425,621	7,212,608	7,638,229
At 30 June 2014	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total
Assets				
Available-for-sale financial assets				
Equity securities	876,347	-	-	876,347
Total assets	876,347	-	-	876,347
Liabilities				
Option liability at fair value through profit or loss	-	2,189,913	-	2,189,913
Total liabilities	-	2,189,913	-	2,189,913

(a) Fair value hierarchy (cont'd)

The Group did not measure any financial assets or financial liabilities at fair value on a non-recurring basis as at 31 December 2014.

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the end of the reporting period. There were no transfers between the levels of the fair value hierarchy in the six months to 31 December 2014.

(b) Valuation techniques used to derive level 2 and level 3 fair values

The fair value of financial instruments that are not traded in an active market (for example, derivatives) is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. An instrument is included in level 2 when all significant inputs required to fair value an instrument are observable.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. The Group has level 3 financial instruments valued at US\$7,212,608 at 31 December 2014 (30 June 2014: nil). The fair value of convertible notes not traded in an active market is determined using an internally prepared discounted cash flow valuation technique using observable inputs (such as share price and the terms and conditions of the convertible notes as disclosed per note 17) and release of the initial calibration adjustment to the profit or loss.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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Note 21. Fair Value Measurement of Financial Instruments (cont'd)

Specific valuation techniques used to value financial instruments include:

- The use of quoted market prices.
- The fair values of the convertible note derivative liabilities and option and share repricing derivative liability is determined based on a Black Scholes option pricing model, based upon various inputs at the end of the reporting period.

During the period, the Group made no changes to the valuation techniques that were applied at 30 June 2014.

(c) Fair values of other financial instruments

The Group has no financial instruments not measured at fair value in the Consolidated Statement of Financial Position.

Due to their short term nature, the carrying amounts of the current receivables, current payables, current borrowings, and current other financial liabilities is assumed to approximate their fair value.

**DIRECTORS' DECLARATION
FOR THE HALF-YEAR ENDED
31 DECEMBER 2014**

The Directors of the Group declare that:

1. the financial statements comprising the statement of profit or loss and other comprehensive income, statement of financial position, statement of cash flows, statement of changes in equity and accompanying notes, are in accordance with the Corporations Act 2001 and:
 - (a) comply with Accounting Standard AASB 134 Interim Financial Reporting, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
 - (b) give a true and fair view of the consolidated entity's financial position as at 31 December 2014 and of its performance for the half-year ended on that date.

2. In the Directors' opinion there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Directors by:



Yan Liu
Executive Director

Dated this 13th day of March 2015

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Range Resources Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Range Resources Limited, which comprises the consolidated statement of financial position as at 31 December 2014, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, notes comprising a statement of accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year's end or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2014 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Range Resources Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Range Resources Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.



Basis for Qualified Conclusion

Included in Range Resources Limited's statement of financial position as at 31 December 2014 is a 45% equity interest in Strait Oil and Gas (UK) Limited which is classified as a held for sale asset and carried at US\$5,000,000. As disclosed in Note 9 in the half-year financial report, this held for sale asset is being carried at its fair value being the expected proceeds on disposal. We were unable to obtain sufficient appropriate review evidence to support this carrying value of the held for sale asset at 31 December 2014 as there are currently no agreed sale terms. Consequently we were unable to determine whether this amount is appropriate or if any adjustments to this amount are necessary.

Qualified Conclusion

Based on our review, which is not an audit, with the exception of the possible effects of the matter described in the basis for qualified conclusion paragraph, we have not become aware of any matter that makes us believe that the half-year financial report of Range Resources Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2014 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*

Emphasis of matter

Without modifying our conclusion, we draw attention to Note 1 in the half-year financial report, which indicates that the ability of the consolidated entity to continue as a going concern is dependent upon the successful resolution of the statutory demand issued by Lind Asset Management LLC and the ability of the consolidated entity to operate its oil and gas properties profitably, raise additional funding through debt or equity and/or sale of non-core assets. These conditions, along with other matters as set out in Note 1, indicate the existence of a material uncertainty that may cast significant doubt about the consolidated entity's ability to continue as a going concern and therefore, the consolidated entity may be unable to realise its assets and discharge its liabilities in the normal course of business.

BDO Audit (WA) Pty Ltd

A handwritten signature in black ink, appearing to read 'BDO' on the top line and 'BMcV' on the bottom line, with a large, sweeping flourish extending to the right.

Brad McVeigh

Director

Perth, 13 March 2015