Range Resources Ltd

ANNUAL REPORT 2013

ABN: 88 002 522 009

CORPORATE DIRECTORY

Directors

Sir Samuel Jonah
Non-Executive Chairman

Peter Landau
Executive Director

Marcus Edwards-Jones
Non-Executive Director

Anthony Eastman
Executive Director

Company Secretary

Jane Flegg
Anthony Eastman

Technical Consultants

Mark Patterson

Registered Office

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Principal Place of Business

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Website: www.rangeresources.com.au

Country of Incorporation

Australia

Auditors

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Share Registry (Australia)

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Home Exchange

Australian Stock Exchange Limited
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Perth WA 6000

ASX Code: RRS

Overseas Exchange

Alternative Investment Markets (AIM)
c/- London Stock Exchange
London UK

AIM Code: RRL

Overseas Exchange

OTCQX International Market (US)
304 Hudson Street, 3rd Floor
New York, NY 10013, USA

USOTC Code: RGRLF

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DIRECTORS' REPORT

Your directors present their Report on the Company and its controlled entities for the financial year ended 30 June 2013.

DIRECTORS

The names of the directors in office and at any time during, or since the end of, the year are:

Sir Samuel Jonah

Mr Peter Landau

Mr Marcus Edwards-Jones

Mr Anthony Eastman

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

COMPANY SECRETARY

The following persons held the position of company secretary at the end of the financial year:

Mr Anthony Eastman

Ms Jane Flegg

PRINCIPAL ACTIVITIES

The principal activity of the economic entity during the financial year was hydrocarbon exploration and development within Trinidad, Republic of Georgia, Texas, Guatemala, Somalia and Colombia.

The following significant changes in the nature of the principle activity occurred during the financial year:

- Acquisition of a 19.9% strategic stake in Citation Resources Limited who hold a farm in right to acquire a 70% interest in Latin American Resources Ltd ("LAR"), which holds an 80-100% interest in two oil and gas development and exploration blocks in Guatemala and is operator of the blocks. This was consummated subsequent to year-end with the conversion of debt funding into ordinary fully paid shares in Citation. Additionally Range also acquired a direct 10% equity stake in LAR during the year and moved to a 20% stake subsequent to year end.
- The Company extended its existing farm out agreements ("FOA's") for the Company's Morne Diablo and South Quarry licenses in Trinidad until 31 December 2021, with the minimum work commitments for each license well within the Company's current development plans, and included reductions in the enhanced royalty rate resulting in significant net back before tax increases.

OPERATING RESULTS

The consolidated loss of the economic entity for the financial year after providing for income tax are as follows:

	30 June 2013 US$	30 June 2012 US$ Restated*
Net profit/(loss) after income tax	(20,304,261)	(31,094,991)

DIVIDENDS PAID OR RECOMMENDED

The directors recommend that no dividend be paid for the year-ended 30 June 2013, nor have any amounts been paid or declared by way of dividend since the end of the previous financial year.

DIRECTORS' REPORT

REVIEW OF OPERATIONS

- 29% increase in Proved, Probable and Possible (3P) net attributable reserves across the Company's three Trinidad onshore licenses.
- An additional 3,000 acres were obtained to the east of the existing Morne Diablo license, extending the current Lower Forest development trend which will potentially add further reserves along with potential for other deeper targets.
- Completion of the two well exploration well program in the Dharoor Valley in Puntland. Based on the encouragement provided by these two Shabeel wells, the JV entered into the next exploration period in both the Nugaal and Dharoor Valley Production Sharing Contracts ('PSC's') which carry a commitment to drill one well in each block within an additional 3 year term.
- Completion of the acquisition of 200km of 2D seismic with the majority of the seismic being acquired over Block VIb which was combined with the previous 410km 2D seismic program, along with older Soviet Era data with the results being incorporated into the Company's geological model that encompasses the whole license area.

Trinidad

Reserves and Valuation Upgrades – Trinidad

During the year, the Company announced a 29% increase in Proved, Probable and Possible (3P) net attributable reserves across the Company's three onshore Trinidad licenses, following the Company's independent petroleum consultants, Forrest A. Garb and Associates ('Forrest Garb') having completed a review of the Trinidad reserves following the first year of Range's operations in Trinidad.

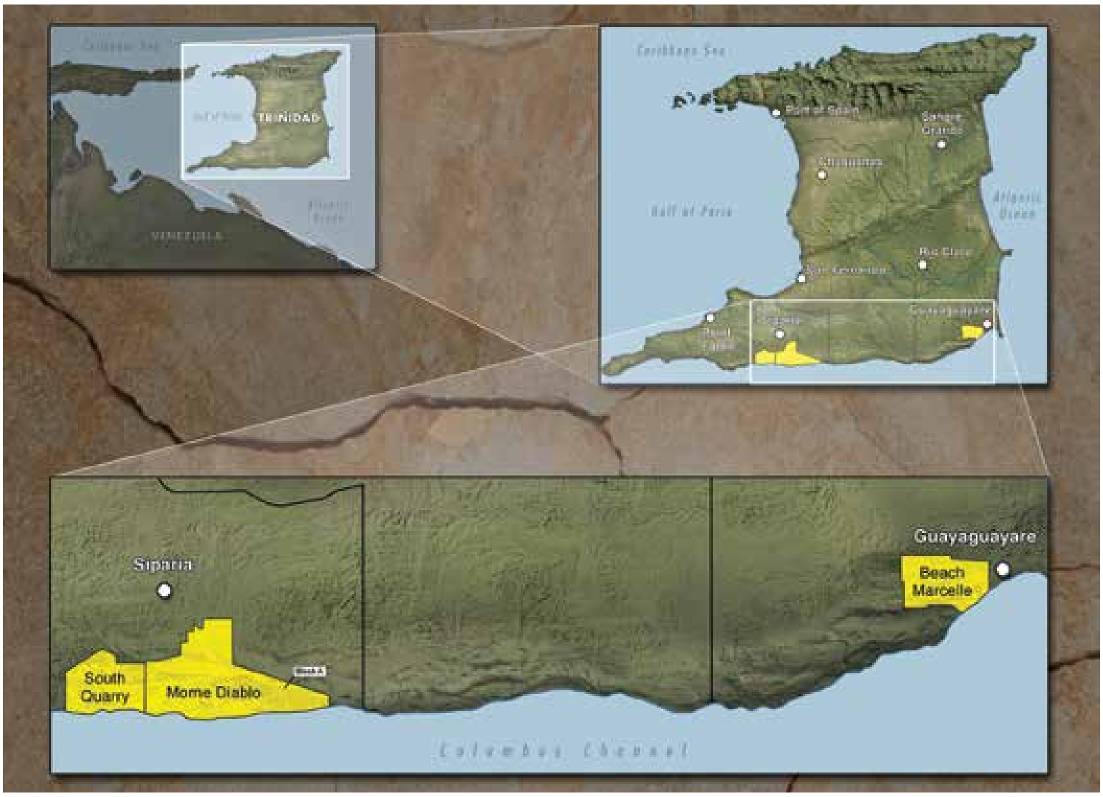

Figure 1: Location of License areas - onshore Trinidad

DIRECTORS' REPORT

REVIEW OF OPERATIONS (continued)

Below is the comparison between October 2012 and December 2011 of the oil and gas reserves attributable to Range's (100%) interest in its Trinidad Licenses, net of government and overriding royalties, as described more fully in the report from Forest Garb & Associates.

	OIL (MMBO)		
Category	Dec 2011	Oct 2012	%age Mvmt
Proved (P1)	15.4	17.5	+14%
Probable (P2)	2.2	2.7	+23%
Possible (P3)	2.0	5.0	+150%
Total 3P Reserves	**19.6**	**25.2**	**+29%**
Prospective Resource (unrisked)			
Low	2.0	8.1	-
Best	10.0	40.5	-
High	19.9	81.0	-

Based on the reserve numbers shown above, Forrest Garb estimates the net cash flow attributable to Range's interests for Proved, Probable and Possible reserves as shown below, based on average WTI prices for 2011, and compared to the $85 / bbl case per the December 2011 reserves report.

	US$85 / bbl case December 2011		US$94 / bbl case October 2012	
Category	Undiscounted US$M	PV10 US$M	Undiscounted US$M	PV10 US$M
Proved	679	385	799	446
Probable	133	73	142	81
Possible	120	49	276	153
Total	**932**	**507**	**1,217**	**680**

The valuations above are based on forecast production rates that reflect the current drilling and development schedule, and estimated individual well decline profiles derived from the Company's recent operating results.

As reported above, the recent reserves report saw a 30.5 million barrels (305%) increase in total unrisked net prospective (best estimate) resources across the Company's licenses to 40.5 million barrels.

Of the 40.5 million barrels in unrisked prospective resources, circa 30.5 million barrels are associated with identified Herrera prospects that have been mapped on the Company's 3D seismic database.

Operations

The Company continued with its Lower Forest development program on the Morne Diablo license during the year, reaching peak production in excess of 1,000 bopd during Q3 2012 which was a 120% increase in production since acquisition.

Conventional Programme

The Company completed a number of successful wells targeting the Upper Cruse formation, some circa 1,000-1,500ft. below the Lower Forest formation and given the early success of these wells, the Company will look at the potential of a separate drilling program targeting the Upper Cruse formation, in a similar way the early success on the Lower Forest formation has been targeted.

DIRECTORS' REPORT

REVIEW OF OPERATIONS (continued)

Figure 2: Schematic of Morne Diablo block

During the year, the Company also spudded its first deeper well targeting the Lower Cruse formation, the MD 248 well, with a target depth of 6,500ft.

Positive results from the MD 248 well Lower Cruse test would allow Range to expedite a development program for this horizon by deepening existing Middle Cruse wells in the Morne Diablo field to the Lower Cruse depths. Deepening would require drilling only 2,500ft. of additional footage versus the 6,500ft. for a new well, thus significantly reducing the costs whilst obtaining swift access to a potential highly prospective new development zone within the Lower Cruse formation.

Unconventional (Waterflood) Program

Morne Diablo

During the year, the Company has presented its proposed waterflood program to the Mininstry of Energy of Trinidad and state company Petrotrin. Following written approvals from Petrotrin, the Company will immediately commence field development in line with the work program.

Beach Marcelle

With 75% (12.8 MMbbls) of Range's 1P proved undeveloped reserves belonging to the Beach Marcelle waterflood project, the focus remains on expediting the current simulation phase in parallel with moving a rig to site to begin well integrity and workover operations.

Range's waterflood program in the Beach Marcelle field builds upon 3 previously successful, but prematurely halted, waterflood programs performed by Texaco in the 1950's. With modern reservoir and waterflood simulation software available, it is expected that Range will sweep the remaining proven reserves a lot more efficiently than the 3 original waterflood programs. The program will also be targeting additional fault blocks within the Beach Marcelle license, not yet previously waterflooded, yet comprising a portion of the 12.8 MMbbls of 1P proved undeveloped reserves. The new technical team have looked at the data and have identified additional recoverable reserves, which will be incorporated into the Range's existing reserves report after full appraisal.

DIRECTORS' REPORT

REVIEW OF OPERATIONS (continued)

During the year, the Company experienced a number of operational and supply chain difficulties which resulted in fewer-than expected wells being drilled, and subsequent fall in production, however encouragingly, the actual results from the Lower Forest development program exceeded the Company's expectations in terms of average well performance. After experiencing production decline in April 2013, production rebounded and increased by 20% in June 2013 from the lows of April.

In response to the operational and supply chain difficulties, the Company commenced the implementation of best practice procedures and processes with respect to maintenance programs / drilling inventory and spare part management, which was further strengthened by the recruitment of a suitably qualified Maintenance Superintendent to manage and ensure that all rigs and equipment are serviced efficiently and fully operational.

In conjunction with the maintenance and inventory management programs, the Company is looking at refining the drilling strategy to further reduce the drilling time and an increase in wells being drilled, across the various horizon depths.

To reduce drilling time and improve hole quality, the Company is reviewing the following areas:

- Drill bit selection
- Drilling parameter optimisation
- Casing point depths
- Down hole tools including hole openers, logging-while-drilling, and potentially casing while drilling

These improvements will ensure minimum unscheduled equipment downtime and mechanical safety and efficiency throughout the Trinidad operations, allowing the work schedule to progress smoothly and efficiently.

Additionally, with the increase in oil prices, the Company has undertaken a program to re-evaluate all existing wells with a focus on optimization and reactivation where warranted. These works may include perforating by-passed oil sands pay in the existing well bores, chemical treatment / stimulation of perforations, jet washing or cleanout of perforations, water shut off where water break out has occurred and is negatively affecting oil inflow, mechanical repairs to down hole equipment, and initiation of swabbing on previously capped wells. An estimated 200-300 bopd may be added to production from the optimization program. The Company is planning to use Rig 6 to perform the heavy work overs on the Morne Diablo license.

Range continues to focus on Health, Safety and Environment as Safe to Work ('STOW') procedures and processes are constantly implemented and updated, moving towards full STOW certification in early 2014.

Figures 3 & 4: Trinidad Operations

In addition to the engagement of a suitably qualified Maintenance Superintendent as referred above, subsequent to year end, the Company appointed Mr Ash Mangano to the position of Vice President in Trinidad. Mr Mangano has significant experience in international oil and gas globally, having spent time with Halliburton, Baker Hughes and CB&I in variety of technical (drilling engineering) and commercial roles and will complement the existing team in accelerating the development on the Company's existing reserve base, re-evaluation of all existing wells along with new ventures including the proposed Niko farm-in.

DIRECTORS' REPORT

REVIEW OF OPERATIONS (continued)

Subsequent to year end, Range also engaged a Senior Reservoir Engineer with over 15 years' experience in enhanced oil recovery projects and reservoir characterisation in Trinidad, to work with the Exploration and Exploitation group in expediting the Beach Marcelle and Morne Diablo Waterflood projects, which progressed through the simulation and regulatory approval processes during the year.

Corporate – Trinidad

During the year, Range extended its existing farm out agreements ('FOA's') for the Company's Morne Diablo and South Quarry licenses until 31 December 2021, with the minimum work commitments for each license well within the Company's current development plans.

The extended FOA now includes an additional circa 3,000 acres (Block A) to the east of the existing license area. Block A is an extension to the east of the current Lower Forest development trend where the Company is currently drilling. The current Lower Forest wells that have been drilled and tested to date are showing sands which correlate to the sands encountered in the QUN16 well that was drilled and tested in 1942, which is located some 3,000ft. to the east of the current development wells, on the edge of the existing Morne Diablo license.

The reserves upgrades across the Company's Trinidad licenses, did not include any reserves / resources associated with Block A, with the Company looking to engage its independent reserves auditor to perform an initial reserves / resource assessment across the additional 3,000 acres of Block A which the Company believes will further add to the 420% P1 and P2 reserve additions that the Company has booked since it acquired the Trinidad assets mid 2011.

The new FOA's saw a reduction in the enhanced royalty previously been paid by the Company with a significant improvement in the net back amounts before tax being achieved for the Company, and with an effective date of 1 January 2012 for both FOA's, the new enhanced royalty rates will be retrospectively applied.

Subsequent to year end, the Minister of Finance and Economy of Trinidad and Tobago proposed attractive budget incentives for oil and gas companies in the 2014 Budget Statement. The proposed changes are aimed at incentivising companies that invest in exploration and production, with a significant increase in the capital deductions allowable on development, exploration and work-over expenditure. In addition to the increase in capital allowances the investment tax credit (being 20% of capital expenditure) against the Special Petroleum Tax is proposed to be carried forward into the subsequent year (previously could only claimed in year of expenditure).

The new proposed budget incentives will have a significant positive impact on Range's returns as the Company looks to accelerate both its development and production activities on the existing reserves, along with its intensive exploration program both internally and in partnership with Niko Resources Ltd.

In anticipation of the increased activity in Trinidad, the Company commenced discussions during the year with a leading International Drilling and Oilfield Services provider, with a view to maximise the development of current acreage and potential new licenses along with the proposed farm-in with Niko Resources.

Puntland

Onshore

In January 2012, Range together with its equity partners successfully spud the historic Shabeel-1 well in the Dharoor Valley, the first in a two well exploration program and the first exploration well in Puntland in over 25 years. The Shabeel North well having been spud soon after the completion of the Shabeel-1 well, was successfully completed during the year, having reached a target depth of 3,945m. Following on from the completion of the two wells, the drilling rig and associated equipment was successfully demobilised and restoration of both drilling locations completed.

Despite the non-commercial nature of the two wells the equity partners were extremely encouraged that all of the critical elements exist for oil accumulations, namely a working petroleum system, good quality reservoirs and thick seal rocks.

Based on the encouragement provided by these two Shabeel wells, the JV entered into the next exploration period in both the Nugaal and Dharoor Valley Production Sharing Contracts ("PSC's") which carry a commitment to drill one well in each block within an additional 3 year term. The current operational plan would be to contract a seismic crew to acquire additional data in the Dharoor block and to hold discussions with the Puntland Government to gain access to drill ready prospects in the Nugaal Valley block.

DIRECTORS' REPORT

REVIEW OF OPERATIONS (continued)

To that extent, Range's JV partner and operator, Horn Petroleum, has been focussed on making preparations for a seismic acquisition campaign in the Dharoor PSA, which will include a regional seismic reconnaissance grid in the previously unexplored eastern portion of the basin as well as prospect specific seismic to delineate a drilling candidate in the western portion of the basin, where an active petroleum system was confirmed by the drilling at the Shabeel-1 and Shabeel North locations. The focus of the Dharoor seismic program will be to delineate new structural prospects for the upcoming drilling campaigns.

Figure 5: Puntland License Blocks

Offshore

During the prior year, Range entered into a conditional agreement with the Puntland Government with respect to obtaining a 100% working interest in an Offshore Block in the highly prospective Nugaal Basin. The Block is an extension of the onshore Nugaal Region which has the potential for deltaic deposits from the Nugaal Valley drainage system and comprises over 10,000km.

The agreement is subject to a formal Production Sharing Agreement (PSA) being entered into and the receipt of all necessary regulatory approvals.

DIRECTORS' REPORT

REVIEW OF OPERATIONS (continued)

Texas

During the year, Range reached an agreement to sell its Texas producing assets which was executed subsequent to year-end. As per the executed agreement, the Company will sell its interest in the North Chapman Ranch and East Clarksville fields for $US25 million in cash at closing plus $US5 million in production payments from future production.

Georgia

During the year the joint venture through Strait Oil and Gas ('SOG') completed the acquisition of 200km of 2D seismic, with the majority of the seismic being acquired over Block VIb, to firm up leads identified in the previous 410km 2D seismic program, along with targeting two gas wells, which were drilled and suspended in Soviet times. These results were incorporated into SOG's geological model that encompasses the whole of the two license areas.

SOG engaged Senior Geologist, Dr. M. Arif Yukler and his team to perform a full review of both the conventional and unconventional (Coal Bed Methane) hydrocarbon potential on blocks VI a and VI b.

Dr Yukler's review incorporated the 610 km of 2D seismic acquired across the two licences in 2009 and 2012/13, along with incorporating all of the older Soviet data that existed across the blocks including seismic, well logs and geochemical information into a geological model. Results of the geological model, will enable SOG to confirm potential drilling locations in Block VIb that were highlighted as prospective from the initial survey in 2009, along with allowing SOG to update the reserve and resource potential across the two license areas.

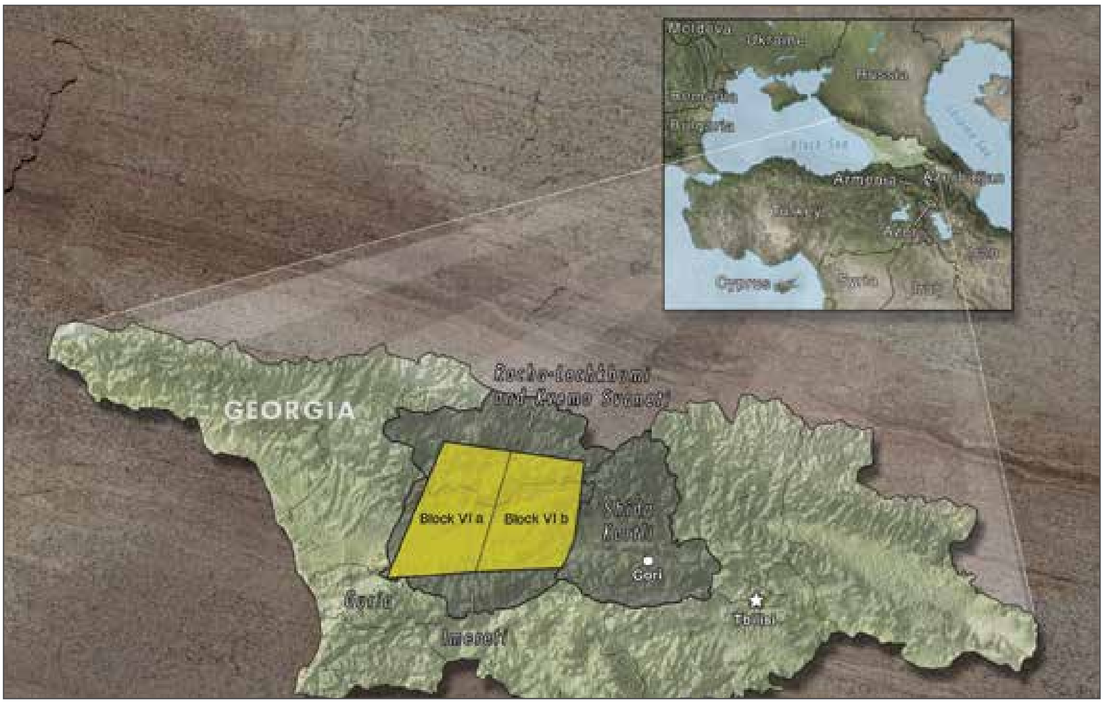

Figure 6: Georgia License Blocks

DIRECTORS' REPORT

REVIEW OF OPERATIONS (continued)

SOG also continued the evaluation of the shale gas / oil potential that has been identified on approximately 3,000 km^2 and has commenced the geological mapping and modelling of this potential.

Subsequent to year end, following the extensive review, which included pseudo 3D quantitative basin modelling of the blocks, the targeted hydrocarbon in-place and reserve calculations for blocks VI a and VI b were completed with the results being highly encouraging as summarised below:

Conventional Undiscovered Oil / Gas in Place	Conventional Oil (mmbbls) (best estimate)	Conventional Gas (Tcf) (best estimate)
Total Oil / Gas in Place	403	18.4
Range Attributable (45%)	181	8.3

* Low to high ranges of the in-place undiscovered oil and gas volumes have not yet been estimated. Range is currently undertaking further modelling work to provide such ranges.

CBM Reserve Estimates	Proved (1P) Reserve (Bcf)	Proved & Probable (2P) Reserve (Bcf)	Proved & Probable & Possible (3P) Reserve (Bcf)	Estimated Total Gas-in-Place (Tcf)
Total Gas In Place	0	0	508	3.16
Range Attributable (45%)	0	0	229	1.42

* The reserve estimates reflect conservatively applied recovery factors. It is noted that recovery factors for CBM range as high as 60% based on feasibility work performed to date.

Coal Bed Methane

During the year SOG, together with the Georgian Industrial Group ('GIG'), continued with the feasibility and technical studies on the CBM project, which was also reviewed by Dr Yukler along with a review of the coal bed methane potential that existed across the licences, over and above the previously reported Tkibuli prospect, with the total CBM resource calculated using the isopach maps for the Upper Bathonian coaly section.

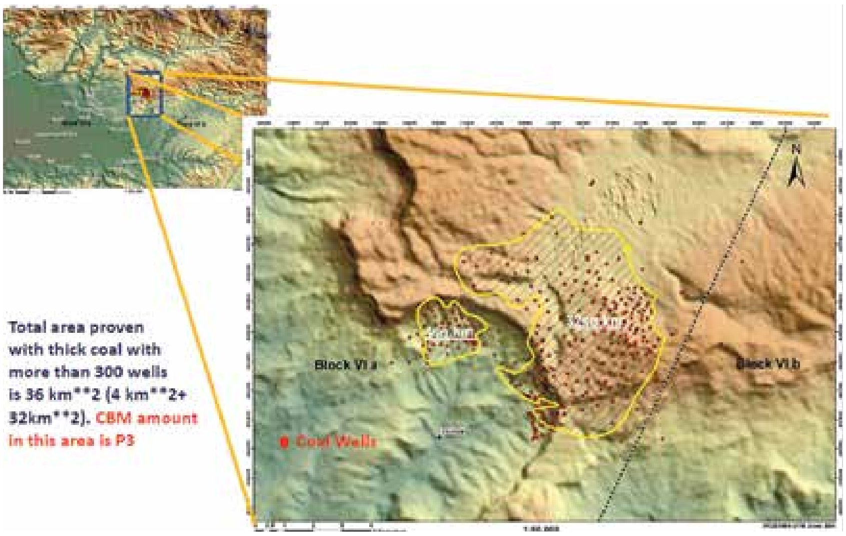

Figure 7: CBM – Coal Area Confirmed By More Than 300 Wells

DIRECTORS' REPORT

REVIEW OF OPERATIONS (continued)

Subsequent to year end, results of the review indicated the coaly section covering 368 km2 and 83 km2 in blocks VIa and VIb, respectively. A continuously thick and high quality coal area of 36 km2 was delineated by more than 300 wells in Block VI a. All these wells encountered gas in the Upper Bathonian coally section. The CBM reserves in this area are computed as being at the Proved, Probable & Possible (3P) category. The blocks are estimated to contain 3P gas reserves of 508 Bcf (100% bais) and a total of CBM gas in place of 3.16 Tcf (100% basis).

The results of this extensive review clearly show that both blocks have significant gas potential and good oil potential. The compilation of all the available data and re-evaluation of the geochemical data show the coal present in the blocks have similar high hydrocarbon generation capabilities as the coals in the North Sea, Indonesia and New Zealand. With the addition of the amounts of hydrocarbon generation in the Upper Bathonian, the total resource is anticipated to be higher than the amounts given above and will be determined at a later date.

SOG has presented the CBM potential to the Georgian State Agency and the Georgian Oil and Gas Corporation with both parties agreeing on the significant potential that exists across the licence areas. The news of the highly prospective hydrocarbon play has been conveyed to the Energy Minister and the Prime Minister, who see this potential as an opportunity to improve the energy outlook for the Country.

During the year the SOG along with its equity partners commenced discussions with a number of parties with respect to potential farm-in opportunities across both the conventional and unconventional prospects identified across the two licenses with advanced discussions continuing subsequent to year end.

Colombia

During the year, the consulta previa process continued which involves liaison with the various indigenous communities within the license areas. Once completed, the Company anticipates to initiate mobilisation ahead of the proposed seismic program. Initial G&G evaluation of the blocks shows 15 potential leads, with further potential upside to be imaged in greater detail with high resolution 3D seismic surveys. The blocks lie to the north of large proven reserves across the border in Ecuador, with production in excess of 30,000 bopd. The blocks are surrounded by successful producing fields, (Ecopetrol, Gran Tierra, Suroco). Typical well productivity in the Putamayo basin ranges from 1,000 to 2,000 bopd, with oil producing wells being light (23 API on average).

Range and the operator have received farm-in interest from a number of parties for the blocks, and will be considering different potential options with regards to how best to finance the upcoming 350 km^2 of 3D seismic program.

Guatemala

During the year, Range acquired a strategic stake in Citation Resources Limited ('Citation') (ASX:CTR). Citation holds a farm in right to acquire a 70% interest in Latin American Resources Ltd ('LAR'), which holds an 80-100% interest in two oil and gas development and exploration blocks in Guatemala ('Projects') and is operator of the blocks. Additionally, Range also acquired a direct 10% equity stake in LAR.

DIRECTORS' REPORT

REVIEW OF OPERATIONS (continued)

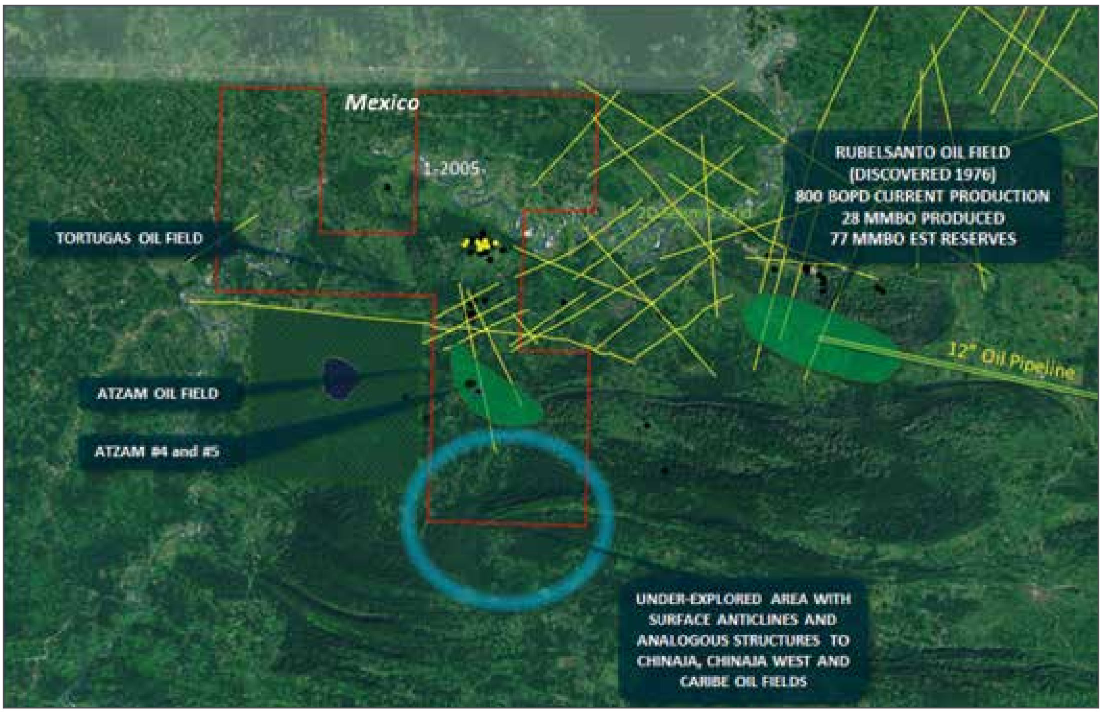

Figure 8: Guatemala Oil Fields and Exploration Potential

The Projects consist of Block 1-2005 and Block 6-93 in the South Peten Basin in Guatemala ('Guatemalan Blocks'). The Guatemalan Blocks have Canadian NI 51-101 certified proved plus probable (2P) reserves of 2.3 MMBBL (with approximately 0.45 – 0.6 MMBBls attributable to Range's combined equity interest in CTR and 10% direct interest in LAR), with significant exploration upside potential. In addition, the blocks have had significant previous exploration with the two well appraisal drilling program currently underway with the Atzam #4 well having already been successfully completed to a depth of 4,054ft with significant initial oil and gas production of 610 bopd average rate over a 24 hour period from a perforated 7ft. section in the Upper C17 carbonates.

The Projects and drilling/operational infrastructure are owned by LAR together with its minority equity partners in a similar set up to Range's Trinidad operations.

Subsequent to year end, independent reservoir engineers recommended that the optimal production rate of the Atzam #4 well would be 466 bopd, however the Operator is currently producing the well on a restricted choke due to the limited onsite tank storage capacity of 7,000 barrels. The Operator plans to increase the choke over time to maintain the reservoir integrity in this initial production phase and to establish the optimal production rate once the Atzam oil storage facilities are upgraded.

DIRECTORS' REPORT

REVIEW OF OPERATIONS (continued)

Figures 9 & 10: Drilling Rig on Atzam # 4 Well Location

In additional to reporting on the optimal production rate, the reservoir engineers reported an initial proven reserve (1P) of 362,515 barrels of oil for the producing section of the C17 carbonate section reported above. An adjacent 7ft section in the C17 carbonate is still to be bought onto production, and once this occurs, it would be converted into 1P reserves estimated in excess of 500,000 barrels of oil. The highly prospective C13 and C14 carbonates in the Atzam #4 well are still to be flow tested and would also be converted from 2P to 1P reserves following a successful program.

Range moved to acquire the 19.9% strategic interest in Citation, by conversion of existing debt funding provided by Range to Citation into ordinary Citation shares (subject to any necessary Citation shareholder approvals) at $0.02 with a 1 for 2 free attaching listed Citation option ($0.04, June 2015), which is approximately $2m for the 19.9% interest. In addition, Range paid $2m for the 10% interest in LAR, which is finance carried through the first US$25m spent on the Project.

Proposed Merger with International Petroleum

During the year, the Company announced its proposal to undertake a strategic merger with International Petroleum Limited ('International') (NSX: IOP) to create a leading ASX and AIM listed oil and gas Company with a strong production growth profile from the on-going development of its significant reserves and resources base. International holds highly prospective assets in Russia, Kazakhstan, and Niger with total 3P Reserves of 233 mmbbls of oil and best net estimate prospective resources of 367 mmbbls of oil and 61 Bcf of gas.

Range and International have excellent project and management synergies, with advanced oil and gas projects across Eastern Europe, the Caribbean, Central Asia, Latin America and Africa. The merger would build a stronger, more robust company with greater financial and technical resources, with a particular focus on applying its onshore exploration and development expertise to growing production from its pipeline of projects.

Subsequent to year end, the Company has been informed that International is in negotiations with a third party relating to the potential sale of its Russian assets for cash consideration.

In the course of discussions and due diligence in connection with the proposed merger of the two companies, Range remains committed in principle to pursue a merger transaction pending final confirmation of the sale terms.

DIRECTORS' REPORT

REVIEW OF OPERATIONS (continued)

EVENTS SUBSEQUENT TO REPORTING DATE

- Execution of agreement to dispose of the Company's Texan Assets for $25m upfront cash payment and a $5m to be paid from future production.
- Highly encouraging results of an extensive review of the Company's Georgian assets including gross best estimate of undiscovered oil and gas in place at 403 mmbbls and 18.4 Tcf respectively along with gross 3P CBM reserves of 3.16 Tcf.
- Conversion of amounts advanced to Citation resulting in Range to acquire up to 19.9% of Citation along with a further 10% interest in Latin America Resources – effectively giving Range a see through 32% interest into the Guatemalan projects.
- Proposed farm-in with Niko Resources Ltd on the Guayaguare block in Trinidad, which would result in an increase in gross acreage footprint by +280,000 acres – refer below.
- The Company was informed that International Petroleum (the subject to a proposed merger) is in negotiations with a third party relating to the potential sale of its Russian assets for cash consideration with Range committed in principle to pursue a merger transaction pending final confirmation of the sale terms.

Trinidad - Subsequent Event

In July 2013, Range entered into a proposed farm-in agreement with Niko Resources Ltd ('Niko') (TSK: NKO) on the Guayaguayare Block in Trinidad, which encompasses circa 280,000 acres across both the shallow and deep horizons, onshore and offshore, with proven producing trends.

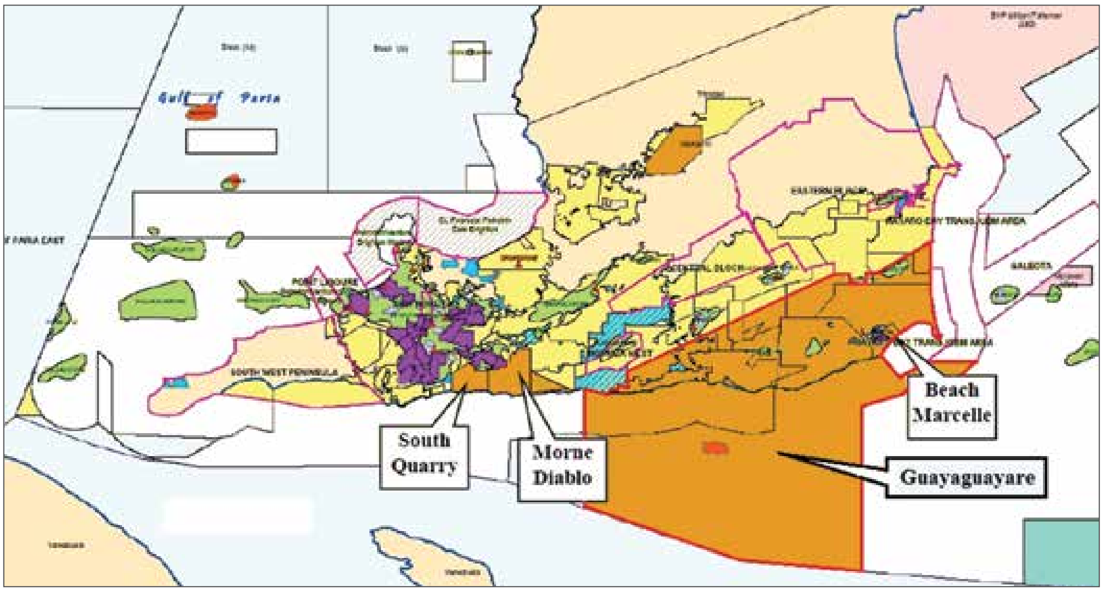

Figure 11: Trinidad License Acreage post Niko farm-in

Niko currently holds shallow and deep Production Sharing Contracts for 65% of the onshore portion and 80% of the offshore portion of the licenses area with Guayaguayare Block comprising 280,170 shallow acres and 293,999 deep acres. Trinidad's state owned Petroleum Company Petrotrin holds the remaining balance of the interests (35% onshore and 20% offshore).

According to the agreement in principle, Range will earn 50% of Niko's existing interests in the deep and shallow rights covering both onshore and offshore areas, with the consortium to drill two onshore wells: one shallow to a maximum of 5,000 ft., and one deep onshore well to a minimum of 5,000 ft. In the event of a discovery from either of the two initial wells, the consortium will look to drill an initial appraisal well.

Range will fund the two onshore wells and the potential initial appraisal well at its sole expense, and will split the costs 50/50 with Niko in the offshore well, and any other costs moving forward.

DIRECTORS' REPORT

REVIEW OF OPERATIONS (continued)

The agreement is subject to completion of final transaction documents and government and regulatory approval, as well as approval by the Range and Niko boards.

As shown in the map above (Figure 11), the Guayaguayare Block is comprised of over 280,000 contiguous acres covering both onshore and offshore portions of known, productive trends along the southern coast of Trinidad, in the transition area between the transpressional Southern basin and the extensional Columbus basin. A regional wrench fault, and extension of the Los Bajos fault, cuts through the onshore to offshore transition zone. Traps associated with this fault produce oil in Southwest Trinidad and off the East Coast from Upper Miocene / Pliocene Sands.

The Block surrounds Range's Beach Marcelle Field, and extends south to the limits of Trinidad's territorial waters. In addition to proven Tertiary-age exploration targets, the block is believed to hold significant potential in the Cretaceous section, which has been successfully developed in the Eastern Venezuelan basin.

There are four prospective onshore fields within the Guayaguayare block, each considered to have significant potential for oil, whilst the offshore structural complex is believed to have significant potential for large gas discoveries with several large structures mapped.

To date, the following work has been completed by Niko and previous operators on the block:

Onshore:

- Acquired and processed 217km^2 3D land survey

Offshore:

- Acquired and processed 277km^2 3D marine survey (2011)
- Two 3D marine surveys were reprocessed (ELF 1997 and Mobil 1990)
- All 3 offshore 3D surveys have been merged prestack (total 836 km^2)

CORPORATE

Effective 1 July 2012, the Group changed its functional and presentation currency from Australian dollars (AU$) to United States dollars (US$) as significant portion of the Group's revenues, expenses and cash flows are denominated in US$. The functional currency of an entity is the currency of the primary economic environment in which the entity operates, which should reflect the economic substance of the underlying events and circumstances relevant to the Group.

The change in presentation currency is to better reflect the Group's business activities and to improve investors' ability to compare the Group's financial results with other publicly traded businesses in the international oil and gas industry. The change in functional currency was triggered by the Group's transition from an exploration to a production company which has resulted in generating significant cash flows from sale of oil. The transactions are denominated in US$ which combined with recent borrowings; indicate that a significant portion of cash flows going forward will be denominated in US$.

The consolidated financial report for the year ended 30 June 2013, including comparative information (Restated), has been presented in US$.

FINANCINGS

During the year, the Company raised circa US$42m through a number of debt facilities and placements with institutional and sophisticated investors. In addition, the Company advanced discussions on financing for its Trinidad operations through a reserve based lending facility which is looking to finalise soon after the date of this report.

FINANCIAL POSITION

The net assets of the economic entity have increased by US$8,578,386, from US$163,988,199 (Restated) at 30 June 2012 to US$172,566,585 in 2013. This increase has resulted primarily from the associated exploration and development expenditure during the year of US$10,599,410.

The directors believe the economic entity is in a strong and stable financial position to expand and grow its current operations.

DIRECTORS' REPORT

REVIEW OF OPERATIONS (continued)

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

The following significant changes in the state of affairs of the parent entity occurred during the financial year:

- Acquisition of a strategic stake in Citation Resources Limited who hold a farm-in right to acquire a 70% interest in Latin American Resources Ltd ('LAR'), which holds an 80-100% interest in two oil and gas development and exploration blocks in Guatemala ('Projects') and is operator of the blocks. This was consummated subsequent to year-end with the conversion of debt funding into ordinary fully paid shares in Citation.
- The Company extended its existing farm out agreements ('FOA's') for the Company's Morne Diablo and South Quarry licenses until 31 December 2021, with the minimum work commitments for each license well within the Company's current development plans.
- Proposal to undertake a strategic merger with International Petroleum Limited (NSX: IOP) to create a leading ASX and AIM listed oil and gas Company with a strong production growth profile from the on-going development of its significant reserves and resources base.

FUTURE DEVELOPMENTS, PROSPECTS AND BUSINESS STRATEGIES

To further improve the economic entity's profit and maximise shareholders wealth, the Company is looking to accelerate the development across all of the three onshore licenses in Trinidad with regards to both conventional and unconventional (waterflooding) programs, leading to increases in production and reserves as well as potentially expanding its footprint in the Country through the proposed farm-in with Niko and other potential opportunities. The Company is also committed to further developing the exploration potential of its Puntland, Georgian and Colombian Exploration Projects and invite interested parties into joint venture arrangements on these assets. The Company will await the results from Citation on its Guatemalan projects to determine appropriate paths forward for Range's strategic investment in both Citation and at project level.

LIKELY DEVELOPMENTS

Other than information disclosed elsewhere in this annual report, information on likely developments in the operations of the economic entity and the expected results of those operations in future financial years has not been included in this directors' report because the directors believe, on reasonable grounds, that to include such information would be likely to result in unreasonable prejudice to the economic entity.

ENVIRONMENTAL REGULATION

The economic entity's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

The Directors have considered compliance with the National Greenhouse and Energy Reporting Act 2007 which requires entities to report annual greenhouse gas emissions and energy use. For the first measurement period 1 July 2008 to 30 June 2009 and subsequent periods the directors have assessed that there are no current reporting requirements, but may be required to do so in the future.

GREENHOUSE GAS AND ENERGY DATA REPORTING REQUIREMENTS

The Directors have considered compliance with the National Greenhouse and Energy Reporting Act 2007 which requires entities to report annual greenhouse gas emissions and energy use. The directors have assessed that there are no current reporting requirements, but may be required to do so in the future.

DIRECTORS' REPORT

INFORMATION ON DIRECTORS

Sir Samuel Jonah Hon D Sc (Exeter) MSc (Mineral Production Management) **Non-Executive Chairman**	
Experience	Sir Samuel Jonah is non-executive Chairman of Range Resources Limited. He is Executive Chairman of Jonah Capital (Pty) Limited, an investment holding company in South Africa and serves on the boards of various public and private companies, including The Standard Bank Group and Vodafone Group Plc. He previously worked for Ashanti Goldfields Company Limited, becoming Chief Executive Officer in 1986, and was formerly Executive President of AngloGold Ashanti Limited and oversaw its growth and listing as the first operating sub-Saharan African company on the NYSE. He is also a member of the Advisory Council of the President of the African Development Bank. He is an advisor to the Presidents of Ghana, South Africa, Nigeria and Namibia. An Honorary Knighthood was conferred on him by Her Majesty the Queen in 2003 and in 2006 he was awarded Ghana's highest national award, the Companion of the Order of the Star.
Interest in shares and options	Sir Samuel Jonah holds 21,597,833 ordinary shares in the Company. No options held.
Directorships held in other listed entities	Vodafone Plc From: 01 April 2009

Mr Peter Landau, LLB;B.Com **Executive Director**	
Experience	Mr Landau is the founding director of Okap Ventures Pty Ltd and Komodo Capital Pty Ltd., internationally focused project management, corporate advisory and venture capital firms based in Western Australia and London. Mr Landau is a corporate lawyer and corporate advisor and has over 15 years' experience in providing general corporate, capital raising, transaction and strategic advice to numerous ASX and AIM listed and unlisted companies. Mr Landau has project managed a significant oil and gas and mining exploration and development transactions around the world including capital raising, M & A, joint ventures and finance structures.
Interest in shares and options	Mr Landau holds 13,956,522 ordinary shares and 1,500,000 partly paid shares in the Company. No options held.
Directorships held in other listed entities	During the past three years Mr. Landau has served as a Director of other listed companies as follows: Nkwe Platinum Ltd From: 14 September 2006 Continental Coal Ltd From: 10 December 2002, resigned 14 May 2013 Black Mountain Resources Ltd From: 23 August 2011 Paynes Find Gold Ltd From: 11 January 2012 Eclipse Metals Ltd From: 19 March 2013

DIRECTORS' REPORT

INFORMATION ON DIRECTORS (continued)

Mr Marcus Edwards-Jones **Non-Executive Director**	
Experience	Mr Edwards-Jones is currently Managing Director (and co-founder) of Lloyd Edwards-Jones S.A.S, a financial boutique firm specialising in selling European equities to institutional clients and introducing resource companies to an extensive institutional client base in the UK, Europe and Asia/Middle East. Mr Edwards-Jones has previously held senior positions with Bank Julius Baer Paris (European equities), and UK/Continental European equity sales at Credit Lyonnais Securities. In addition, Mr Edwards-Jones has significant experience in worldwide institutional capital raisings for large resource projects in Africa.
Interest in shares and options	Mr Edwards-Jones holds 3,531,522 ordinary shares and 750,000 partly paid shares (paid up to 30 cents) in the Company. No options held.
Directorships held in other listed entities	During the past three years, Mr Edwards-Jones has served as a Director of other listed companies as follows: Noricum Gold Limited (formerly known as Gold Mining Company Limited) (UK Plus Market) From: 18 June 2010

Mr Anthony Eastman , BCom, CA **Executive Director / Joint Company Secretary**	
Experience	Mr Eastman is a Chartered Accountant with a number of years' experience in financial management and corporate advisory services. He has previously worked with Ernst & Young and CalEnergy Gas Ltd, a subsidiary of the Berkshire Hathaway Group of Companies in both Australia and the United Kingdom.
Interest in shares and options	Mr Eastman holds 4,356,521 ordinary shares in the Company. No options held.
Directorships held in other listed entities	During the past three years, Mr Eastman has not served as a Director of any other companies listed on the ASX.

Ms Jane Flegg **Joint Company Secretary**	
Experience	Ms Flegg has over 20 years of experience in finance and administration. During the past decade she has been a Corporate Advisor to several ASX and AIM listed mining and oil and gas companies, specialising in corporate and financial management, compliance and company secretarial advice. Ms Flegg is currently Company Secretary to Kaboko Mining Limited, Paynes Find Gold Limited, Eclipse Metals Ltd and International Goldfields Ltd.
Interest in shares and options	Ms Flegg holds no shares or options in the Company.

DIRECTORS' REPORT

REMUNERATION REPORT (AUDITED)

This report details the nature and amount of remuneration for each director of Range Resources Limited.

(a) Remuneration Policy

The remuneration policy of Range Resources Limited has been designed to align director and executive objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific long-term incentives based on key performance areas affecting the economic entity's financial results. The Board of Range Resources Limited believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best executives and directors to run and manage the economic entity, as well as create goal congruence between directors, executives and shareholders.

The board's policy for determining the nature and amount of remuneration for board members and senior executives of the Company is as follows:

The remuneration policy, setting the terms and conditions for the executive directors and other senior executives, was developed and approved by the board.

Non-executive directors, executive directors and senior executives receive a base salary (which is based on factors such as length of service and experience), which is calculated on a total cost basis and includes any FBT charges related to employee benefits including motor vehicles, as well as employer contributions to superannuation funds.

Executive directors can be employed by the Company on a consultancy basis, on board approval, with remuneration and terms stipulated in individual consultancy agreements.

The board exercises its discretion in determining remuneration performance of executives. Given the size and nature of the entity, the board does not deem it to be realistic to measure performance against defined criteria. As such remuneration and performance are not linked.

All remuneration paid to directors and executives is valued at the cost to the Company and expensed. Shares given to directors and executives are valued as the difference between the market price of those shares and the amount paid by the director or executive. Unlisted options are valued using the Black-scholes methodology.

The board policy is to remunerate non-executive directors at market rates for comparable companies for time, commitment and responsibilities. As approved by shareholders in 29 April 2005, the aggregate non-executive remuneration per annum was increased to US$182,918. The Board determines payments to the non-executive directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. Fees for non-executive directors are not linked to the performance of the consolidated entity. The Directors are not required to hold any shares in the Company under the Constitution of the Company; however, to align directors' interests with shareholder interests, the directors are encouraged to hold shares in the Company.

Options are issued to directors and executives as part of remuneration. The options are not based on performance criteria, but are issued to directors and executives to increase goal congruence between executives, directors and shareholders

Under the Company's share trading policy, all employees and Directors of the Company and its related companies are prohibited from trading in the Company's shares or other securities if they are in possession of 'inside information'.

The Board believes that it has implemented suitable practices and procedures that are appropriate for an organisation of this size and maturity.

DIRECTORS' REPORT

REMUNERATION REPORT (AUDITED) (continued)

(i) Remuneration Committee

During the year ended 30 June 2013, the consolidated entity did not have a separately established nomination or remuneration committee. Considering the number of directors, the Board are of the view that these functions could be efficiently performed with full Board participation.

(ii) Company Performance, Shareholder Wealth and Directors and Executives Remuneration

No relationship exists between shareholder wealth, director and executive remuneration and Company performance.

(iii) Use of remuneration consultants

During the year ended 30 June 2013, the consolidated entity did not contract the service of a remuneration consultant. Considering the number of directors, the Board are of the view that these functions could be efficiently performed with full Board participation.

(iv) Voting and comments made at the company's 2012 Annual General Meeting

Range Resources Ltd received 94% of "yes" votes on its remuneration report for the 2012 financial year. The company did not receive any specific feedback at the AGM or throughout the year on its remuneration practices.

(b) Key Management Personnel

Name	Position held
Sir Samuel Jonah	Chairman
Mr Peter Landau	Executive Director
Mr Marcus Edward-Jones	Non-Executive Director
Mr Anthony Eastman	Executive Director / Company Secretary
Ms Jane Flegg	Company Secretary

DIRECTORS' REPORT

REMUNERATION REPORT (AUDITED) (continued)

(c) Details of Remuneration

The remuneration for each director (key management personnel) of the economic entity during the year was as follows:

	Short-Term Employee Benefits			Post Employment Benefits	Long Term Benefits	Share-based Payments			
2013	Cash Salary and Fees $US	Cash Bonus $US	Termination Benefits $US	Super-annuation $US	Long Service Leave $US	Options $US	Total $US	% Share-based $US	Performance Related $US
Directors & officers									
Sir Sam Jonah (i)	102,087	-	-	-	-	-	102,087	-	-
Mr Landau (i)	494,248	-	-	-	-	-	494,248	-	-
Mr Edwards-Jones (i)	102,087	-	-	-	-	-	102,087	-	-
Mr Eastman (i)	204,175	-	-	-	-	-	204,175	-	-
Ms Flegg (ii)	-	-	-	-	-	-	-	-	-
	902,597	-	-	-	-	-	902,597	-	-

(i) As at 30 June 2013, there was $415,520 in accrued directors fees owing (pro-rata) that the Directors have agreed to have settled once proceeds from Texas sale or Trinidad financing facility have been received.

(ii) Ms Flegg is an employee of Okap Ventures Pty Ltd and is paid a salary through Okap's consulting agreement with Range Resources Limited.

	Short-Term Employee Benefits			Post Employment Benefits	Long Term Benefits	Share-based Payments			
2012	Cash Salary and Fees $US	Cash Bonus $US	Termination Benefits $US	Super-annuation $US	Long Service Leave $US	Options $US	Total $US	% Share-based $US	Performance Related $US
Directors & officers									
Sir Sam Jonah (i)	61,935	-	-	-	-	-	61,935	-	-
Mr Landau (i)	309,677	-	-	-	-	-	309,677	-	-
Mr Edwards-Jones (i)	72,258	-	-	-	-	-	72,258	-	-
Mr Eastman (i)	103,226	-	-	-	-	-	103,226	-	-
Ms Flegg (ii)	-	-	-	-	-	-	-	-	-
	547,096	-	-	-	-	-	547,096	-	-

(i) Ms Flegg is an employee of Okap Ventures Pty Ltd and is paid a salary through Okap's consulting agreement with Range Resources Limited.
There were no other Key Management Personnel during the year.

DIRECTORS' REPORT

REMUNERATION REPORT (AUDITED) (continued)

(d) Cash Bonuses

There were no cash bonuses paid during the year.

(e) Share-based Payments

There were no share-based payments made during the year to key management personnel

(f) Options issued as part of remuneration

There were no options issued during the current or prior year to the directors or key management personnel.

(g) Shares provided on exercise of remuneration options

18,261,100 shares were issued during the prior year as a result of exercise of remuneration options.

No options issue in prior years affects remuneration in the current or future financial years.

2013	Balance at the start of the year	Granted during the year as compensation	Exercised during the year	Other changes during the year	Balance at the end of the year	Vested and exercisable	Balance held indirectly
Directors & officers							
Sir Sam Jonah	-	-	-	-	-	-	-
Mr Landau	-	-	-	-	-	-	-
Mr Edwards-Jones	-	-	-	-	-	-	-
Mr Eastman	-	-	-	-	-	-	-
Ms Flegg	-	-	-	-	-	-	-
	-	-	-	-	-	-	-

2012	Balance at the start of the year	Granted during the year as compensation	Exercised during the year	Other changes during the year	Balance at the end of the year	Vested and exercisable	Balance held indirectly
Directors & officers							
Sir Sam Jonah	19,135,013	-	(6,091,535)	(13,043,478)	-	-	-
Mr Landau	20,000,000	-	(6,956,522)	(13,043,478)	-	-	-
Mr Edwards-Jones	15,300,000	-	(2,256,522)	(13,043,478)	-	-	-
Mr Eastman	16,000,000	-	(2,956,521)	(13,043,479)	-	-	-
Ms Flegg	-	-	-	-	-	-	-
	70,435,013	-	(18,261,100)	(52,173,913)	-	-	-

All other options expired during the year. No options are vested and unexercisable at the end of the year.
Other changes during the year reflect unexercised options that expired during the year.

DIRECTORS' REPORT

REMUNERATION REPORT (AUDITED) (continued)

(h) Employment Contracts of Directors and Senior Executives

On appointment to the Board, new Executive Directors enter into a consultancy agreement with the company. The agreement sets out their duties, remuneration and place of service. Remuneration and other terms of employment for the Managing Director and Executive Director are formalised in employment agreements. These contracts may be terminated early wherein the employee must give six months' notice. When the company terminates the contract, he will be entitled to his salary for the balance of any part of the term remaining.

S. Jonah as Chairman

Contract term – 3 years from 1 July 2012

Base payment - A$100,000 per annum

Notice period – 6 months

Termination benefits – salary for the balance of the term of the contract

P. Landau as Executive Director

Contract term – 3 years from 1 July 2012

Base payment - A$480,000 per annum

Notice period – 6 months

Termination benefits – salary for the balance of the term of the contract

M. Edwards-Jones as Non-Executive Director

Contract term – 3 years from 15 August 2012

Base payment - A$100,000 per annum

Notice period – 6 months

Termination benefits – salary for the balance of the term of the contract

A. Eastman as Executive Director

Contract term – 3 years from 1 July 2012

Base payment - A$200,000 per annum

Notice period – 6 months

Termination benefits – salary for the balance of the term of the contract

End of Audited Remuneration Report

DIRECTORS' REPORT

MEETINGS OF DIRECTORS

During the financial year, 3 meetings of the board of directors were held. Attendances by each director during the year were as follows:

	Board Meetings	
	Attended	Held(i)
Samuel Jonah	3	3
Peter Landau	3	3
Marcus Edwards-Jones	3	3
Anthony Eastman	3	3

(i) Number held during period in which the director held office

INDEMNIFYING OFFICERS OR AUDITOR

In accordance with the constitution, except where prohibited by the Corporations Act 2001, every director, principal executive officer or secretary of the Company shall be indemnified out of the property of the Company against any liability incurred by him/her in his/her capacity as director, principal executive officer or secretary of the Company or any related corporation in respect of any act or omission whatsoever and howsoever occurring or in defending any proceedings whether civil or criminal.

During the financial year, the Company has paid premiums to insure the Directors against certain liabilities arising out of the conduct of acting as an officer of the Company. Under the terms and conditions of the insurance contract, the nature of liabilities insured against and the premium paid cannot be disclosed.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied for leave of Court to bring proceedings on behalf of the Company or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

DIRECTORS' REPORT

OPTIONS

At the date of this report, the unissued ordinary shares of Range Resources Limited under option are as follows:

Grant Date	Date of Expiry	Exercise Price	Number Under-Option
08/07/2010	30/06/2015	$0.07	855,166
20/09/2011	30/04/2016	$0.26	7,058,824
21/03/2012	31/01/2017	$0.113	5,180,000
18/06/2012	31/03/2015	$0.195	9,000,000
19/10/2012	19/10/2015	£0.0615	15,708,801
19/11/2012	30/11/2015	£0.05075	32,275,862
21/03/2013	31/01/2016	$0.05	40,000,000
30/01/2013	31/01/2016	$0.10	5,000,000
11/02/2013	10/02/2016	$0.06	5,000,000
30/04/2013	30/04/2016	£0.04	146,533,850
			266,612,503

During the year ended 30 June 2013, Nil (2012: 309,392,276) ordinary shares of Range Resources Limited were issued on the exercise of options.

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

CORPORATE GOVERNANCE

In recognising the need for the highest standards of corporate behaviour and accountability, the directors of Range Resources Limited support and have adhered to the principles of Corporate Governance. The Company's Corporate Governance Statement is contained in the Corporate Governance section of the Financial Report (pages 94 to 96).

LOANS TO DIRECTORS AND EXECUTIVES

Information on loans to directors and executives including amounts, interest rates and repayment terms are set out in Note 35 to the financial statements.

DIRECTORS' REPORT

NON-AUDIT SERVICES

A non-audit service was provided by a related practice of BDO Audit (WA) Pty Ltd in respect to parent entity's tax compliance. Total non-audit remuneration is $43,977.

The board of directors has considered the position and is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The directors are satisfied that the provision of non-audit services by the auditor did not compromise the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed by the audit committee to ensure they do not impact the impartiality and objectivity of the auditor
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants.

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration, as required under Section 307C of the Corporations Act 2001, for the year ended 30 June 2013 has been received and can be found on page 28 of the directors' report.

Signed in accordance with a resolution of the Board of Directors.

Mr P Landau
Executive Director

Dated this 27th day of September 2013

AUDITOR'S INDEPENDENCE DECLARATION

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF RANGE RESOURCES LIMITED

I declare that, to the best of my knowledge and beliefs, during the year ended 30 June 2013 there have been:

(i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and

(ii) no contraventions of any applicable code of professional conduct in relation to the audit.

Glyn O'Brienu
Director

BDO

Chartered Accounts

RANGE RESOURCES
2013 FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF PROFIT OR LOSS & OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2013

	Note	Consolidated 2013 US$	Consolidated 2012 US$ Restated*
Revenue from continuing operations	**4**	**27,258,691**	**24,997,980**
Operating expenses		(13,525,286)	(16,796,698)
Depreciation, depletion and amortisation		(8,307,574)	(9,506,504)
Cost of sales	**5a**	**(21,832,860)**	**(26,303,202)**
Gross Profit/(Loss)		**5,425,831**	**(1,305,222)**
Other income and expenses from continuing operations			
Other income	4	484,539	6,559,987
Finance costs	5b	(4,027,704)	(2,827,201)
Exploration expenditure	20	(5,839,253)	(21,753,481)
Depreciation - general	5b	(63,938)	(46,810)
Directors fees	7	(902,597)	(547,096)
Corporate management services		(866,617)	(970,324)
Consultants		(4,337,657)	(5,467,306)
Foreign exchange loss		(135,462)	(928,933)
Share-based payment		(2,907,084)	(1,495,798)
Marketing and public relations		(581,339)	(524,238)
Costs associated with AIM listing		(181,138)	(447,299)
Travel expenditure		(863,263)	(1,648,835)
Impairment loss on available for sale assets		-	(115,613)
Share of net loss on investment in associates		-	(407,326)
Other expenses	5b	(2,924,048)	(1,859,583)
Loss before income tax expense from continuing operations		(17,719,730)	(33,785,078)
Income tax benefit/(expense)	6	(2,584,531)	2,690,087
Loss after income tax for the year attributable to equity holders of Range Resources Limited		**(20,304,261)**	**(31,094,991)**
Other comprehensive income/(loss)			
Items that can be reclassified to profit and loss			
Revaluation of available for sale assets	29d	(1,105,172)	768,816
Exchange difference on translation of foreign operations	29c	(681,064)	(5,923,382)
Other comprehensive income/(loss) for the year, net of tax		**(1,786,236)**	**(5,154,566)**
Total comprehensive loss attributable to equity holders of Range Resources Limited		**(22,090,497)**	**(36,249,557)**
Overall operations			
EPS from continuing operations:			
Basic loss per share (cents per share)	9	(0.95)	(1.57)
Diluted loss per share (cents per share)	9	n/a	n/a

The Company's potential ordinary shares were not considered dilutive (refer Note 9).

*Restated. Refer to Notes 2 and 3 for further details

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 30 JUNE 2013

	Note	Consolidated		
		2013 US$	2012 US$ Restated*	2011 US$ Restated
Assets				
Current Assets				
Cash and cash equivalents	10	1,732,231	10,578,562	18,396,514
Restricted deposits		3,480,000	-	-
Trade and other receivables	11	14,297,007	11,373,559	3,181,683
Other current assets	12	3,818,816	926,294	327,466
		23,328,054	22,878,415	21,905,663
Non-current asset classified as held for sale	14	8,769,792	6,323,453	-
Total Current Assets		**32,097,846**	**29,201,868**	**21,905,663**
Non-Current Assets				
Goodwill	16	46,198,974	46,198,974	-
Available for sale financial assets	13	822,751	3,299,034	966,822
Property, plant and equipment	17	15,109,215	15,605,563	20,204
Exploration & Evaluation Expenditure	18	9,453,636	7,250,706	4,430,443
Development Assets	19	82,614,029	82,732,320	6,507,736
Prepayments for Investments		-	-	57,676,819
Deferred tax asset	6	216,920	348,113	-
Investments in Associates	21	37,295,453	30,333,035	6,243,411
Non-Current Assets	22	15,324,218	4,839,713	12,846,052
Total Non-Current Assets		**207,035,196**	**190,607,458**	**88,691,487**
Total Assets		**239,133,042**	**219,809,326**	**110,597,150**
Liabilities				
Current Liabilities				
Trade and other payables	23	7,170,178	2,500,628	1,504,420
Current tax liabilities		1,806,030	4,247,557	-
Borrowings	24	11,026,440	-	-
Provision	25	654,873	602,378	12,340
Total Current Liabilities		**20,657,521**	**7,350,563**	**1,516,760**
Non-Current Liabilities				
Other non-current liabilities	27b	431,211	2,970,284	-
Deferred tax liabilities	26	44,995,633	44,859,854	-
Employee service benefit	27a	482,092	640,426	-
Total Non-Current Liabilities		**45,908,936**	**48,470,564**	**-**
Total Liabilities		**66,566,457**	**55,821,127**	**1,516,760**
Net Assets		**172,566,585**	**163,988,199**	**109,080,390**
Equity				
Contributed equity	28	314,199,634	283,645,540	200,968,352
Reserves	29	26,991,273	28,662,720	25,337,108
Accumulated losses		(168,624,322)	(148,320,061)	(117,225,070)
Total Equity		**172,566,585**	**163,988,199**	**109,080,390**

*Restated. Refer to Notes 2 and 3 for further details

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2013

Consolidated	Note	Contributed Equity	Accumulated Losses	Foreign Currency Translation Reserve	Available for Sale Investment Revaluation Reserve	Share-based Payment Reserve	Option Premium Reserve	Total Equity
		US$ Restated*						
Balance at 1 July 2011		230,068,172	(127,957,483)	(11,898,099)	1,616	6,875,927	11,990,257	109,080,390
Equity translation due to change in presentation currency		(29,099,820)	10,732,413	21,918,287	9,477	(628,374)	(2,931,983)	-
Other comprehensive income/(loss)		-	-	(5,923,382)	768,816	-	-	(5,154,566)
Loss attributable to members of the company		-	(31,094,991)	-	-	-	-	(31,094,991)
Total comprehensive income and expense for the year			(31,094,991)	(5,923,382)	768,816			(36,249,557)
Cost of share-based payment		-	-	-	-	7,722,700	757,478	8,480,178
Transactions with owners in their capacity as owners:								
Issue of share capital	28	61,371,266	-	-	-	-	-	61,371,266
Exercise of options	28	25,140,487	-	-	-	-	-	25,140,487
Issue costs	28	(3,834,565)	-	-	-	-	-	(3,834,565)
Balance at 30 June 2012		**283,645,540**	**(148,320,061)**	**4,096,806**	**779,909**	**13,970,253**	**9,815,752**	**163,988,199**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2013

Consolidated	Note	Contributed Equity	Accumulated Losses	Foreign Currency Translation Reserve	Available for Sale Investment Revaluation Reserve	Share-based Payment Reserve	Option Premium Reserve	Total Equity
		US$ Restated*						
Balance at 1 July 2012		283,645,540	(148,320,061)	4,096,806	779,909	13,970,253	9,815,752	163,988,199
Other comprehensive income/(loss)		-	-	(681,064)	(1,105,172)	-	-	(1,786,236)
Loss attributable to members of the company		-	(20,304,261)	-	-	-	-	(20,304,261)
Total comprehensive income and expense for the year			(20,304,261)	(681,064)	(1,105,172)	-	-	(22,090,497)
Cost of share-based payment		-	-	-	-	114,789	-	114,789
Transactions with owners in their capacity as owners:								
Issue of share capital	28	30,905,011	-	-	-	-	-	30,905,011
Exercise of options	28	-	-	-	-	-	-	-
Issue costs	28	(350,917)	-	-	-	-	-	(350,917)
Balance at 30 June 2013		**314,199,634**	**(168,624,322)**	**3,415,742**	**(325,263)**	**14,085,042**	**9,815,752**	**172,566,585**

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2013

		Consolidated	
	Note	2013 US$	2012 US$ Restated*
Cash Flows From operating Activities			
Receipts from customers		24,662,614	22,135,754
Payments to suppliers and employees		(25,042,225)	(16,730,138)
Payments for exploration and evaluation expenditure in relation to the Somalia interests		(5,839,253)	(15,225,120)
Income taxes paid		(4,736,902)	(6,984,390)
Interest received		183,714	325,745
Interest & other finance costs		(1,678,438)	-
Net cash inflow/(outflow) from operating activities	33	(12,450,490)	(16,478,149)
Cash Flows From Investing Activities			
Payment for property, plant & equipment		(1,661,699)	(12,607,762)
Payment for available for sale financial assets		(200,000)	(2,502,578)
Sale of available for sale financial assets		2,091,522	2,604,908
Payment for development assets		(8,396,480)	(6,404,445)
Payment to investments in associates		(6,962,418)	(12,626,155)
Payments for exploration and evaluation assets		(2,202,930)	(7,872,856)
Payments for assets held-for-sale		(912,687)	-
Payments for acquisition of subsidiary, net of cash acquired		-	(4,704,346)
Payment to restricted deposits		(3,480,000)	-
Loans to external parties		(9,001,871)	(6,428,993)
Net cash outflow from investing activities		(30,726,563)	(50,542,227)
Cash Flows From Financing Activities			
Proceeds from issue of equity		21,504,846	64,811,576
Payment of equity issue costs		(350,917)	(5,068,593)
Proceeds from borrowings		21,499,815	-
Repayment of borrowings		(8,323,022)	-
Net cash inflow from financing activities		34,330,722	59,742,983
Net increase/(decrease) in cash and cash equivalents		(8,846,331)	(7,277,393)
Cash and cash equivalents at beginning of financial year		10,578,562	18,396,514
Effect of exchange rate changes on the balance of cash held in foreign currencies		-	(540,559)
Cash and cash equivalents at end of financial year	10	1,732,231	10,578,562

*Restated. Refer to Notes 2 and 3 for further details.

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Note 1: Statement of Significant Accounting Policies

These financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001. Range Resources Limited is a for-profit entity for the purpose of preparing the financial statements.

The financial statements cover the consolidated entity consisting of Range Resources Limited and its controlled entities. Separate financial statements of Range Resources Limited are no longer presented as a result of a change to the Corporations Act 2001. Financial information for Range Resources Limited as an individual entity is disclosed in Note 36. Range Resources Limited is a listed public company, incorporated and domiciled in Australia.

The following is a summary of the material accounting policies adopted by the consolidated entity in the preparation of the financial statements. The accounting policies have been consistently applied, unless otherwise stated.

Basis of Preparation

Reporting Basis and Conventions

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

Compliance with IFRS

The financial statements of Range Resources Limited also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). The financial statements were approved by the Board of Directors on 28 September 2013.

Functional and presentation currency

The Group changed its presentation currency and functional currency from Australian dollars (AU$) to United States dollars (US$) effective 1 July 2012.

The functional currency of an entity is the currency of the primary economic environment in which the entity operates, which should reflect the economic substance of the underlying events and circumstances relevant to the Company. During the period, there were several factors which produced a change in functional currency for the Company to United States (US) dollars. These include the borrowings during the year being denominations primarily in US dollars, conversion of excess group cash into US dollars resulting in derivation of US interest revenue, and redesignation of all intercompany group loans into US dollars.

The Group followed the recommendations set out in AASB 121, The Effects of Changes in Foreign Exchange Rates. In accordance with AASB 121, the financial statement for all years and periods presented has been translated into the new presentation currency using the current rate method. Under this method, the consolidated statement of profit or loss and consolidated cash flow statement items for each year and period have been translated into the presentation currency using the average exchange rates prevailing during each report period. All assets and liabilities have been translated using the exchange rate prevailing at the consolidated reporting dates. Shareholders' equity transactions have been translated using the rates of exchange in effect as of the dates of the various capital transactions, while shareholders' equity balances from the translation are included as a separate component of other comprehensive income. All resulting differences arising from the translation are included as a separate component of other comprehensive income. All comparative financial information has been restated to reflect the Group's results as if they had been historically reported in US$.

Adoption of new and revised accounting standards

In the current year, the consolidated entity has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for the current annual reporting period. There has been no material impact on the financial statements upon the adoption of the new and revised standards.

The impact of standards and interpretations that have been published but are not mandatory for 30 June 2013 reporting periods and have not been early adopted are disclosed within Note 39. There were no standards that were early adopted as of 30 June 2013.

Note 1: Statement of Significant Accounting Policies (continued)

Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements, and have been applied consistently by the consolidated entity.

(a) Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Range Resources Limited ("parent entity") as at 30 June 2013 and the results of all subsidiaries for the year then ended. Range Resources Limited and its subsidiaries together are referred as "consolidated entity".

Subsidiaries are all those entities (including special purpose entities) over which the consolidated entity has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the consolidated entity controls another entity.

Where controlled entities have entered or left the consolidated entity during the year, their operating results have been included/excluded from the date control was obtained or until the date control ceased. A list of controlled entities is contained in Note 15 to the financial statements. All controlled entities have a June financial year-end.

All inter-company balances and transactions between entities in the consolidated entity, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistencies with those policies applied by the parent entity.

Associates are all entities over which the consolidated entity has significant influence but not control or joint control, generally accompanying a shareholding of between 20-50% of the voting rights. Investments in associates are accounted for in the consolidated financial statements using the equity method of accounting, after initially being recognised at cost.

(b) Income tax

The charge for current income tax expense is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using tax rates that have been enacted or are substantively enacted by the reporting date within each jurisdiction.

Deferred tax is accounted for using the liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled. Deferred tax is credited in profit or loss except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the consolidated entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

Note 1: Statement of Significant Accounting Policies (continued)

(c) Property, plant and equipment

Owned assets

Plant and equipment are measured on the historical cost basis less accumulated depreciation and impairment losses.

The cost of fixed assets constructed within the consolidated entity includes the cost of materials, direct labour, borrowing costs and an appropriate proportion of fixed and variable overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the consolidated entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Oil and gas assets

These properties represents the accumulation of all exploration, evaluation and development expenditure, pre-production development costs and ongoing costs of continuing the develop reserves for production incurred by or on behalf of the entity in relation to areas of interests.

Where further development expenditure is incurred in respect of a property after the commencement of production, such expenditure is carried forward as part of the cost of that property only when expected future economic benefits are to be received, otherwise such expenditure is classified as part of the cost of production.

Depreciation

The depreciable amount of all fixed assets including capitalised lease assets is depreciated on a straight-line basis over their useful lives to the consolidated entity commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable asset are:

Class of Fixed Asset	Depreciation Rate
Plant & Equipment	11.25% - 33%
Production equipment	10 - 20%
Motor vehicles, Furniture & Fixtures	25 - 33%
Leasehold improvements	10 - 12.50%

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in profit or loss. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to accumulated losses.

Note 1: Statement of Significant Accounting Policies (continued)

(d) Exploration and evaluation expenditure and the recognition of assets

Generally, 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.

Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

The recoverability of the carrying amount of the exploration and evaluation assets is dependent on the successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

The carrying values of expenditures carried forward are reviewed for impairment at each reporting date when the facts, events or changes in circumstances indicate that the carrying value may be impaired.

Accumulated expenditures are written off to profit or loss to the extent to which they are considered to be impaired.

Range Resources Limited is applying AASB 6 Exploration for and Evaluation of Mineral Resources which is equivalent to AASB 6. The carrying value of exploration and evaluation expenditure is historical cost less impairment.

In 1 July 2012, the company has chosen to review its policy on accounting for exploration and evaluation activities in relation to Somalian areas of interest as it believes that a change in accounting policy will provide more relevant and no less reliable information to users of the consolidated financial statements.

The Company is of the view that the amount of exploration expenditure recorded in the statement of financial position in relation to the Somalian assets is disproportionate to the Company's diversified exploration portfolio and current activities in Trinidad. While the Company still believes its Somalian assets has extensive value, and is proceeding with further exploration in these areas, the Company has decided future and historic exploration costs should be expensed as incurred.

The new accounting policy in respect to Somalian assets was adopted 1 July 2012 and has been applied retrospectively. Both the previous and new accounting policies are compliant with AASB 6 Exploration and Evaluation of Mineral Resources. Refer to Note 3 for detailed explanation of the impact of change in accounting policy.

(e) Development assets

Upon the commencement of commercial production from each identifiable area of interest, the exploration and evaluation expenditure incurred up to that point impairment is tested and then reclassified to development assets.

When production commences, the accumulated costs for the relevant area of interest are amortised on a units of production method based on the ratio of actual production to remaining proved reserves (P1) as estimated by independent petroleum engineers over the life of the area according to the rate of depletion of the economically recoverable reserves.

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the item will flow to the consolidated entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit and loss during the financial period in which they are incurred.

The carrying amount of development assets is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows which will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in profit or loss. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to accumulated losses.

The Group records the present value of the estimated cost of legal and constructive obligations to restore operating locations in the period in which the obligation arises. The nature of restoration activities includes the removal of facilities, abandonment of wells and restoration of affected areas.

A restoration provision is recognised and updated at different stages of the development and construction of a facility and then reviewed on an annual basis. When the liability is initially recorded, the estimated cost is capitalises by increasing the carrying amount of the related exploration and evaluation/development assets.

Note 1: Statement of Significant Accounting Policies (continued)

Over time, the liability is increased for the change in the present value based on a pre-tax discount rate appropriate to the risk inherent in the liability. The unwinding of the discount is recorded as an accretion charge within finance costs. The carrying amount capitalised in oil and gas properties is depreciated over the useful life of the related asset.

Costs incurred that relate to an existing condition caused by past operation and do not have a future economic benefit are expensed.

(f) Financial instruments

Financial instruments are included in cash and cash equivalents, trade and other receivables and financial assets available-for-sale in the statement of financial position of the consolidated entity.

Recognition

Financial instruments are initially measured at cost on trade date, which includes transaction costs, when the related contractual rights or obligations exist. Subsequent to initial recognition, these instruments are measured as set out below.

The consolidated entity classifies its financial assets in the following categories, loans and receivables and available-for-sale investments. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are stated at amortised cost using the effective interest rate method.

Available-for-sale financial assets

Available-for-sale financial assets include non-derivative financial assets designated in this category not included in any of the other categories. Available-for-sale financial assets are reflected at fair value. Unrealised gains and losses arising from changes in fair value are taken directly to the available for sale investment revaluation reserve in equity. Investments are designated as available-for-sale if they do not have fixed maturities and fixed determinable payments and management intends to hold them for the medium to long term.

Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities held at cost less impairment, including recent arm's length transactions, reference to similar instruments and option pricing models.

Changes in the fair value of monetary securities denominated in a foreign currency and classified as available-for-sale are analysed between translation differences resulting from changes in amortised cost of the security and other changes in the carrying amount of the security. The translation differences related to changes in the amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in the available for sale investment revaluation reserve in equity. Changes in the fair value of other monetary and non-monetary securities classified as available-for-sale are recognised in equity.

Impairment of assets

The consolidated entity assesses at each reporting date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of a security below its cost is considered as an indicator that the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit or loss – is removed from equity and included in profit or loss. Impairment losses recognised in the statement of profit or loss and other comprehensive income on equity instruments classified as available-for-sale are not reversed through profit or loss.

Recognition and derecognition

Regular purchases and sales of financial assets are recognised on trade-date – the date on which the consolidated entity commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the consolidated entity has transferred substantially all the risks and reward of ownership.

When the securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in equity are included in profit or loss as gains and losses for investment securities.

Note 1: Statement of Significant Accounting Policies (continued)

(g) Foreign currency transactions and balances

Functional and presentation currency

The functional currency of each entity within the consolidated entity is determined using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in United States dollars which is the parent entity's functional and presentation currency.

Transaction and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in profit or loss.

Exchange differences arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity; otherwise the exchange difference is recognised in profit or loss.

(h) Provisions

Provisions for legal claims, service warranties and make good obligations are recognised when the consolidated entity has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects the current market assessments of the time value of money and the risk specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

(i) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

(j) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Trade receivables are generally due for settlement within 30 days.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off by reducing the carrying amount directly. An allowance account (provision for impairment of trade receivables) is used when there is objective evidence that the consolidated entity will not be able to collect all amounts due, according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The amount of impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

The amount of impairment loss is recognised in profit or loss within other expenses. When a trade receivable, for which an impairment allowance had been recognised, becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in profit or loss.

Note 1: Statement of Significant Accounting Policies (continued)

(k) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates and amounts collected on behalf of third parties. Revenue is recognised when the amount of revenue can be reliably measured, and it is probable that future economic benefits will flow to the consolidated entity.

Revenue from the sale of oil and gas and related products is recognised when the consolidated entity has transferred to the buyer the significant risks and rewards of ownership and the amounts can be measured reliably. In the case of oil, this usually occurs at the time of lifting.

Interest revenue is recognised on a time proportion basis taking into account the interest rates applicable to the financial assets.

(l) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(m) Comparative figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(n) Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement for disclosure purposes.

The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the reporting date. The quoted market price used for financial assets held by the consolidated entity is the current bid price.

The fair value of financial instruments that are not traded in an active market (for example over-the-counter derivatives) is determined using valuation techniques. The consolidated entity uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash follows at the current market interest rate that is available to the consolidated entity for similar financial instruments.

(o) Investments in associates

Investment in associates is accounted for using the equity method of accounting in the consolidated financial statements.

Under the equity method, the investment in the associates is carried in the consolidated statement of financial position at cost plus post-acquisition changes in the Group's share of net assets of the associate.

After application of the equity method, the Group determines whether it is necessary to recognise any additional impairment loss with respect to the Group's net investment in the associate.

The Group's share of the associate post-acquisition profits or losses is recognised in the statement of profit or loss and other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in the associate equals or exceeds its interest in the associate, including any unsecured long-term receivables and loans, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

The reporting dates of the associate and the Group are identical and the associate's accounting policies conform to those used by the Group for like transactions and events in similar circumstances.

Note 1: Statement of Significant Accounting Policies (continued)

(p) Prepayments for investments

Prepayments for acquisitions of financial assets are recorded at the fair value of consideration to acquire the assets.

On satisfaction of all terms of the acquisition contract have been satisfied the prepayment is transferred and accounted for as an investment.

(q) Trade and other payables

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(r) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the financial year but not distributed at reporting date.

(s) Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(t) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing the profit or loss attributable to equity holders of the company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares.

(u) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the managing director.

(v) Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises of fair values of the assets transferred, the liabilities incurred and the equity interest issued by the group. The consideration transferred also includes the fair value of any pre-existing equity interest in the subsidiary. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

The excess of the consideration transferred and the amount of any non-controlling interest in the acquiree over the fair value of the net identifiable assets acquires is recorded as goodwill. If those amounts are less that the fair value of the net identifiable assets of the subsidiary acquired and the measurement of all amounts has been reviewed, the difference is recognised directly in profit or loss as a bargain purchase.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

(w) Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which they are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Note 1: Statement of Significant Accounting Policies (continued)

(x) Intangible assets (goodwill)

Goodwill is measured as described in note 1 (v). Goodwill on acquisitions 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. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose, identified according to operating segments (note 30)

(y) Share-based payments

The fair value of options granted is recognised as an expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted, which includes any market performance conditions and the impact of any non-vesting conditions but excludes the impact of any service and non-market performance vesting conditions.

(z) Employee benefits

Wages and salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits, and annual leave expected to be settled within 12 months of the reporting date are recognised in current liabilities in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Long service leave

The liability for long service leave is recognised in current and non-current liabilities, depending on the unconditional right to defer settlement of the liability for at least 12 months after the reporting date. The liability is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

(aa) Leases

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

A distinction is made between finance leases, which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of leased assets, and operating leases, under which the lessor effectively retains substantially all such risks and benefits.

Finance leases are capitalised. A lease asset and liability are established at the fair value of the leased assets, or if lower, the present value of minimum lease payments. Lease payments are allocated between the principal component of the lease liability and the finance costs, so as to achieve a constant rate of interest on the remaining balance of the liability.

Leased assets acquired under a finance lease are depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the company will obtain ownership at the end of the lease term.

Operating lease payments, net of any incentives received from the lessor, are charged to profit or loss on a straight-line basis over the term of the lease.

(bb) Borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Where there is an unconditional right to defer settlement of the liability for at least 12 months after the reporting date, the loans or borrowings are classified as non-current.

Note 1: Statement of Significant Accounting Policies (continued)

(cc) Finance costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred, including:

- interest on the bank overdraft
- interest on short-term and long-term borrowings
- interest on finance leases
- unwinding of the discount on provisions

(dd) Non-current assets classified as held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. They are measured at the lower of their carrying amount and fair value less costs to sell. For non-current assets to be classified as held for sale, they must be available for immediate sale in their present condition and their sale must be highly probable.

An impairment loss is recognised for any initial or subsequent write down of the non-current assets to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of a non-current asset, but not in excess of any cumulative impairment loss previously recognised.

Non-current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of assets held for sale continue to be recognised.

Non-current assets classified as held for sale are presented separately on the face of the statement of financial position, in current assets. The liabilities of disposal groups classified as held for sale are presented separately on the face of the statement of financial position, in current liabilities.

Note 2: Critical accounting estimates and judgements

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the consolidated entity. Areas involving a higher degree of judgement or complexity, or areas where estimations and assumptions are significant to the financial statements are disclosed here.

Exploration and evaluation expenditure

Exploration and evaluation expenditure for each area of interest is carried forward as an asset provided certain conditions listed in Note 1(d) are met. Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. These calculations and reviews require the use of assumptions and judgement. The related carrying amounts are disclosed in Note 18.

Development asset expenditure

The classification of exploration and evaluation expenditure to development asset is based on the time of first commercial production. Development asset expenditure for each area of interest is carried forward as an asset provided certain conditions listed in Note 1(e) are met and depreciated on a unit of production basis on P1 reserves. P1 reserves have been determined by an independent expert.

Development assets are assessed for impairment when facts and circumstances suggest that the carrying amount of a development asset may exceed its recoverable amount. These timings, calculations and reviews require the use of assumptions and judgement. The related carrying amounts are disclosed in Note 19.

Share-based payments

The Binomial valuation model was used to value share-based payments made in the period to consultants when there was no active market available. As such, certain assumptions are made based on historical data which may not be reflective of future events. Note 34 details these assumptions.

Investments in associates

In 2011, Range received 50% of the share capital of Strait Oil & Gas (UK) Limited ("Strait") which holds the PSA's for Block VIa and Block VIb in Georgia. This interest was subsequently diluted to 40% following the farm-in with Red Emperor Resources hence the Company did not have control of Strait at balance date – refer Note 21.

Impairment of loan to and investment in associates

The recoverability of loan and investment is based on commercial discovery of Phase III of the development project and payable out of production cashflow and/or a sale event. At 30 June 2013 the balance of the Investment amounts of US$37,295,453 is considered to be recoverable based on the carrying value of the net assets of the associates as at that date.

Impairment of goodwill

The group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in Note 1(w). The recoverable amounts of CGU have been determined based on value in use calculations. These calculations require the use of assumptions. Please refer to note 16 for the potential impact of changes to the assumptions.

Deferred tax liability

Upon acquisition of SOCA Petroleum Ltd, in accordance with the requirement of AASB on income taxes, a deferred tax liability of US$46,979,878 was recognised in relation to the difference between the carrying amount for accounting purposes of deferred development assets and their actual cost base for tax purposes. In the event that the manner by which the carrying value of these assets is recovered differs from that which is assumed for the purpose of this estimation, the associated tax charges may be significantly less than this amount.

Note 3: Voluntary Change of Accounting Policy

The consolidated financial statements have been prepared on the basis of a retrospective application of a voluntary change in accounting policy relating to exploration and evaluation expenditure in relation to Puntland, Somalia.

The previous accounting policy was that expenditure on exploration and evaluation activities in relation to Somalia is capitalised and impaired when the facts, events or changes in circumstances indicate that the carrying value may be impaired.

The Company has chosen to revisit its policy on accounting for exploration expenditure incurred in respect of its Somalian areas of interest as it believes that a change in accounting policy will provide more relevant and no less reliable information to users of the consolidated financial statements.

The Company is of the view that the amount of exploration expenditure recorded in the statement of financial position in relation to the Somalian assets is disproportionate to the Company's diversified exploration portfolio and current activities in Trinidad. While the Company still believes its Somalian assets has extensive value, and is proceeding with further exploration if these areas, the Company has decided exploration costs should be expensed as incurred.

The new accounting policy was adopted 1 July 2012 and has been applied retrospectively. Both the previous and new accounting policy are compliant with AASB 6 Exploration for Evaluation and Mineral Resources.

This voluntary change involves restating the following balances:

Consolidated statement of financial position (extract)

	30 June 2012 Previous Policy (US$)	Increase/ (Decrease) (US$)	30 June 2012 (Restated) (US$)	30 June 2011 Previous Policy (US$)	Increase/ (Decrease) (US$)	30 June 2011 (Restated) (US$)
Exploration & Evaluation Expenditure	117,289,638	(110,038,932)	7,250,706	93,053,440	(88,622,997)	4,430,443
Net assets	**274,027,131**	**(110,038,932)**	**163,988,199**	**197,703,387**	**(88,622,997)**	**109,080,390**
Accumulated losses	(58,424,609)	(89,895,452)	(148,320,061)	(49,083,101)	(68,141,969)	(117,225,070)
Foreign Currency Reserve	24,240,286	(20,143,480)	4,096,806	30,501,215	(20,481,027)	10,020,188
Total equity	**274,027,131**	**(110,038,932)**	**163,988,199**	**197,703,387**	**(88,622,997)**	**109,080,390**

Consolidated profit or loss and other comprehensive income (extract)

	30 June 2012 Previous Policy	Increase/ (Decrease)	30 June 2012 (Restated)
Exploration Expenditure	-	(21,753,481)	(21,753,481)
Loss for the year	**(9,341,510)**	**(21,753,481)**	**(31,094,991)**
Other comprehensive income			
Exchange differences on translation of foreign operatives	-	337,547	337,547
Other comprehensive income for the year	**(2,121,058)**	**337,547**	**(1,783,511)**
Total comprehensive income /(loss) for the year, net of tax	**(14,833,623)**	**(21,415,934)**	**(36,249,557)**

Statement of cash flows (extract)

	30 June 2012 Previous Policy	Increase/ (Decrease)	30 June 2012 (Restated)
Payments for exploration in Puntland	-	(15,225,120)	(15,225,120)
Net cash provided by / (used in) operating activities	**(1,253,029)**	**(15,225,120)**	**(16,478,149)**
Payments for exploration and evaluation expenditure-capitalised	(15,225,120)	15,225,120	-
Net cash provided by / (used in) investing activities	**(65,767,347)**	**15,225,120**	**(50,542,227)**

Note 4: Revenue

	Consolidated 2013 US$	Consolidated 2012 US$ Restated*
From continuing operations		
- revenue from sale of goods	27,258,691	24,997,980
Other income		
- gain on sale of available for sale financial assets	-	2,462,937
- gain on fair value movement [(i)]	-	3,537,764
- other income	484,539	559,286
	27,743,230	31,557,967

(i) relates to the fair market valuation of the consideration paid for the initial 10% interest acquired in Trinidad

Note 5: Expenses

	Consolidated 2013 US$	Consolidated 2012 US$ Restated*
Loss before income tax includes the following specific expenses:		
(a) Cost of sales		
Cost of production	10,430,172	12,798,513
Staff costs	3,095,114	3,998,185
Oil and gas properties depreciation, depletion and amortisation	2,102,591	2,179,098
Amortisation in relation to fair value uplift of oil properties on business combination	6,204,983	7,327,406
Total cost of sales	21,832,860	26,303,202
(b) Expenses		
Depreciation		
- depreciation- general	63,938	46,810
Total depreciation	63,938	46,810
Finance costs		
- external	2,137,207	1,984,731
- effect of options surrendered	1,890,497	842,470
Total finance costs	4,027,704	2,827,201
Other expenses		
Audit fees	274,976	247,528
Taxation advice	75,730	75,156
Insurance	602,097	147,152
Share registry expenses	313,766	145,823
Other expenses	1,657,479	1,243,924
Total other expenses	2,924,048	1,859,583

Note 6: Income Tax Expense

	Consolidated	
	2013 US$	2012 US$ Restated*
(a) Income tax expense		
Current tax	3,143,882	1,756,241
Deferred tax	(266,972)	(4,446,328)
Adjustments for current tax of prior periods	(292,379)	-
	2,584,531	(2,690,087)
(b) The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax as follows:		
Loss before income tax expense from continuing operations	(17,719,730)	(33,785,078)
Prime facie tax payable on profit from ordinary activities before income tax at 30% (2012: 30%)		
- economic entity	(5,315,919)	(10,135,524)
	(5,315,919)	(10,135,524)
Add:		
Tax effect of:		
- Foreign tax fund	37,319	30,818
- Expenses not deductible for tax	7,008,471	14,062,302
- Income not assessable for tax	(4,991,360)	(7,515,302)
- Tax losses not brought to account	3,803,906	65,892
- Benefit of timing differences not previously recognised	-	(491,791)
- Benefit of tax losses not previously recognised	172,043	(329,642)
- Deferred tax assets not brought to account	2,693,637	1,623,160
- Differences in tax rates	(531,187)	(1,006,475
- Prior year adjustment	(292,379)	-
	2,584,531	(2,690,087)
Unrecognised Deferred tax asset		
- Capital losses	228,106	959,143
- Revenue losses	8,296,991	9,221,896
- Other	353,438	335,554
	8,878,535	10,516,594

Deferred tax assets not brought to account, the benefits of which will only be realised if the conditions for deductibility set out in Note 2 occur.

	2013 US$	2012 US$ Restated*
(c) Recognised deferred tax assets and liabilities		
- temporary differences	216,920	348,113
	216,920	348,113
Recognised deferred tax liabilities		
- Accelerated depreciation	(7,314,215)	(4,794,432)
- DTL arising on business combination	(37,681,418)	(40,065,422)
Net deferred tax assets	(44,995,633)	(44,859,854)

Deferred tax assets not brought to account, the benefits of which will only be realised if the conditions for deductibility set out in Note 1(b) occur.

Note 7: Key Management Personnel Compensation

(a) Directors

The following persons were directors of Range Resources Limited during the financial year:

Executive Directors
Mr Peter Landau
Mr Anthony Eastman

Non-executive Directors
Sir Samuel Jonah
Mr Marcus Edwards-Jones

Other Key Management Personnel – Joint Company Secretary
Jane Flegg
Anthony Eastman

(b) Other key management personnel

There were no other key management personnel during the financial year.

(c) Key management personnel compensation

	Consolidated	
	2013 US$	2012 US$ Restated*
Short–term employee benefits	902,597	547,096

The company has transferred the detailed remuneration disclosures to the Audited Remuneration Report contained in the Directors' Report.

(d) Equity instrument disclosures relating to key management personnel

(i) Options provided as remuneration and shares issued on exercise of such options

Details of options provided as remuneration and shares issued on the exercise of such options, together with terms and conditions of the options, can be found below and section (f) of the Audited Remuneration Report.

(ii) Option holdings

The numbers of options over ordinary shares in the company held during the financial year or at time of resignation by each director and officer of Range Resources Limited, including their personally related parties, are set out below

Note 7: Key Management Personnel Compensation (continued)

(d) Equity instrument disclosures relating to key management personnel (continued)

Option Holdings

2013	Balance at the start of the year	Granted during the year as compensation	Exercised during the year	Other changes during the year	Balance at the end of the year	Vested and exercisable	Balance held indirectly
Sir Sam Jonah	-	-	-	-	-	-	-
Mr Landau	-	-	-	-	-	-	-
Mr Edwards-Jones	-	-	-	-	-	-	-
Mr Eastman	-	-	-	-	-	-	-
Ms Flegg	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-

2012	Balance at the start of the year	Granted during the year as compensation	Exercised during the year	Other changes during the year	Balance at the end of the year	Vested and exercisable	Balance held indirectly
Sir Sam Jonah	19,135,013	-	(6,091,535)	(13,043,478)	-	-	-
Mr Landau	20,000,000	-	(6,956,522)	(13,043,478)	-	-	-
Mr Edwards-Jones	15,300,000	-	(2,256,522)	(13,043,478)	-	-	-
Mr Eastman	16,000,000	-	(2,956,521)	(13,043,479)	-	-	-
Ms Flegg	-	-	-	-	-	-	-
Total	70,435,013	-	(18,261,100)	(52,173,913)	-	-	-

All other options expired during the year. No options are vested and unexercisable at the end of the year.
Other changes during the year reflect unexercised options that expired during the year.

(iii) Fully paid share holdings

The numbers of shares in the company held during the financial year or at time of resignation by each director of Range Resources Limited, including their personally related parties, are set out below

Note 7: Key Management Personnel Compensation (continued)

(d) Equity instrument disclosures relating to key management personnel (continued)

Shareholdings

2013	Balance at the start of the year	Granted during the year as compensation	Other changes during the year	Balance at the end of the year	Balance held indirectly
Sir Sam Jonah	21,597,833	-	-	21,597,833	21,597,833
Mr Landau	13,956,522	-	-	13,956,522	13,956,522
Mr Edwards-Jones	3,531,522	-	-	3,531,522	3,531,522
Mr Eastman	4,356,521	-	-	4,356,521	4,356,521
Ms Flegg	-	-	-	-	-
Total	43,442,398	-	-	43,442,398	43,442,398

2012	Balance at the start of the year	Granted during the year as compensation	Other changes during the year	Balance at the end of the year	Balance held indirectly
Sir Sam Jonah	15,506,298	-	6,091,535	21,597,833	21,597,833
Mr Landau	6,250,000	-	7,706,522	13,956,522	13,956,522
Mr Edwards-Jones	1,125,000	-	2,406,522	3,531,522	3,531,522
Mr Eastman	1,250,000	-	3,106,521	4,356,521	4,356,521
Ms Flegg	-	-	-	-	-
Total	24,131,298	-	19,311,100	43,442,398	43,442,398

Partly paid shareholdings (refer Note 28b)

The numbers of shares in the company held during the financial year or at time of resignation by each director of Range Resources Limited, including their personally related parties, are set out below

Partly paid shareholdings

2013	Balance at the start of the year	Granted during the year as compensation	Other changes during the year	Balance at the end of the year	Balance held indirectly
Sir Sam Jonah	-	-	-	-	-
Mr Landau	1,500,000	-	-	1,500,000	1,500,000
Mr Edwards-Jones	750,000	-	-	750,000	750,000
Mr Eastman	-	-	-	-	-
Ms Flegg	-	-	-	-	-
Total	2,250,000	-	-	2,250,000	2,250,000

2012	Balance at the start of the year	Granted during the year as compensation	Other changes during the year	Balance at the end of the year	Balance held indirectly
Sir Sam Jonah	-	-	-	-	-
Mr Landau	1,500,000	-	-	1,500,000	1,500,000
Mr Edwards-Jones	750,000	-	-	750,000	750,000
Mr Eastman	-	-	-	-	-
Ms Flegg	-	-	-	-	-
Total	2,250,000	-	-	2,250,000	2,250,000

Note 7: Key Management Personnel Compensation (continued)

(e) Loans to key management personnel

There were no loans made to directors of Range Resources Limited and other key management personnel of the consolidated entity, including their personally related parties during the 2012 or 2013 financial years.

(f) Consulting fees

Please refer to Note 35 which details consulting fees to parties related to Key Management Personnel.

Note 8: Auditors' Remuneration

	Consolidated	
	2013 US$	2012 US$ Restated*
Remuneration of the auditor of the parent entity for:		
- auditing or reviewing the financial report by BDO Audit (WA) Pty Ltd	122,505	144,599
- non-audit services provided by BDO Audit (WA) Pty Ltd in respect to parent entity's tax compliance.	43,977	3,557
Total remuneration for the parent entity	166,482	148,153
Remuneration of the auditors of the subsidiaries:		
- auditing or reviewing the financial report by BDO Barbados	16,039	18,222
- auditing or reviewing the financial report by BDO Trinidad	75,407	43,339
- auditing or reviewing the financial report by BDO USA	61,025	41,368
Total remuneration for the subsidiaries	152,471	102,929

Note 9: Earnings Per Share

	Consolidated 2013 US cents	Consolidated 2012 US cents Restated*
(a) Basic loss per share		
(Loss) per share from continuing operations attributable to the ordinary equity holders of the company	(0.95)	(1.57)
(Loss) per share attributable to the ordinary equity holders of the company	(0.95)	(1.57)
(b) Diluted loss per share		
(Loss) per share from continuing operations attributable to the ordinary equity holders of the company	n/a	n/a
(Loss) per share attributable to the ordinary equity holders of the company	n/a	n/a
(c) Reconciliation of loss used in calculating earnings per share		
Basic/ Diluted loss per share		
(Loss) from continuing operations attributable to the ordinary equity holders of the company	(20,304,261)	(31,094,991)
(Loss) attributable to the ordinary equity holders of the company	(20,304,261)	(31,094,991)
(d) Weighted average number of shares used as the denominator		
	2013 No.	2012 No.
Weighted average number of ordinary shares used as the denominator in calculating basic EPS	2,127,550,748	1,977,276,351
Adjustments for calculation of diluted earnings per share:		
Effect of share options on issue	244,533,649	22,093,990
Effect of shares issued post year end	-	-
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per share at 30 June	2,372,084,397	1,999,370,341

Note 10: Cash and Cash Equivalents

	Consolidated	
	2013 US$	2012 US$ Restated*
Cash at bank and in hand	1,732,231	10,578,562

Reconciliation of cash at the end of the year.

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

Balances as above	1,732,231	10,578,562
Bank overdrafts	-	-
Balances as per statement of cash flows	1,732,231	10,578,562

Risk exposure

Information about the consolidated entity's exposure to credit risk, foreign exchange risk and price risk is provided in Note 37.

Note 11: Trade and Other Receivables

	Consolidated	
	2013 US$	2012 US$ Restated*
Current		
Other receivables		
- trade receivables (i)	1,304,917	1,365,492
- related party (ii)	-	2,149,385
- accrued revenue (iii)	8,171,284	3,742,412
- goods and services tax	1,115,227	632,910
- other debtors	3,705,579	3,483,360
	14,297,007	11,373,559

Fair value approximates the carrying value of trade and other receivables at 30 June 2013 and 30 June 2012

(i) Trade receivables are generally due for settlement within 30 days. They are presented as current assets unless collection is not expected for more than 12 months after the reporting date. Trade receivables are neither past due nor impaired.

(ii) In 2012, Range Resources Limited entered into a loan agreement with Continental Coal Limited, a company which Peter Landau is a Director, in which US$2,149,385 was advanced to Continental. The loan is interest bearing at 10% and repayable in Australian dollars. This has been repaid.

(iii) Accrued revenues comprise primarily of VAT receivable and Petrotrin overriding royalty refundable in the Trinidad subsidiaries.

Risk exposure

Information about the consolidated entity's exposure to credit risk, foreign exchange risk and price risk is provided in Note 37.

Note 12: Other Current Assets

	Consolidated	
	2013 US$	2012 US$ Restated*
Current		
Prepayments	1,475,066	926,294
Equity Swap Asset (i)	2,343,750	-
	3,818,816	926,294

(i) On 3 May 2013, the company entered into an equity swap agreement with Yorkville Advisors. Under the agreement, Range issued 75m shares for £3m (USD $4,687,500) to be settled in monthly instalments up to February 2014. The current receivable is based on the market price of Range shares at each settlement date. The £3m is set at a benchmark price of £0.044; should Range's share price be less, the receivable will reduce.

Note 13: Financial Assets Available-For-Sale

Listed investments, at fair value		
- Interest in other corporations	822,751	3,299,034
Total available-for-sale financial assets	822,751	3,299,034

	Consolidated	
	2013 US$	2012 US$ Restated*
Movement in Financial Assets Available-for-Sale		
Opening balance	3,299,034	927,083
Acquisitions	762,842	2,463,538
Disposals	(2,156,008)	(3,159,980)
Foreign exchange variance	(38,129)	2,424,517
Movement reclassified to profit and loss	60,184	(124,940)
Fair value movement recognised in equity	(1,105,172)	768,816
Closing balance	822,751	3,299,034

Available-for-sale financial assets comprise investments in the ordinary share capital of various entities. There are no fixed returns or fixed maturity date attached to these investments.

No assets have been pledged as security

During the prior year, the Group has made a strategic investment in Tangiers Petroleum Limited ("Tangiers", ASX: TPT). Tangiers is an ASX listed exploration company which has a portfolio of two potentially world class oil and gas projects located in Morocco and Australia.

Risk exposure

Information about the consolidated entity's exposure to credit risk, foreign exchange risk and price risk is provided in Note 37.

Note 14: Asset classified as held-for-sale

	Consolidated	
	2013 US$	2012 US$ Restated*
Opening net book amount	6,323,453	-
Transfer from development assets (note 18)	1,482,476	5,920,794
Additions	963,863	402,659
Closing net book amount	8,769,792	6,323,453

During the prior year, the Company indicated it was commencing the process to look to dispose of the Company's North Chapman Ranch assets hence the transfer from development assets. In the current year, the Company decided to include the East Texas Cotton Valley assets as held-for-sale. Subsequent to year end as disclosed in Note 38, an agreement to dispose of the Company's Texan Assets for $25m upfront cash payment and a $5m to be paid from future production has been executed.

Note 15: Controlled Entities

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with accounting policy described in Note 1(a).

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 (%) 30 June 2013	30 June 2012
Subsidiaries of Range Resources Limited:			
Westblade Pty Ltd	Australia	100	100
Donnybrook Gold Pty Ltd	Australia	100	100
Range Australia Resources (US) Ltd	USA	100	100
Range Resources Barbados Limited	Barbados	100	100
Subsidiaries of Range Resources Barbados Limited:			
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	Trinidad	100	100
Range Resources Cayman Limited	Cayman Islands	100	-

Note 16: Goodwill

Goodwill is measured as describe in note 1 (v). 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.

	Goodwill US$
At 1 July 2012	
Cost	46,198,974
Accumulated amortisation and impairment	-
Net book amount	46,198,974
Year ended 30 June 2013	
Opening net book amount	46,198,974
Additions-acquisition	-
Amortisation charge	-
Closing net book amount	46,198,974

Note 16: Goodwill (continued)

(a) Impairment tests for goodwill

During the year ending 30 June 2013, the group determines that there is no impairment of any of its cash-generating units or group of cash-generating units containing goodwill or intangible assets with indefinite useful lives.

Goodwill has been allocated for impairment testing purposes to three cash-generating units (CGUs). It is allocated to those CGUs which are expected to generate a value in use in the form of cash flows as a result of the business combination that gave rise to the goodwill.

Cash-generating units	Goodwill US$
Morne Diablo	9,765,670
Beach Marcelle	34,661,094
South Quarry	1,772,210
	46,198,974

The recoverable amount of a CGU is determined based on value-in-use calculations. These calculations use cash flow projections based on financial budgets approved by management covering five-year period.

(b) Key assumptions used for value-in use calculations

The key assumptions used in the value-in-use calculations are:

- Recoverable reserves and resources
- Commodity price
- Operating costs
- Capital expenditure
- Discount rate
- Foreign exchange rate

Economical recoverable reserves and resources and represents management's expectations at the time of completing the impairment testing and based on the reserves and resources statements and exploration and evaluation work undertaken by appropriately qualified persons. A summary of the Company's Trinidad reserves and resources are published on the company's website.

The commodity price for oil was based on a flat $85 West Texas Index (WTI) price being the price used by the Company's independent petroleum consultants in assessing the economical recoverable reserves and resources of the Company's Trinidad interests which have not differed materially as at the date of the impairment review and are within the range of analyst forecast as at the date of the impairment review.

Operating cost assumptions were based on the same assumptions as used by the Company's independent petroleum consultants in assessing the economical recoverable reserves and resources of the Company's Trinidad interests which have not differed materially as at the date of the impairment review.

Future capital expenditure assumptions were based on the same assumptions as used by the Company's independent petroleum consultants in assessing the economical recoverable reserves and resources of the Company's Trinidad interests which have not differed materially as at the date of the impairment review.

The discount rate assumption used was 10% with the foreign exchange rate used being consistent with the foreign exchange rate used by the Company's independent petroleum consultants in assessing the economical recoverable reserves and resources of the Company's Trinidad interests. The recoverable amount of the Trinidad operation has been determined based on a value in use calculation. That calculation uses discounted cash flow (using a discount rate of 10% and assuming a flat US$85 barrel for oil price) projections based on economic summary projection formulated by Forrest A. Garb & Associates, Inc. ('FGA'). FGA is an international petroleum engineering and geologic consulting firm staffed by experienced engineers and geologists. Collectively FGA staff has more than a century of world wide experience. A 10% decline on the oil price assumption would not result in an impairment of goodwill.

Note 17: Property, Plant & Equipment

Consolidated	Production Equipment and access roads US$	Gathering Station and Field Office US$	Leasehold Improvement US$	Motor Vehicle, Furniture, Fixtures & Fittings US$	Total US$
At 30 June 2011					
Cost or fair value	-	-	-	40,271	40,271
Accumulated depreciation	-	-	-	(20,067)	(20,067)
Net book amount	-	-	-	20,204	20,204
Year ended 30 June 2012					
Opening net book amount	-	-	-	20,204	20,204
Acquired thru business combination	12,241,917	200,815	510,370	489,024	13,442,126
Additions	2,382,335	-	41,203	422,827	2,846,365
Disposals	(11,908)	-	-	(2,677)	(14,585)
Depreciation charge	(419,633)	(26,942)	(60,925)	(181,047)	(688,547)
Closing net book amount	14,192,711	173,873	490,648	748,331	15,605,563
At 30 June 2012					
Cost or fair value	19,487,742	417,002	1,080,939	1,692,949	22,678,632
Accumulated depreciation	(5,295,031)	(243,129)	(590,291)	(944,618)	(7,073,069)
Net book amount	14,192,711	173,873	490,648	748,331	15,605,563
Year ended 30 June 2013					
Opening net book amount	14,192,711	173,873	490,648	748,331	15,605,563
Acquired thru business combination	-	-	-	-	-
Foreign currency movement	(207,682)	-	(13,783)	(15,921)	(237,386)
Additions	1,243,164	7,874	12,269	398,392	1,661,699
Disposals	(130,770)	-	-	(55,572)	(186,342)
Depreciation charge	(1,441,483)	(22,722)	(55,725)	(214,389)	(1,734,319)
Closing net book amount	13,655,940	159,025	433,409	860,841	15,109,215
At 30 June 2013					
Cost or fair value	20,222,642	424,876	1,061,478	1,950,320	23,659,316
Accumulated depreciation	(6,566,702)	(265,851)	(628,069)	(1,089,479)	(8,550,101)
Net book amount	13,655,940	159,025	433,409	860,841	15,109,215

Note 18: Exploration and Evaluation Expenditure

	Consolidated		
	2013 US$	2012 US$ Restated*	2011 US$ Restated*
Opening net book amount	7,250,706	4,430,443	5,663,413
Additions	2,202,930	3,425,572	605,309
Transfer to development assets	-	(605,309)	(1,838,279)
Closing net book amount	9,453,636	7,250,706	4,430,443

At 30 June 2013, the $9,543,636 (2012: $7,250,706) capitalised exploration and evaluation expenditure relates to the interests of the group in Colombia.

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.

The Company has chosen to revisit its policy on accounting for exploration expenditure incurred in respect of its Somalian areas of interest as it believes that a change in accounting policy will provide more relevant and no less reliable information to users of the consolidated financial statements. The Company is of the view that the amount of exploration expenditure recorded in the statement of financial position in relation to the Somalian assets is disproportionate to the company's diversified exploration portfolio and current activities in Trinidad. While the Company still believes its Somalian assets has extensive value and is proceeding with further exploration in these areas, the Company has decided future and historic exploration should be expensed as incurred. Refer to Note 3 for detailed explanation of the impact of change in accounting policy.

In the prior year, the operator on East Texas Cotton Valley prospect, Crest Resources received approval from the partners for fracture stimulation of the Ross 3H Horizontal Well and confirmed commerciality of this shallow oil field. The expenditure to date of first production has been transferred to development assets – refer to Note 19.

Capitalised costs amounting to $2,202,930 (2012: $7,872,856) has been included in the statement of cash flows from investing activities.

Note 19: Development Assets

	Consolidated	
	2013 US$	2012 US$ Restated*
At 30 June		
- Cost or fair value	107,602,456	101,444,912
- Accumulated amortisation	(24,988,427)	(18,712,592)
Net book value	82,614,029	82,732,320
Opening net book amount	82,732,320	5,920,794
Transfer to asset classified as held for sale	(1,482,476)	(5,920,794)
Transfer from exploration and evaluation expenditure – at cost	-	605,309
Acquired as part of business combination	-	84,506,486
Foreign currency movement	(395,102)	(631,934)
Additions	8,396,480	6,464,852
Amortisation charge	(6,637,193)	(8,212,393)
Closing net book amount	82,614,029	82,732,320

During 2011/12, further commercial discoveries were made on the North Chapman Ranch asset along with the commencement of fracture stimulation activities on the Ross 3H well on the Company's East Texas Cotton Valley asset. This resulted in expenditure to date of these events that was part of exploration and evaluation expenditure having been transferred to development assets.

During the prior year, the Company indicated it was commencing the process to look to dispose of the Company's North Chapman assets, hence the transfer to assets classified as held for sale. In the current year, the Company included the East Texas Cotton Valley asset as held-for-sale.

On 1 July 2011, Range Resources Ltd completed the acquisition of 100% of SOCA Petroleum which in turn holds 100% of three exploration and production onshore oil and gas licenses, along with 100% of a fully operational drilling subsidiary with five exploration drill rigs, four production drill rigs and associated equipment and operational personnel.

Note 20: Exploration Expenditures

	Consolidated	
	2013 US$	2012 US$ Restated*
Payments for exploration in Puntland, Somalia	5,839,253	21,753,481

During the year, the Company has decided that future and historic exploration costs in respect of its Somalian areas of interests be expensed as incurred. Please refer to Note 3 – Voluntary Change of Accounting Policy, for more detailed information.

Note 21: Investments in Associates

	Consolidated	
	2013 US$	2012 US$ Restated*
Opening balance	30,333,035	5,986,785
Share of net loss using equity method	-	(400,972)
Transfer from Non-current Receivable (Note 22)	-	12,318,034
Payments during the year	6,962,418	12,429,188
Closing net book amount	37,295,453	30,333,035

As part of the agreement with unlisted UK Company Strait Oil & Gas (UK) Limited ("Strait"), Range was to fund the completion of Phase II and Phase III of the PSA over the Georgian project, with the initial US$6m spent to be allocated to the acquisition of the shares and classed as investment in associate and additional expenditure incurred with respect to completing the PSA commitments being repayable upon the completion of Phase III declaration of a commercial discovery and shall be payable out of profit oil and gas or cash proceeds that may arise from a sale event. Interest on the loan accrues at a rate of LIBOR + 2%

On 1 January 2011 the Company received shares in the unlisted UK Company Strait Oil & Gas (UK) Limited ("Strait"), representing 50% of the total shares on issue of Strait. As such, the Company has reclassified expenditure to 1 January 2011 from Prepayment for Investment to Investment in Associates with all subsequent payments with respect to the Company's Investment in Strait being recorded as additions per above. Range's interest was subsequently diluted to 40% following the farm-in with Red Emperor Resources. Due to the 40% ownership interest, Range has significant influence over the group. Range has not been provided with audited financial statements from Strait Oil and Gas (UK) Ltd for the 2013 and 2012 financial years and consequently has recorded the contribution to the investment during the current year at cost and recognised no gain or loss for the current financial year (2012: loss of US$400,972)

Note 22: Non-Current Assets

	Consolidated	
	2013 US$	2012 US$ Restated*
Non-current receivables (a)	8,584,773	4,839,713
Non-current deposits (b)	6,739,445	-
Total non-current assets	15,324,218	4,839,713
(a) Non-current receivables		
Opening balance	4,839,713	12,318,034
Transfer to Investment in Associates (Note 21)	-	(12,318,034)
Transfer to other current receivable	(2,368,429)	-
Payments received during the year	(1,236,511)	-
Advances made during the year	7,350,000	4,839,713
Closing balance	8,584,773	4,839,713

Payments pertains to advances to a third party in relation to securing options over interests in projects on which Range gets pre-emption rights and first right of refusal. There is no set repayment date and depends on whether the Company pursues potential projects presented to the Company. In the prior year related to payments with respect to the company's interest in Georgia which was transferred to Investments in Associates in the current year. During the year, payments made for Guatemalan project has been transferred to Trade and other receivables.

During the year, the Company announced its proposal to undertake a strategic merger with International Petroleum Limited. As at 30 June 2013, the Company had advanced US$7.35m to IPL repayable by 30 April 2014 with an interest that will accrue on draw date and will be calculated on a daily basis on a 365-day year at a rate of 8% per annum. In the course of discussions and due diligence in connection with the proposed merger of the two companies, Range remains committed in principle to pursue the merger transaction, pending confirmation if the terms of International Petroleum's proposed sale of its Russian assets for cash.

(b) Non-current deposits		
Opening balance	-	-
Transfer from trade and other receivable – other debtors	2,695,487	-
Transfer to available for sale financial assets (note 13)	(562,842)	-
Advances made during the year	4,606,800	-
Closing balance	6,739,445	-

Non-current deposits comprise of advances made to Citation Resources Limited. Subsequent to year end, the parties agreed to settle the outstanding balance into shares in Citation which will give Range Resources Limited a 19.99% interest in Citation.

Note 23: Trade and Other Payables

	Consolidated	
	2013 US$	2012 US$ Restated*
Trade payables	3,108,080	1,757,750
Sundry payables and accrued expenses	4,062,098	742,878
	7,170,178	2,500,628

Risk exposure

Trade payables are non-interest bearing and are normally settled on 30-day terms.

Information about the consolidated entity's exposure to credit risk, foreign exchange risk and price risk is provided in Note 37.

Note 24: Borrowings

	Consolidated	
	2013 US$	2012 US$ Restated*
Opening balance	-	-
Proceeds from borrowings	20,176,794	-
Amount classified as equity	(1,350,354)	-
Repayments	(7,800,000)	-
Closing net book amount	11,026,440	-

During the year, the Group issued US$10,400,000 in secured notes (secured at the corporate level- registered charge). The notes were purchased by Crede Capital Group ("Crede"). Crede is an international investor with offices in Los Angeles and New York. The note has a term of 12 months maturing on 14 November 2013 and carries a 10% interest rate.

The Group has also entered in a US$15 million Loan Agreement backed by Standby Equity Distribution Agreement ("SEDA") for up to £20 million with YA Global Master SPV Ltd, an investment funds managed by Yorkville Advisors ("Yorkville"). As consideration for providing the facility, Range issued 25,513,319 shares with a total value of $1.7m to YA Global. US$5.8 million (12 month term) was drawn during the period and carries a coupon of 10%. The Group may repay the loan either in cash or by issue of shares.

The SEDA agreement gives Range the option to put the Range shares to the Investor at a minimum acceptable price that is less than 90% of the VWAP of the ordinary shares prior to each advance date. The Yorkville facilities are available for a period of 3 years and Range may draw down on the SEDA facility at any time during this three year period.

The Group has also entered into A$3.2 million short-term (3-month) loan agreement which carries a 10% interest rate and £600k loan (1-month) with 20% interest per annum. Both short-term loans have been repaid shortly after year end.

Note 25: Provision for Rehabilitation

The Group records the present value of the estimated cost of legal and constructive obligations to restore operating locations in the period in which the obligation arises. The nature of restoration activities includes removal of facilities, abandonment of wells and restoration of affected areas.

	Consolidated	
	2013 US$	2012 US$ Restated*
Provision for rehabilitation	654,873	602,378

Movement in the provision for rehabilitation during the financial year are set out below:

Non-current		
Carrying amount at the start of the year	602,378	11,833
Additional provision recognised	69,788	590,545
Foreign currency movement	(17,293)	-
Carrying amount at the end of the year	654,873	602,378

Note 26: Deferred Tax Liability

Movements	Development Assets US$	Property, Plant and Equipment US$	Total US$
Year ended 30 June 2012			
Acquired through business combination	38,910,843	1,154,570	40,065,413
Foreign currency movement	-	-	-
Charged/(credited)			
- to profit or loss	3,000,201	1,794,240	4,794,441
Closing net book amount	**41,911,044**	**2,948,810**	**44,859,854**
Year ended 30 June 2013			
Opening balance	41,911,044	2,948,810	44,859,854
Foreign currency movement	(105,170)	(53,308)	(158,478)
Charged/(credited)			
- to profit or loss	236,659	57,598	294,257
Closing net book amount	**42,042,533**	**2,953,100**	**44,995,633**

As a result of business combination, at the date of acquisition a deferred tax liability has been recognised 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 with the requirements of Australian Accounting Standard AASB 112 Income Taxes. The Group does not have a tax payable in relation to the deferred tax liability at 30 June 2013 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.

Note 27: Other Liabilities

	Consolidated	
	2013 US$	2012 US$ Restated*
(a) Employee service benefits	482,092	640,426
(b) Other non-current liabilities		
Tax interest and penalty accrual	-	2,114,594
Sundry payables and accrued expenses	431,211	855,690
	431,211	2,970,284

Risk exposure

Information about the consolidated entity's exposure to credit risk, foreign exchange risk and price risk is provided in Note 37.

Note 28: Contributed equity

	Consolidated	
	2013 US$	2012 US$ Restated*
2,898,084,648 (2012: 2,357,477,606) fully paid ordinary shares	331,447,756	300,542,745
4,925,000 partly paid shares (2012: 4,925,000)	1,362,344	1,362,343
Share issue costs	(18,610,466)	(18,259,548)
	314,199,634	283,645,540

(a) Fully Paid Ordinary Shares

	Consolidated	
	2013 No.	2012 No.
At the beginning of reporting period	2,357,477,605	1,671,041,142
Shares issued during year	540,607,043	377,044,187
Options exercised during year	-	309,392,276
Total contributed equity	2,898,084,648	2,357,477,605

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held.

On a show of hands every holder of ordinary shares present at a meeting of the Company, in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

(b) Partly Paid Ordinary Shares

	No.	No.
At the beginning of reporting period - $0.30	4,925,000	4,925,000
Total contributed equity	4,925,000	4,925,000

During the year ended 30 June 2007, Partly Paid shares were allotted and issued to directors at an issue price of $0.60 each and were deemed to have been paid up to $0.30 each, leaving $0.30 payable by the holder within 13 months of the date of issue as follows:

Michael Povey	1,500,000
Peter Landau	1,500,000
Marcus Edward-Jones	750,000

The primary purpose of the partly paid shares was to provide a cost effective consideration of work to be done by the Directors for the Company and for recognition of Directors efforts in negotiating and securing the acquisition of the Puntland Project. The terms of the partly paid shares are ambiguous, given they state that the holder is able to elect, at their sole and absolute discretion, to pay up the shares. It was never the intention of the Board to issue partly paid shares that would require the Directors (without any discretionary election) to pay up any unpaid portion of the shares.

Accordingly, on 10 February 2008, and following uncertainty as to the ability to exercise the partly paid shares, those directors entitled to consider the matter (and not having a material personal interest) being Messrs Sam Jonah and Liban Bogor, resolved in accordance with clause 32.9 of the Company's constitution that the shares be forfeited and meeting of shareholders to obtain the necessary resolutions for a selective reduction and cancellation of these partly paid shares. The accounts at 30 June 2013 do not reflect the cancellation of the partly paid shares.

Note 28: Contributed equity (continued)

(c) Movements in fully paid ordinary share capital

2013	Details	Number of shares	Issue Price US$	US$
1 July 2012	**Opening balance**	**2,357,477,606**		**300,542,735**
	Loan investment fee – Crede (refer note 24)	53,110,613	0.061	3,235,752
	Loan repayment	16,000,000	0.059	940,273
	Issue of shares to YA Global master fund pursuant to equity swap (refer note 12)	75,000,000	0.063	4,687,500
	Issue of shares to YA Global master fund pursuant to loan repayment (refer note 24)	32,918,348	0.052	1,715,583
	Issue of shares to YA Global Master fund pursuant to financing agreement (refer note 24)	25,513,319	0.067	1,697,509
	Placement	255,428,371	0.057	14,662,526
	Issue of share to YA Global Master fund for funds advanced	20,883,661	0.056	1,173,584
	Shares issued in lieu of corporate advisory and capital raising fees (refer note 34)	61,752,730	0.045	2,792,294
30 June 2013	**Balance**	**2,898,084,648**		**331,447,756**

2012	Details	Number of shares	Issue Price US$	US$ Restated
1 July 2011	**Opening balance**	**1,671,041,142**		**214,030,991**
	Exercise of options (listed)	197,790,361	0.052	10,207,960
	Exercise of options (unlisted)	60,000,000	0.103	6,193,200
	Exercise of options (unlisted)	9,820,000	0.118	1,158,504
	Issue of shares upon extinguishing of warrant liability	41,781,915	0.129	5,391,828
	Underwriting shares	18,366,450	0.097	1,787,888
	Placement – Socius	83,563,829	0.115	9,630,463
	Trinidad acquisition	35,842,294	0.255	9,136,898
	Equity Line of Credit	27,272,727	0.167	4,561,874
	Placement	160,000,000	0.195	31,278,142
	Shares issued as per Puntland's original agreement	45,000,000	0.134	6,038,370
	Shares issued for corporate advisory, capital raising fees etc.	6,998,888	0.161	1,126,617
30 June 2012	**Balance**	**2,357,477,606**		**300,542,735**

During the prior year, the Group entered into an equity subscription agreement with SOCIUS CG II which stipulates that the number of shares and options to be issued for the subscribed amount of USD$15 million is dependent on share price movements, therefore making the ultimate number of shares and options to be issued a variable number and giving rise to a derivative financial instrument. As at 30 June 2012, this transaction had been settled with the issue of a total of 125,345,744 shares and resulted in a loss from fair value movement of derivative of US$842,470 being recognised in the statement of comprehensive income.

Note 28: Contributed equity (continued)

(d) Options

	Consolidated 2013 No.	Consolidated 2012 No.
At the beginning of reporting period	22,093,990	268,881,380
Options issued during year*	244,518,513	65,781,915
Options expired	-	(3,177,029)
Options exercised during year	-	(309,392,276)
Total options	266,612,503	22,093,990

*21,912,253 Unlisted options with respect to the £0.04 placement were allotted post year-end.

At the date of this report, the unissued ordinary shares of Range Resources Limited under option are as follows

Date of Expiry	Exercise Price	Number Under-Option
30/06/2015	£0.04	855,166
30/04/2016	£0.17	7,058,824
31/01/2017	£0.075	5,180,000
31/03/2015	£0.125	9,000,000
19/10/2015	£0.0615	15,708,801
30/11/2015	£0.05075	32,275,862
31/01/2016	A$0.05	40,000,000
31/01/2016	A$0.10	5,000,000
10/02/2016	A$0.06	5,000,000
30/04/2016	£0.04	146,533,850
		266,612,503

During the year ended 30 June 2013, Nil (2012: 309,392,276) ordinary shares of Range Resources Limited were issued on the exercise of options. The holders of these options do not have any rights under the options to participate in any share issues of the company.

Note 29: Reserves

	Consolidated	
	2013 US$	2012 US$ Restated*
(a) Share-based payment reserve		
Balance 1 July	13,970,253	6,875,927
Options issued to consultants and employees (refer note 34)	114,789	-
Shares issued in business combination	-	7,722,700
Equity translation due to change in Presentation Currency	-	(628,374)
Balance 30 June	**14,085,042**	**13,970,253**

The share based payment reserve records items recognised as expenses on the fair valuation of shares and options issued as remuneration to employees, directors and consultants. Additionally, this includes the contingent shares to be issued as a result of the business combination.

	2013 US$	2012 US$ Restated*
(b) Option premium reserve		
Balance 1 July	9,815,752	11,990,257
Options issued in lieu of fees	-	757,478
Equity translation due to change in Presentation Currency	-	(2,931,983)
Balance 30 June	**9,815,752**	**9,815,752**

The option premium reserve is used to recognise the grant date fair value of options issued but not exercised.

	2013 US$	2012 US$ Restated*
(c) Foreign currency translation reserve		
Balance 1 July	4,096,806	(11,898,099)
Currency translation differences arising during the year	(681,064)	(5,923,383)
Equity translation due to change in Presentation Currency	-	21,918,287
Balance 30 June	**3,415,742**	**4,096,806**

The foreign currency translation reserve is used to record exchange differences arising from the translation balances of foreign subsidiaries.

	2013 US$	2012 US$ Restated*
(d) Available-for-sale investment revaluation reserve		
Balance 1 July	779,909	1,616
Increase/ (Decrease) in value of investments	(1,105,172)	768,816
Equity translation due to change in Presentation Currency	-	9,477
Balance 30 June	**(325,263)**	**779,909**
Total Reserves	**26,991,273**	**28,662,720**

The available-for-sale investment revaluation reserve is used to record increases in the fair value of available-for-sale financial instruments and decreases to the extent that such decreases do not relate to an impairment of the asset when the movement is taken to the statement of profit and loss and other comprehensive income.

Note 30: Commitments

(a) Capital commitments

Capital expenditure contracted for at the reporting date but not recognised as liabilities is as follows;

	Consolidated	
	2013 US$	2012 US$ Restated*
Investment in Associate		
Georgian acquisition	-	1,531,731
	-	1,531,731
Payable		
- not later than 1 year	-	1,531,731
- later than 1 year but not later than 5 years	-	-
- later than 5 years	-	-
	-	1,531,731

During the year the Company entered into an agreement to acquire a 65% farm-in interest (potential to move to 75%) on two licenses in the Putumayo Basin in Colombia – Range is committed to pay 100% of the planned 3D seismic program plus a well on each licence. As at the date of this report, the joint venture is working at determining the authority for expenditures for the proposed work commitments for the seismic program.

(b) Expenditure commitments

	Consolidated	
	2013 US$	2012 US$ Restated*
Consultancy agreements		
Not later than 1 year	75,000	239,098
	75,000	239,098

(i) The above commitment is for our consulting agreement with Texas Energy Advisors LLC. The commitment is for USD 25,000 (2012: USD 80,000) per month for a maximum of 3 months.

(c) Remuneration commitments

	Consolidated	
	2013 US$	2012 US$ Restated*
Commitments for the payment of salaries and other remuneration under long-term employment contracts in existence at the reporting date but not recognised as liabilities, payable:		
Within one year	880,000	538,563
Later than one year and not later than five years	880,000	1,077,126
	1,760,000	1,615,689

Amounts disclosed as remuneration commitments include commitments arising from the service contracts of key management personnel referred to in the remuneration report within the directors' report that are not recognised as liabilities and are not included in the key management personnel compensation.

Note 31: Contingent Liabilities and Contingent Assets

The Company completed the acquisition of the remaining 49.9% of the Puntland Rights from Consort Private Limited ("Consort") in May 2007. Under the terms of the Agreement, Range must pay US$20 million to Consort upon completion of the first 4 hydrocarbon wells drilled in Puntland.

Consort is also entitled to receive a 2.5% net royalty on any Puntland projects derived in respect of Range's interest.

Further, US$200,000 is payable upon a commercial discovery on each license area as a result of the wells drilled in Puntland giving a total contingent liability of US$400,000.

The Company has entered into a 12 month rolling agreement with Texas Energy Advisors LLC to procure an offshore drilling partner in Puntland. If Texas Energy facilitates the introduction of Range Resources to an offshore drilling partner, Texas Energy will receive cash or equity to the value of:

Aggregate value of payment received by Range	% to be paid to Texas Energy
Less than or equal to A$50m	2.0% of such amount; plus
Greater than A$50m but less than A$100m	4.0% of such amount; plus
Greater than A$100m	6.0% of such amount

During 2010, the Company entered into a transaction to acquire a 50% interest in Strait Oil and Gas (UK) Limited, which holds two licenses in the Republic of Georgia. Range's interest was subsequently diluted to 40% following the farm-in with Red Emperor Resources. Under the terms of the original agreement from 2010, Range must issue 30m shares upon the completion of two wells or commercial discovery.

Under the farm-in on the Colombian projects, the vendors are entitled to receive a 5% net royalty in respect to Range's interest.

The Trinidad subsidiaries of Range, Trincan Oil Limited ("Trincan") and Drilling Service and Supply Limited ("Drilling") have been named as a defendant in 1 High Court Action in Trinidad and Trincan has been named as a defendant in 2 High Court Actions in Trinidad relating to previous contracts with drilling companies from a number of years ago. To date, no judgement has been handed down hence the Company is not it a position to determine the likely financial impact and potential amounts payable should these actions be successful. The Company believes that any outcome against the Company will not have a significant detrimental impact on the Company.

The Directors are not aware of any further contingent liabilities or contingent assets as at 30 June 2013.

Note 32: Segment Reporting

Management have determined that the operating segments are consistent with prior periods, with management allocating resources to segments on a geographical basis. During the financial period, the consolidated entity operated in four operational segments being Somalia, Georgia, Texas, Colombia and Trinidad.

(a) Segment information provided to the strategic steering committee

2013	Somalia US$	Georgia US$	Texas US$	Trinidad US$	Colombia US$	All Other Segments (i) US$	Consolidated US$
Segment revenue							
Revenue from continuing operations	-	-	1,184,880	26,073,811	-	-	27,258,691
Other income	-	-	-	40,148	-	444,391	484,539
Total revenue	-	-	1,184,880	26,113,959	-	444,391	27,743,230
Segment result							
Segment expenses	(5,839,253)	-	(589,283)	(23,798,375)	-	(15,236,049)	(45,462,960)
Profit/ (loss) before income tax	(5,839,253)	-	595,597	2,315,584	-	(14,791,658)	(17,719,730)
Income tax	-	-	44,232	(2,628,763)	-	-	(2,584,531)
Profit/ (loss) after income tax	(5,839,253)	-	639,829	(313,179)	-	(14,791,658)	(20,304,261)
Segment assets							
Segment assets(i)	-	37,295,453	9,388,841	153,072,863	9,453,636	29,922,249	239,133,042
Total assets	-	37,295,453	9,388,841	153,072,863	9,453,636	29,922,249	239,133,042
Segment liabilities							
Segment liabilities	-	-	897,030	54,362,386	-	11,307,041	66,566,457
Total liabilities	-	-	897,030	54,362,386	-	11,307,041	66,566,457

Note 32: Segment Reporting (continued)

2013	Somalia US$	Georgia US$	Texas US$	Trinidad US$	Colombia US$	All Other Segments (i) US$	Consolidated US$
Other segment information							
Acquisitions of property, plant and equipment, capitalised exploration expenditure and development assets	5,839,253	6,962,418	963,863	8,620,707	2,202,930	12,201,730	36,790,901
Total acquisitions	5,839,253	6,962,418	963,863	8,620,707	2,202,930	12,201,730	36,790,901
Depreciation and amortisation of segment assets	-	-	-	8,243,636	-	63,938	8,307,574
Total depreciation and amortisation	-	-	-	8,243,636	-	63,938	8,307,574

(i) Included within the all other segment assets shown above is cash and cash equivalents of US$40,343 and non-current receivables of US$15,324,218 (refer note 21) and other material items.

Note 32: Segment Reporting (continued)

2012	Somalia US$	Georgia US$	Texas US$	Trinidad US$	Colombia US$	All Other Segments [i] US$	Consolidated US$
Segment revenue							
Revenue from continuing operations	-	-	2,989,696	22,008,284	-	-	24,997,980
Other income	-	-	-	4,437	-	6,555,550	6,559,987
Total revenue	-	-	2,989,696	22,012,720	-	6,555,550	31,557,967
Segment result							
Segment expenses	(21,753,481)	(407,326)	(1,274,778)	(20,912,017)	-	(19,885,741)	(64,233,343)
Profit/ (loss) before income tax	(21,753,481)	(407,326)	1,714,918	1,100,704	-	(14,439,893)	(33,785,078)
Income tax	-	-	(169,097)	(1,691,298)	-	4,550,482	2,690,087
Profit/ (loss) after income tax	(21,753,481)	(407,326)	1,545,821	(590,594)	-	(9,889,411)	(31,094,991)
Segment assets							
Segment assets(i)	-	30,333,035	9,113,162	149,758,802	7,250,706	23,353,621	219,809,326
Total assets	-	30,333,035	9,113,162	149,758,802	7,250,706	23,353,621	219,809,326
Segment liabilities							
Segment liabilities	-	-	856,319	54,070,096	-	894,712	55,821,127
Total liabilities	-	-	856,319	54,070,096	-	894,712	55,821,127
Other segment information							
Acquisitions of property, plant and equipment, capitalised exploration expenditure and development assets	-	12,626,154	2,118,526	100,491,183	7,365,609	1,646,760	124,248,232
Total acquisitions	-	12,626,154	2,118,526	100,491,183	7,365,609	1,646,760	124,248,232
Depreciation and amortisation of segment assets	-	-	1,142,090	8,976,214	-	46,810	10,165,114
Total depreciation and amortisation	-	-	1,142,090	8,976,214	-	46,810	10,165,114

(i) Included within the all other segment assets shown above is cash and cash equivalents of US$8,026,160 and non-current receivables of US$4,839,713 (refer note 21) and other material items.

Note 32: Segment Reporting (continued)

(b) Other segment information

	Consolidated	
	2013 US$	2012 US$ Restated*
Segment other revenue – all other segments		
gain on sale of investment	-	2,462,937
gain on fair value movement	-	3,542,201
other income	444,391	554,849
	444,391	6,559,987
Segment result – all other segments		
directors fees	902,597	547,096
consultancy fees	3,269,723	5,467,306
public relations	581,339	524,238
share-based payments	2,907,084	1,495,798
admin and other expenses	7,575,306	11,851,303
	15,236,049	19,885,741

Accounting Policies

AASB 8 requires operating segments to be identified on the basis of internal reports about components of the consolidated entity that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance. The chief operating decision maker is the managing director and through this role the Board of Directors.

Following the adoption of AASB 8, the identification of the consolidated entity's reporting segments remain consistent with prior periods, with management allocating resources to segments on a geographical basis.

Information regarding these segments is presented above. The accounting policies of the reportable segments are the same as those of the consolidated entity. Segment information is prepared in conformity with the accounting policies of the entity as disclosed in Note 1.

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, exploration expenditure capitalised and development assets net of accumulated depreciation and amortisation. 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 disclosures do not include deferred income taxes.

Revenue from continuing operations from Texas of US$1,184,880 (2012: US$2,989,696) is derived from several customers who each account for greater than 10% of this amount. Revenue from continuing operations from Trinidad of US$26,073,811 (2012: US$22,008,284) is derived from the subsidiaries' sole customer which is Petrotrin.

Intersegment Transfers

Segment revenues, expenses and results do not include any transfers between segments.

Note 33: Cash Flow Information

	Consolidated	
	2013 US$	2012 US$ Restated*
Reconciliation of cash flow from operations with loss after income tax		
Loss after income tax	(20,304,261)	(31,094,991)
Non-cash flows in profit		
- Depreciation	8,371,512	9,553,313
- Share based payment- consultants and employees	1,407,084	2,688,728
- Share based payments to consultants	1,500,000	1,495,798
- Finance costs	1,890,497	-
- Impairment loss	-	115,613
- Gain on fair value movement	-	(2,428,061)
- Foreign exchange loss	2,111,223	928,933
- Share of net loss of associate	-	407,326
- Other non-cash items	2,998,393	(765,517)
- Decrease/(increase) in other current assets	(2,892,522)	(621,991)
- Decrease/(increase) in trade and other receivables	(9,662,893)	(2,025,551)
- Increase/(decrease) in trade and other payables	2,130,477	5,268,251
Net cash inflow/(outflow) from operations	(12,450,490)	(16,478,149)

	Consolidated	
	2013 US$	2012 US$ Restated*
Acquisition of plant and equipment by means of finance leases	-	76,734
Share issue costs paid via share based payment	-	447,624
Repayment of borrowings through issue of shares	940,273	-

Note 34: Share-Based Payments

The following share-based payment arrangements occurred during the financial year ended at 30 June 2013.

Quantity	Security	US$ Value	Purpose
61,752,730	Fully paid ordinary shares	2,792,294	Issued in lieu of corporate advisory, financing and capital raising fees
5,000,000	Unlisted options	60,653	Issued in lieu of capital raising fees
5,000,000	Unlisted options	54,136	Issue of employee options

The following share-based payment arrangements occurred during the financial year ended at 30 June 2012.

Quantity	Security	US$ Value	Purpose
6,998,888	Fully paid ordinary shares	1,111,528*	Issued in lieu of corporate advisory, capital raising etc. fees
45,000,000	Fully paid ordinary shares	5,944,518*	Issued to Consort upon completion of first hydrocarbon well as per original agreement in Puntland
35,842,292	Performance shares	7,602,965	To be issued to SGS upon achieving production target in Trinidad. 17,921,146 shares upon achieving 1,250bopd by 31 Dec 2012 and additional 17,921,146 shares upon achieving 2,500bopd on or before 31 Dec 2014.
15,000,000	Unlisted options	360,936	Issued in lieu of capital raising fees
9,000,000	Unlisted options	384,552	Issued in lieu of capital raising fees

*These shares were issued in accordance of an agreement rather than an invoice. Accordingly, the group is uncertain of the value that the recipient would have attributed to the services received. As such, the group has valued the shares based on their market value at issue date.

The fair value of performance shares were determined by applying a probability to the shares market value. The probability factor was calculated – refer Note 37.

The fair value at grant date of the unlisted options is independently determined using a Black Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option. No listed options granted as a share based payment.

The following factors and assumptions were used in determining the fair value of the unlisted options on grant date:

Grant date	Expiry date	Fair value per option	Exercise price	Price of shares on grant date	Expected volatility annualised	Risk free interest rate	Dividend yield
31 Jan 13	31 Jan 16	$0.0108	$0.10	$0.049	85.00%	3.40%	-
10 Feb 13	10 Feb 16	$0.0121	$0.06	$0.052	85.00%	3.40%	-

Historical volatility has been the basis for determining expected share price volatility as it assumed that this is indicative of future volatility, which may not be the case.

Employee option plan

There were 5,000,000 unlisted options issued to employees during the year (2012: Nil)

Expenses recognised in the profit & loss

During the year, share-based payments recognised in profit and loss amounts to US$2,907,083 (2012: US$1,495,798)

Note 35: Related Party Transactions

(a) Parent entities

The parent entity within the consolidated entity is Range Resources Limited. The ultimate Australian parent entity is Range Resources Limited which at 30 June 2013 owns 100% (2012: 100%) of the issued ordinary shares of Donnybrook Gold Pty Ltd and Westblade Pty Ltd. and 100% (2012: 100%) of Range Resources Barbados Limited, Range Australia Resources (US) Limited and 100% (2012: Nil) of Range Resources Cayman Limited.

(b) Subsidiaries

Interests in subsidiaries are set out in Note 15.

(c) Associates

As part of the agreement with unlisted UK company Strait Oil & Gas (UK) Limited ("Strait"), Range was to fund the completion of Phase II and Phase III of the PSA, with the initial US$6m spent to be allocated to the acquisition of the shares and classed as investment in associate and additional expenditure being repayable upon the declaration of a commercial discovery and shall be payable out of profit from oil and gas proceeds that may arise from a sale event. Interest on the loan accrued at a rate of Libor +2%. Additional information is disclosed in Note 21.

(d) Transactions with related parties

During the prior year, Range Resources Limited entered into a loan agreement with Continental Coal Limited, a company which Peter Landau is a Director, in which US$2,149,385 was advanced to Continental. The loan has been repaid.

	Consolidated	
	2013 US$	2012 US$
Consulting fees paid or payable to Okap Ventures Pty Ltd, a company in which Mr Landau is a Director, for the provision of corporate advisory, capital raising, company secretarial, investor / public relations and associated services including provision of all financial and administrative staff and office space in West Perth and London.	857,108	1,383,798
Consulting fees paid or payable to Doull Holdings Pty Ltd, a company in which Mr Landau is a Director.	402,420	304,847

	Consolidated	
Balances at year end to related parties:	2013 US$	2012 US$
Okap Ventures Pty Ltd payable	1,644	282,982
Doull Holdings Pty Ltd payable	139,920	25,404

(e) Equity transactions with related parties

Refer to Note 7 and Note 28.

Note 36: Parent Entity Information

The following details information related to the parent entity Range Resources Limited, at 30 June 2013. The information presented here has been prepared in accordance using consistent accounting policies as presented in Note 1.

	2013 US$	2012 US$ Restated*	2011 US$ Restated*
Current assets	8,195,346	16,299,175	21,905,663
Non-current assets	176,826,976	148,358,305	88,691,487
Total assets	185,022,322	164,657,480	110,597,150
Current liabilities	11,289,283	669,281	1,516,760
Total liabilities	11,289,283	669,281	1,516,760
Contributed equity	314,199,634	283,645,540	200,968,352
Accumulated losses	(167,332,652)	(148,320,061)	(117,225,070)
Reserves	26,866,057	28,662,720	25,337,108
Total equity	173,733,039	163,988,199	109,080,390
Loss for the year	(19,539,622)	(31,535,801)	(21,264,184)
Other comprehensive profit for the year	(1,105,172)	768,816	305
Total comprehensive loss for the year	(20,644,794)	(30,766,985)	(21,263,879)

The contingent liabilities of the parent are the same as those of the consolidated entity as disclosed in Note 31.

The contractual commitments of the parent are the same as those of the consolidated entity as disclosed in Note 30.

Note 37: Financial Risk Management

The consolidated entity has exposure to the following risks from their use of financial instruments:

Credit risk

Liquidity risk

Market risk

This Note presents information about the consolidated entity's exposure to each of the above risks, their objectives, policies and processes for measuring and managing risk, and the management of capital. Further quantitative disclosures are included throughout these financial statements.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework.

Risk management policies are established to identify and analyse the risks faced by the consolidated entity, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed to reflect changes in market conditions and the consolidated entity's activities. The consolidated entity, through training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all consultants and agents understand their roles and obligations.

Credit risk

Credit risk is the risk of financial loss to the consolidated entity if counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the consolidated entity's investments, receivables and cash held at financial institutions.

Credit risk is managed on a group basis. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions.

The credit quality of financial assets that are neither past due or impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates.

	Consolidated	
Cash at bank and short-term bank deposits (S&P ratings)	2013 US$	2012 US$ Restated*
AA-	427,487	7,985,762
A-2	1,188,628	2,432,375
BBB	116,116	160,425
	1,732,231	10,578,562

Exposure to credit risk

The carrying amount of the economic entity's financial assets represents the maximum credit exposure. The consolidated entity's maximum exposure to credit risk at the reporting date was:

	Consolidated	
	2013 US$	2012 US$ Restated*
Trade and other receivables (i) (ii)	9,413,746	11,373,559
Non-current receivable (i) (ii)	15,324,218	4,839,713
Cash and cash equivalents	1,732,231	10,578,562
	26,470,195	26,791,834

(i) Counterparties without an external credit rating

(ii) Receivables with no defaults in the past

Note 37: Financial Risk Management (continued)

Loans and receivables

The consolidated entity's exposure to credit risk is influenced mainly by the individual characteristics of each debtor. No collateral was held in relation to these receivables.

Impairment losses

None of the receivables at year end are past due or impaired. There are no guarantees to disclose.

Investments in associates and loan receivables / Prepayment for investments

The Company doesn't consider any financial risk to its investments in associates, long-term receivables and prepayment for investments other than the risk of impairment that is assessed on an annual basis. At 30 June 2013, the group does not consider any amount impaired relating to the total investment.

Liquidity risk

Liquidity risk is the risk that the consolidated entity will not be able to meet its financial obligations as they fall due. The consolidated entity's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the economic entity's reputation.

The consolidated entity uses activity-based costing to cost its activities, which assists in monitoring cash flow requirements and optimising its cash return on investments. Typically, the consolidated entity ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 6 months; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

Financing arrangements

The group has access to undrawn Equity Line of Credit with Yorkville and First Columbus amounting to £20,000,000 as at the end of the reporting period.

The following are contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

Consolidated Entity 2013	Carrying amount US$	Contractual cash flows US$	6 months or less US$	6 – 12 months US$	1-2 years US$	2-5 years US$	Over 5 years US$
Financial liabilities at amortised cost							
Trade and other payables	7,209,179	7,209,179	7,209,179	-	-	-	-
Borrowings	11,026,440	12,376,795	11,542,860	833,935			
	18,235,619	19,585,974	18,752,039	833,935	-	-	-

Consolidated Entity 2012 (Restated*)	Carrying amount US$	Contractual cash flows US$	6 months or less US$	6 – 12 months US$	1-2 years US$	2-5 years US$	Over 5 years US$
Financial liabilities at amortised cost							
Trade and other payables	2,500,628	2,500,628	2,500,628	-	-	-	-
	2,500,628	2,500,628	2,500,628		-	-	-

Note 37: Financial Risk Management (continued)

Market risk

Market risk is the risk that changes in market prices, such as interest rates and equity prices will affect the consolidated entity's income or the value of its holdings of available for sale assets. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Equity price risk

The consolidated entity is exposed to equity securities price risk. This arises from investments held by the consolidated entity and classified on the statement of financial position as available for sale. The consolidated entity is not exposed to commodity price risk. The consolidated entity holds equity investments which are publicly traded and included either on the ASX or the Toronto Stock Exchange.

The table below summarises the impact of increases/decreases equity investments held on these two indexes on the consolidated entity's post tax profit for the year and on equity. The analysis is based on the assumption that the share price had increased/decreased by 10% (2012: 10%) with all other variables held constant.

	Impact on post-tax loss		Impact on Equity	
	2013 US$	2012 US$ Restated*	2013 US$	2012 US$ Restated*
Listed available-for-sale assets				
Ram Resources (formerly Contact Uranium)	-	(113,810)	8,310	-
Tangiers Petroleum Ltd	-	-	(155,810)	155,810
Africa Oil	-	-	(620,082)	582,354
Red Emperor Resources	-	-	(337,590)	30,652
Citation Resources Ltd	-	-	-	-

Equity would increase/decrease as a result of gains/losses on equity securities classified as available for sale, unless the assets were determined to be impaired there would be no impact on loss for the year.

AASB7 – Financial Instruments: Disclosures 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 the level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (level 2); and

c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

2013	Level 1 US$	Level 2 US$	Level 3 US$	Total US$
Assets				
Available for sale financial assets	822,751	-	-	822,751
Equity securities				
Total assets	822,751	-	-	822,751

2012 Restated*	Level 1 US$	Level 2 US$	Level 3 US$	Total US$
Assets				
Available for sale financial assets				
Equity securities	3,299,034	-	-	3,299,034
Total assets	3,299,034	-	-	3,299,034

Note 37: Financial Risk Management (continued)

Market risk (continued)

The fair value of financial instruments in active markets such as available for sale securities is based on quoted market bids at the end of the reporting period. The quoted market price used for financial assets held by the consolidate entity is the current bid price. These instruments are included in level 1.

The fair value of the financial instruments categorised as level 3 is based on the fair value of the consideration paid at acquisition date less costs to sell.

As there is no active market for the securities, management believe that the acquisition cost less costs to sell is the fair value of the equity instruments.

Foreign exchange risk

The consolidated entity operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US dollar, AU dollar, TT Dollar, British pound and Euro.

Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

The consolidated entity's treasury risk management policy is to closely monitor exchange rate fluctuations. The consolidated entity has engaged a foreign exchange consulting company to assist in this process. To date, the consolidated entity has not sought to hedge its exposure to fluctuations in exchange rates, however this policy will be reviewed on an ongoing basis.

The consolidated entity's exposure to foreign currency risk at the reporting date was as follows: (expressed in USD)

	Consolidated		Consolidated	
	2013 AUD	2012 AUD	2013 GBP	2012 GBP
Amount receivable from other entities	3,519,852	6,086,854	2,343,750	-
Cash	317,091	-	-	-
Available for sale investments	622,751	-	-	-
Amount payable to other entities	(823,520)	(658,639)	-	-
Borrowings	(3,009,260)	-	(933,600)	-
	626,914	5,428,215	1,410,150	-

Sensitivity

Based upon the amounts above, had the Australian dollar strengthened by 10% against the US dollar with all other variables held constant, the consolidated entity post-tax loss for the year on current amounts receivable/payable would have been US$203,706 lower (2012: US$542,821 lower), mainly as a result of foreign exchange gains/losses on translation of US denominated payables as detailed in the table above. On non-current receivables, the consolidated entity's post tax gain for the year would have been US$203,706 higher (2012: US$542,821 higher). A 10% weakening of the Australian dollar against the above currencies at 30 June would have had the equal but opposite effect, on the basis that all other variables remain constant.

The Trinidad entities are minimally exposed to foreign exchange risk arising from various currencies, primarily with respect to the United States Dollar.

Note 37: Financial Risk Management (continued)

Interest rate risk

The group's main interest rate risk arises from non-current receivables and borrowings. Non-current receivables and borrowings issued at fixed rates expose the group to fair value interest rate if the loans are carried at fair value. During 2013 and 2012, the group loan receivables were denominated in Australian Dollars and US Dollars.

Profile

At the reporting date, the interest rate profile of the consolidated entity's financial instruments which exposes the group to cash flow interest rate risks are:

	Weighted Average Effective Interest Rate		Floating Interest Rate		Fixed Interest Maturing		Non-interest bearing		Total	
	2013 %	2012 %	2013 US$	2012 US$	2013 US$	2012 US$	2013 US$	2012 US$	2013 US$	2012 US$
Financial Assets:										
Cash and cash equivalents	2.50%	3.50%	1,732,231	10,578,562	-	-	-	-	1,732,231	10,578,562
Trade and other receivables	-	-	-	-	-	-	9,413,746	12,299,853	9,413,746	12,299,853
Available for sale financial assets	-	-	-	-	-	-	822,751	3,299,034	822,751	3,299,034
Non-current receivables	3.33%	-	-	-	7,350,000	-	7,974,218	4,839,713	15,324,218	4,839,713
Total Financial Assets	**2.31%**		**1,732,231**	**10,578,562**	**7,350,000**	**-**	**18,210,715**	**20,438,600**	**27,292,946**	**31,017,162**
Financial Liabilities:										
Trade and other payables	-	-	-	-	-	-	7,209,179	2,500,628	7,209,179	2,500,628
Borrowings	10.85%	-	-	-	11,026,440	-	-	-	11,026,440	-
Total Financial Liabilities	**6.56%**		**-**	**-**	**11,026,440**	**-**	**7,209,179**	**2,500,628**	**18,235,619**	**2,500,628**

Sensitivity analysis for variable rate instruments

The sensitivity on interest rates for 2013 assumes a change of 100 basis points in the interest rates at the reporting date and would have increased / (decreased) profit and loss by the amounts shown. This analysis differs from 2012 which was performed on an interest rate movement up of 50 and 100 basis points (bps) at reporting date – which was consistent with the current market expectations of likely interest rate movements in the prior year. Both analyses for each year assume that all other variables, in particular foreign currency rates, remain constant.

Note 37: Financial Risk Management (continued)

Interest rate risk (continued)

Consolidated Entity	Weighted Average Interest Rate %	2013 +100 bps US$	2013 -100 bps US$	Weighted Average Interest Rate %	2012 +100 bps US$	2012 -100 bps US$
Variable rate instruments						
Financial assets (cash and cash equivalents)	2.98%	18,371	(18,371)	2.47%	64,918	(64,918)
Financial assets (loan and receivables)	3.33%	-	-	-	-	-

Fair values versus carrying amounts

The fair value of financial assets and liabilities, together with the carrying amounts shown in the statement of financial position, are as follows:

Consolidated Entity	30 June 2013 US$		30 June 2012 US$ Restated*	
	Carrying amount	Fair value	Carrying amount	Fair value
Available-for-sale financial assets	822,751	822,751	3,299,034	3,299,034
Loans and receivables	9,413,746	7,537,709	11,373,559	11,373,559
Non-current receivable	15,324,218	15,119,214	4,839,713	4,839,713
Cash and cash equivalents	1,732,231	1,732,231	10,578,562	10,578,562
Financial liabilities at amortised cost	-7,209,179	-7,209,179	-2,500,628	-2,500,628
Borrowings	-11,026,440	-12,376,795	-	-
	9,057,327	**5,625,931**	**27,590,240**	**27,590,240**

The basis for determining fair value is disclosed in Note 1(n) and Note 1(o).

Other price risk

The consolidated entity is not exposed to any other price risks.

Note 37: Financial Risk Management (continued)

Capital management

The entity's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital.

The entity's overall strategy remains unchanged from 2012.

The capital structure of the group consists of cash and cash equivalents and equity attributable to equity holders of the Company, comprising issued capital, reserves and accumulated losses as disclosed in Notes 28 and 29 respectively. None of the entities within the group are subject to externally imposed capital requirements.

Gearing ratio

The Board reviews the capital structure on an annual basis. As a part of this review the Board considers the cost of capital and the risks associated with each class of capital

	Consolidated	
	2013 US$	2012 US$ Restated*
Financial assets		
Cash and cash equivalents	1,732,231	10,578,562
Financial liabilities		
Trade and other payables	(7,209,179)	(2,500,628)
Other liabilities	(11,026,440)	(3,610,710)
Net assets / (debt)	**(16,503,388)**	**4,467,224**
Equity	314,199,634	283,645,540
Net debt to equity ratio	**5.25%**	**0%**

Categories of financial instruments

	Consolidated	
	2013 US$	2012 US$ Restated*
Financial assets		
Cash and cash equivalents	1,732,231	10,578,562
Trade and other receivables	9,413,746	11,373,559
Non-current receivable	15,324,218	4,839,713
Available-for-sale financial assets	822,751	3,299,034
	27,292,946	**30,090,868**
Financial liabilities		
Trade and other payables	7,209,179	2,500,628
Borrowings	11,026,440	3,610,710
	18,235,619	**6,111,338**

The carrying amount reflected above represents the consolidated entity's maximum exposure to credit risk for such loans and receivables.

Note 38: Events After the Reporting Date

- Range entered into a proposed farm-in with Niko Resources Ltd ("Niko") (TSK: NKO) on the Guayaguayare Block in Trinidad, which encompasses circa 280,000 acres across both the shallow and deep horizons, onshore and offshore, with proven producing trends.
- Execution of agreement to dispose of the Company's Texan Assets for $25m upfront cash payment and a $5m to be paid from future production.
- Results of an extensive review of the Company's Georgian assets proving highly encouraging results including gross best estimate of undiscovered oil and gas in place at 403 mmbbls and 18.4 Tcf respectively along with gross 3P CBM reserves of 3.16 Tcf – as mentioned above.
- The Company entered into converting financing arrangements subsequent to year end as interim measures in anticipation of receipt of funding from Texas disposal and Trinidad Financing Facility.
- Conversion of amounts advanced to Citation resulting in Range looking to move to circa 19.9% of Citation along with the acquisition of a further 10% interest in Latin America Resources – effectively giving Range a see through 32% interest into the Guatemalan projects.
- The Company was informed that International Petroleum (the subject to a proposed merger) is in negotiations with a third party relating to the potential sale of its Russian assets for cash consideration with Range committed in principle to pursue a merger transaction pending final confirmation of the sale terms.

Note 39: New Accounting Standards and Interpretations

Australian Accounting Standards/Amendments Released But Not Yet Effective: 30 June 2013 Year End

The following new/amended accounting standards and interpretations have been issued, but are not mandatory for financial year ended 30 June 2013. They have not been adopted in preparing the financial statements for the year ended 30 June. The group's assessment of the impact of these new standards and interpretations are set out below. In all cases the entity intends to apply these standards from the date of application as indicated below.

AASB reference	Title and Affected Standard(s):	Nature of Change	Application date/ Effective date	Impact on Initial Application
AASB 9 *(issued December 2009 and amended December 2010)*	Financial Instruments	Amends the requirements for classification and measurement of financial assets. The available-for-sale and held-to-maturity categories of financial assets in AASB 139 have been eliminated. Under AASB 9, there are three categories of financial assets: • Amortised cost • Fair value through profit or loss • Fair value through other comprehensive income. The following requirements have generally been carried forward unchanged from AASB 139 Financial Instruments: Recognition and Measurement into AASB 9: • Classification and measurement of financial liabilities; and • Derecognition requirements for financial assets and liabilities. However, AASB 9 requires that gains or losses on financial liabilities measured at fair value are recognised in profit or loss, except that the effects of changes in the liability's credit risk are recognised in other comprehensive income.	Annual reporting periods beginning on or after 1 January 2015	The Group has financial liabilities measured at fair value through profit or loss. The amendments require that any changes in fair value attributable to the liability's credit risk be recognised in other comprehensive income instead of profit or loss. There will be no impact on the financial statements when these amendments are first adopted because they apply prospectively from 1 January 2015.
AASB 10 *(issued August 2011)*	Consolidated Financial Statements	Introduces a single 'control model' for all entities, including special purpose entities (SPEs), whereby all of the following conditions must be present: • Power over investee (whether or not power used in practice) • Exposure, or rights, to variable returns from investee • Ability to use power over investee to affect the entity's returns from investee. Introduces the concept of 'de facto' control for entities with less than a 50% ownership interest in an entity, but which have a large shareholding compared to other shareholders. This could result in more instances of control and more entities being consolidated. Potential voting rights are only considered when determining if there is control when they are substantive (holder has practical ability to exercise) and the rights are currently exercisable. This may result in possibly fewer instances of control.	Annual reporting periods beginning on or after 1 January 2013	When this standard is first adopted for the year ended 30 June 2014, there will be no impact on transactions and balances recognised in the financial statements because the entity does not have any special purpose entities or because the new definition of control does not change the classification of any of the entities investments in subsidiaries, joint arrangements or associates.

Note 39: New Accounting Standards and Interpretations (continued)

AASB reference	Title and Affected Standard(s):	Nature of Change	Application date/ Effective date	Impact on Initial Application
AASB 11 *(issued August 2011)*	Joint Arrangements	Joint arrangements will be classified as either 'joint operations' (where parties with joint control have rights to assets and obligations for liabilities) or 'joint ventures' (where parties with joint control have rights to the net assets of the arrangement). Joint arrangements structured as a separate vehicle will generally be treated as joint ventures and accounted for using the equity method (proportionate consolidation no longer allowed). However, where terms of the contractual arrangement, or other facts and circumstances indicate that the parties have rights to assets and obligations for liabilities of the arrangement, rather than rights to net assets, the arrangement will be treated as a joint operation and joint venture parties will account for the assets, liabilities, revenues and expenses in accordance with the contract.	Annual reporting periods beginning on or after 1 January 2013	When this standard is first adopted for the year ended 30 June 2014, there will be no impact on transactions and balances recognised in the financial statements because the entity has not entered into any joint arrangements.
AASB 13 *(issued September 2011)*	Fair Value Measurement	Currently, fair value measurement requirements are included in several Accounting Standards. AASB 13 establishes a single framework for measuring fair value of financial and non-financial items recognised at fair value in the statement of financial position or disclosed in the notes in the financial statements. Additional disclosures required for items measured at fair value in the statement of financial position, as well as items merely disclosed at fair value in the notes to the financial statements. Extensive additional disclosure requirements for items measured at fair value that are 'level 3' valuations in the fair value hierarchy that are not financial instruments, e.g. land and buildings, investment properties etc.	Annual reporting periods beginning on or after 1 January 2013	The Group has yet to conduct a detailed analysis of the differences between the current fair valuation methodologies used and those required by AASB 13. However, when this standard is adopted for the first time for the year ended 30 June 2014, there will be no impact on the financial statements because the revised fair value measurement requirements apply prospectively from 1 July 2013. When this standard is adopted for the first time for the year ended 30 June 2014, additional disclosures will be required about fair values.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2013

AASB reference	Title and Affected Standard(s):	Nature of Change	Application date/ Effective date	Impact on Initial Application
AASB 119 *(reissued September 2011)*	Employee Benefits	Main changes include: • Elimination of the 'corridor' approach for deferring gains/losses for defined benefit plans • Actuarial gains/losses on remeasuring the defined benefit plan obligation/asset to be recognised in OCI rather than in profit or loss, and cannot be reclassified in subsequent periods • Subtle amendments to timing for recognition of liabilities for termination benefits • Employee benefits expected to be settled (as opposed to due to settled under current standard) wholly within 12 months after the end of the reporting period are short-term benefits, and therefore not discounted when calculating leave liabilities. Annual leave not expected to be used wholly within 12 months of end of reporting period will in future be discounted when calculating leave liability.	Annual reporting periods beginning on or after 1 January 2013	The Group currently calculates its liability for annual leave employee benefits on the basis that it is due to be settled within 12 months of the end of the reporting period because employees are entitled to use this leave at any time. The amendments to AASB 119 require that such liabilities be calculated on the basis of when the leave is expected to be taken, i.e. expected settlement. When this standard is first adopted for the 30 June 2014 year end, annual leave liabilities will be recalculated on 1 July 2012 as long-term benefits because they are not expected to be settled wholly within 12 months after the end of the reporting period. This will result in a reduction of the annual leave liabilities recognised on 1 July 2012, and a corresponding increase in retained earnings at that date. Comparatives for the year ended 30 June 2013 will also be restated, resulting in a further decrease in the annual leave liability and an increase in profit.

AASB reference	Title and Affected Standard(s):	Nature of Change	Application date/ Effective date	Impact on Initial Application
Interpretation 20 (issued November 2011)	Stripping Costs in the Production Phase of a Surface Mine	Clarifies that costs of removing mine waste materials (overburden) to gain access to mineral ore deposits during the production phase of a mine must be capitalised as inventories under AASB 102 Inventories if the benefits from stripping activity is realised in the form of inventory produced. Otherwise, if stripping activity provides improved access to the ore, stripping costs must be capitalised as a non-current, stripping activity asset if certain recognition criteria are met (as an addition to, or enhancement of, an existing asset).	Annual reporting periods beginning on or after 1 January 2013	The Group currently expenses stripping costs in profit or loss. When this interpretation is first adopted for the year ended 30 June 2014, stripping costs incurred prior to 1 July 2012 will not need to be capitalised retrospectively. However, if certain recognition criteria are met, stripping costs expensed on or after 1 July 2012 will need to be capitalised and depreciated/amortised over the expected useful life of the identified component of the ore body that becomes more accessible as a result of the stripping activity. Comparatives for the year ended 30 June 2013 will be restated and profit and non-current assets to which the stripping activity relates will increase.
AASB 12 (issued August 2011)	Disclosure of Interests in Other Entities	Combines existing disclosures from AASB 127 Consolidated and Separate Financial Statements, AASB 128 Investments in Associates and AASB 131 Interests in Joint Ventures. Introduces new disclosure requirements for interests in associates and joint arrangements, as well as new requirements for unconsolidated structured entities.	Annual reporting periods beginning on or after 1 January 2013	As this is a disclosure standard only, there will be no impact on amounts recognised in the financial statements. However, additional disclosures will be required for interests in associates and joint arrangements, as well as for unconsolidated structured entities.
AASB 2012-6 (issued September 2012)	Amendments to Australian Accounting Standards - Mandatory Effective Date of AASB 9 and Transition Disclosures	Defers the effective date of AASB 9 to 1 January 2015. Entities are no longer required to restate comparatives on first time adoption. Instead, additional disclosures on the effects of transition are required.	Annual reporting periods beginning on or after 1 January 2015	As comparatives are no longer required to be restated, there will be no impact on amounts recognised in the financial statements. However, additional disclosures will be required on transition, including the quantitative effects of reclassifying financial assets on transition.

Note 40: Company Details

The registered office of the company is:

Ground Floor, 1 Havelock Street
West Perth WA 6005
Tel: (08) 9488 5220
Fax: (08) 9324 2400

The principal place of business is:

Ground Floor, 1 Havelock St
West Perth WA 6005
Tel: (08) 9488 5220
Fax: (08) 9324 2400

DECLARATION BY DIRECTORS

The directors of the company declare that:

1. The financial statements, comprising the consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position, consolidated statement of cash flows, consolidated statement of changes in equity, accompanying notes, are in accordance with the Corporations Act 2001 and:
   (a) comply with Accounting Standards and 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 30 June 2013 and of its performance for the year ended on that date.
2. The company has included in the notes to the financial statements an explicit and unreserved statement of compliance with International Financial Reporting Standards.
3. In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.
4. The directors have been given the declarations by the chief executive officer and chief financial officer required by section 295A.

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:

Mr P Landau
Executive Director
Perth

Mr A Eastman
Executive Director / Company Secretary
Perth

Dated this 27th day of September 2013

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF RANGE RESOURCES LIMITED

BDO

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PO Box 700 West Perth WA 6872
Australia

INDEPENDENT AUDITOR'S REPORT

To the members of Range Resources Limited

Report on the Financial Report

We have audited the accompanying financial report of Range Resources Limited, which comprises the consolidated statement of financial position as at 30 June 2013, 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 year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the 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 financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements* that the financial statements comply with *International Financial Reporting Standards*.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, 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 report.

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF RANGE RESOURCES LIMITED

Basis for Qualified Opinion

Included in Range Resources Limited's consolidated statement of financial position as at 30 June 2013 is an investment in an associate entity, Strait Oil and Gas (UK) Limited, which is accounted for under the equity method and is carried at $37,295,453. Range Resources Limited has recorded its share of the net income/loss from Strait Oil and Gas (UK) Limited as Nil in the consolidated statement of profit and loss and other comprehensive income for the year ended 30 June 2013. We were unable to obtain sufficient appropriate audit evidence to verify the carrying value of the investment and the share of net income / loss brought to account for the year because audited financial information was not available. Consequently we were unable to determine whether any adjustments to these amounts are necessary.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph:

(a) the financial report of Range Resources Limited is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2013 and of its performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

(b) the financial report also complies with *International Financial Reporting Standards* as disclosed in Note 1.

Report on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2013. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion, the Remuneration Report of Range Resources Limited for the year ended 30 June 2013 complies with section 300A of the *Corporations Act 2001*.

Yours sincerely

BDO Audit (WA) Pty Ltd

BDO

Glyn O'Brien

Glyn O'Brien

Director

CORPORATE GOVERNANCE STATEMENT

This Corporate Governance Statement sets out the Company's current compliance with the ASX Corporate Governance Council's Principles of Good Corporate Governance and Best Practice Recommendations (Best Practice Recommendations). The Best Practice Recommendations are not mandatory. However, the Company will be required to provide a statement in its future annual reports disclosing the extent to which the Company has followed the Best Practice Recommendations.

The Board of the Company currently has in place a corporate governance policy and are in the process of adopting a more comprehensive Corporate Governance Plan.

	BEST PRACTICE RECOMMENDATION	COMMENT
1.	**Lay solid foundations for management and oversight**	
1.1	Formalise and disclose the functions reserved to the board and those delegated to management.	Satisfied. Refer the Corporate Governance section on the Company website.
1.2	Disclose the process for evaluating the performance of senior executives.	Not satisfied. The Company has not yet established formal performance review measures for key executives given the size and stage of the Company's operations.
1.3	Provide the information indicated in the Guide to Reporting on Principle 1.	Satisfied. Refer to Director's report.
2.	**Structure the board to add value**	
2.1	A majority of the board should be independent directors.	Satisfied. Refer the Corporate Governance section on the Company website.
2.2	The chairperson should be an independent director.	Satisfied. Refer the Corporate Governance section on the Company website.
2.3	The roles of chairperson and chief executive officer should not be exercised by the same individual.	Satisfied. Refer the Corporate Governance section on the Company website.
2.4	The board should establish a nomination committee.	Not satisfied. The Board considers that given the current size of the board, this function is efficiently achieved with full Board participation. Accordingly, the Board has resolved not to establish a nomination committee at this stage.
2.5	Disclose the process for evaluating the performance of the board, its committees and individual directors.	Not satisfied. The Company has not yet established formal performance review measures for key executives nor has it established a nomination committee given the size and stage of the Company's operations. The full Board will review the performance of key executives.
2.6	Provide the information indicated in Guide to Reporting on Principle 2.	Satisfied. Refer to Director's report.
3.	**Promote ethical and responsible decision-making**	
3.1	Establish a code of conduct to guide the directors, the chief executive officer (or equivalent), the chief financial officer (or equivalent) and any other key executives as to: a) the practices necessary to maintain confidence in the company's integrity; and the practices necessary to take into account b) their legal obligations and the reasonable expectations of their stakeholders c) the responsibility and accountability of individuals for reporting and investigating reports of unethical practices.	Satisfied. Refer the Corporate Governance section on the Company website.

	BEST PRACTICE RECOMMENDATION	COMMENT
3.2	Companies should establish a policy concerning diversity and disclose the policy or a summary of that policy. The policy should include requirements for the board to establish measurable objectives for achieving gender diversity and for the board to assess annually both the objectives and progress in achieving them.	Satisfied. The Company recognises that a talented and diverse workforce is a key competitive advantage and that an important contributor to the Company's success is the quality and skills of its people. The Company has established a Diversity Policy. Refer to the Corporate Governance section on the Company's website.
3.3	Companies should disclose in each annual report the measurable objectives for achieving gender diversity set by the board in accordance with the diversity policy and progress in achieving them.	Not satisfied. Given the size of the Company, the Company has not yet set measurable objectives for achieving gender diversity. In addition, the Board will review progress against any objectives identified on an annual basis.
3.4	Companies should disclose in each annual report the proportion of women employees in the whole organisation, women in senior executive positions and women on the board.	Satisfied. There are currently three women in senior positions, with Ms Jane Flegg as joint Company Secretary along with both Financial Controllers for Trinidad and Range Parent respectively.
3.5	Provide the information indicated in Guide to Reporting on Principle 3.	Satisfied. Refer to Director's report.
4.	**Safeguard integrity in financial reporting**	
4.1	The board should establish an audit committee.	Not Satisfied. The Directors believe that it would not increase efficiency or effectiveness to have a separate audit committee, and that audit matters are of such significance that they should be considered by the full Board. The Board may call on outside consultants if it requires assistance in this area.
4.2	Structure the audit committee so that it consists of: a) only non-executive directors; b) a majority of independent directors; c) an independent chairperson, who is not chairperson of the board; and d) at least three members.	Not satisfied. Refer 4.1.
4.4	The audit committee should have a formal charter.	Not satisfied. Refer 4.1
4.5	Provide the information indicated in Guide to Reporting on Principle 4.	Satisfied. Refer to Director's report.
5.	**Make timely and balanced disclosure**	
5.1	Establish written policies and procedures designed to ensure compliance with ASX Listing Rule disclosure requirements and to ensure accountability at a senior management level for that compliance.	Satisfied. Continuous disclosure policy is available on the Company website.
5.2	Provide the information indicated in Guide to Reporting on Principle 5.	Satisfied. Refer 5.1
6.	**Respect the rights of shareholders**	
6.1	Design and disclose a communications strategy to promote effective communication with shareholders and encourage effective participation at general meetings.	Satisfied. Communications with Shareholders policy is available on the Company website
6.2	Provide the information indicated in Guide to Reporting on Principle 6.	Satisfied. Refer to the Company website.

CORPORATE GOVERNANCE STATEMENT

	BEST PRACTICE RECOMMENDATION	COMMENT
7.	**Recognise and manage risk**	
7.1	The board or appropriate board committee should establish policies on risk oversight and management.	Satisfied. Risk management program is available on the Company website.
7.2	Design and implement the risk management and internal control system to manage the company's material business risks and report on whether those risks are being managed effectively.	Satisfied. Refer 7.1
7.3	The board should disclose whether it has received assurance from the chief executive officer (or equivalent) and the chief financial officer (or equivalent) that the declaration provided in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control and that the system is operating effectively in all material respects in relation to financial reporting risks.	Due to the size and scale of its operations, the Company does not have a designated CEO or CFO. The roles are performed by the Board as a whole.
7.4	Provide the information indicated in Guide to Reporting on Principle 7.	Satisfied. Refer 7.1 Not currently applicable. Refer 7.3
8.	**Remunerate fairly and responsibly**	
8.1	The board should establish a remuneration committee.	Not satisfied. The Board considered this recommendation and formed the view that it would not increase efficiency or effectiveness to have a separate committee, and that remuneration matters are of such significance that they should be considered by the full Board. The Board may call on outside consultants if it requires assistance in this area.
8.2	Clearly distinguish the structure of non-executive directors' remuneration from that of executives.	Details of executive and non-executive remuneration are outlined in the Directors' report.
8.3	Provide the information indicated in Guide to Reporting on Principle 8.	Satisfied. The Company has incorporated all information as required.

ASX ADDITIONAL INFORMATION

Additional information required by the Australian Stock Exchange Limited Listing Rules not disclosed elsewhere in this Annual Report is set out below.

1. Shareholdings

The issued capital of the Company as at 24 September 2013 is 3,137,207,282 ordinary fully paid shares. There are 7,058,824 unlisted options (£0.17, 30 April 2016), 855,166 unlisted options (£0.04, 30 June 2015), 5,180,000 unlisted options (£0.075, 31 January 2015), 9,000,000 unlisted options (£0.125, 31 March 2015), 15,708,801 unlisted options (£0.0615, 19 October 2015), 32,275,862 unlisted options (£0.05075, 30 November 2015), 5,000,000 unlisted options (A$0.10, 31 January 2016), 5,000,000 unlisted options (A$0.06, 10 February 2016), 146,533,850 unlisted options (£0.04, 30 April 2016) and 70,241,168 Listed options (A$0.05, 31 January 2016).

Ordinary Shares	No. of Holders	No. of Shares
1 - 1,000	1,094	387,643
1,001 - 5,000	1,230	3,587,775
5,001 – 10,000	684	5,500,089
10,001 - 100,000	1,649	61,545,996
100,001 and 9,999,999,999	581	3,066,185,779
	5,238	**3,137,207,282**
Number holding less than a marketable parcel	3,268	12,650,689

Listed Options ($0.05, 31 January 2016)	No. of Holders	No. of Options
1 - 1,000	1	876
1,001 - 5,000	-	-
5,001 – 10,000	21	210,000
10,001 - 100,000	3	175,000
100,001 and 9,999,999,999	32	69,855,292
	57	**70,241,168**
Number holding less than a marketable parcel	22	210,876

ASX ADDITIONAL INFORMATION

2. Top 20 Shareholders as at 24 September 2013

		No. of Shares Held	% Held
1.	COMPUTERSHARE CLEARING PTY LTD <CCNL DI A/C>	2,629,171,861	83.81
2.	JP MORGAN NOMINEES AUSTRALIA LIMITED <CASH INCOME A/C>	48,009,392	1.53
3.	CITICORP NOMINEES PTY LIMITED	27,472,730	0.88
4.	ERINE INTERNATIONAL LIMITED	21,597,833	0.69
5.	MR DAVID SCANLEN	20,070,693	0.64
6.	MR PIETER HOEKSTRA + MRS RUTH HOEKSTRA <HOEKSTRA SUPER FUND A/C>	17,362,488	0.55
7.	DOULL HOLDINGS PTY LTD	13,206,522	0.42
8.	CELTIC CAPITAL PTY LTD <THE CELTIC CAPITAL A/C>	10,000,000	0.32
9.	MR PHONG NGUYEN	7,681,946	0.24
10.	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	7,251,609	0.23
11.	MR PAUL FREDERICK BENNETT	7,035,476	0.22
12.	MR MOHAMED HERSI	6,528,416	0.21
13.	FITEL NOMINEES LIMITED	6,043,065	0.19
14.	CHIMAERA CAPITAL LIMITED	5,805,574	0.19
15.	MR PETER CHARLES MOREY + MRS VALMAI ANN MOREY <MOREY SUPER FUND A/C>	4,559,416	0.15
16.	BAINPRO NOMINEES PTY LIMITED	4,348,900	0.14
17.	NATIONAL NOMINEES LIMITED	4,165,767	0.13
18.	G & D FINN PTY LTD	4,000,870	0.13
19.	MR SCOTT STEWART DAWSON	3,175,696	0.10
20.	R W MANNERS PTY LTD <RW MANNERS P/L SUPER/F A/C>	2,764,502	0.09
		2,850,252,756	**90.85**

3. Substantial Shareholders as at 24 September 2013

		No. of Shares Held	% Held
1.	COMPUTERSHARE CLEARING PTY LTD <CCNL DI A/C>	2,629,171,861	83.81
2.	JP MORGAN NOMINEES AUSTRALIA LIMITED <CASH INCOME A/C>	48,009,392	1.53

ASX ADDITIONAL INFORMATION

4. Top 20 Option Holders ($0.05, 31 January 2016) as at 24 September 2013

		No. of Shares Held	% Held
1.	J & J BANDY NOMINEES PTY LTD <J & J BANDY SUPER FUND A/C>	15,467,938	22.02
2.	SATORI INTERNATIONAL PTY LTD <SATORI S/F A/C>	8,900,000	12.67
3.	MR IVAN BROWN	8,092,500	11.52
4.	CHIMAERA CAPITAL LIMITED	5,961,914	8.49
5.	SEVENTY THREE PTY LTD <KING SUPER FUND NO 3 A/C>	4,897,938	6.97
6.	MERIWA STREET PTY LTD	4,002,062	5.70
7.	MR DAVID EDWARD TRIMBOLI	3,333,320	4.75
8.	MR BASTIAN MICHAEL UBER	2,300,000	3.27
9.	MRS KRISTIN EILEEN FRANCO	1,400,000	1.99
10.	MS INGRID JOAN OLSEN	1,250,000	1.78
11.	MS KIM MICHELLE OATES	1,121,000	1.60
12.	MR NOEL DAVID MCEVOY + MRS SHELLEY DAWN MCEVOY <THE ND MCEVOY SUPER FUND A/C>	1,000,000	1.42
13.	THORNBUSH CORPORATION LIMITED	1,000,000	1.42
14.	MRS SHERYL LEE IRESON <MERLEY FAMILY A/C>	990,000	1.41
15.	MR RONAN O'MURCHU	939,235	1.34
16.	GROUP SEVENTY THREE PTY LTD	926,418	1.32
17.	SEVENTY THREE PTY LTD <KING SUPER FUND NO 3 A/C>	926,418	1.32
18.	AVANT-GARDE GROUP PTY LIMITED <PASQUALE PARROTTINO FAM A/C>	875,000	1.25
19.	FIVE T CAPITAL PTY LTD	875,000	1.25
20.	TYCHE INVESTMENTS PTY LTD	875,000	1.25
		65,133,743	**92.73**

5. Substantial Option Holders ($0.05, 31 January 2016) as at 24 September 2013

		No. of Shares Held	% Held
1.	J & J BANDY NOMINEES PTY LTD <J & J BANDY SUPER FUND A/C>	15,467,938	22.02
2.	SATORI INTERNATIONAL PTY LTD <SATORI S/F A/C>	8,900,000	12.67
3.	MR IVAN BROWN	8,092,500	11.52

6. Reserve Disclosure

The reserves estimates for the 3 Trinidad blocks and update reserves estimates for the North Chapman Ranch Project and East Texas Cotton Valley have been formulated by Forrest A. Garb & Associates, Inc. (FGA). FGA is an international petroleum engineering and geologic consulting firm staffed by experienced engineers and geologists. Collectively FGA staff has more than a century of world-wide experience. FGA have consented in writing to the reference to them in this announcement and to the estimates of oil and natural gas liquids provided. The definitions for oil and gas reserves are in accordance with SEC Regulation S-X an in accordance with the guidelines of the Society of Petroleum Engineers ("SPE"). The SPE Reserve definitions can be found on the SPE website at spe.org.

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