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ABN 88 002 522 009

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28 September 2007

Manager of Company Announcements
Australian Securities Exchange Limited
Level 6, 20 Bridge Street
SYDNEY NSW 2000

FINACIAL REPORT YEAR END 30 JUNE 2007

Please find attached the Company's Financial Report for the year end 30 June 2007.

Yours faithfully

A handwritten signature in black ink, appearing to read "Joanna Kiernan", written in a cursive style.

JOANNA KIERNAN
Company Secretary

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**RANGE RESOURCES LIMITED
AND CONTROLLED ENTITIES**

ABN 88 002 522 009

**FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2007**

RANGE RESOURCES LIMITED
AND CONTROLLED ENTITIES
ABN 88 002 522 009

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C O R P O R A T E D I R E C T O R Y

Directors

Samuel JONAH
(Non-Executive Chairman)
Michael POVEY
(Managing Director)
Peter LANDAU
(Executive Director)
Liban BOGOR
(Non-Executive Director)
Marcus EDWARDS-JONES
(Non-Executive Director)
Toufic RAHI (resigned at 04 July 2007)
(Non-Executive Director)

Company Secretary

Joanna KIERNAN (appointed 04 December 2006)

Registered Office

34 Parliament Place
WEST PERTH WA 6005
Telephone: (08) 9488 5200
Facsimile: (08) 9321 6699

Principal Place of Business

34 Parliament Place
WEST PERTH WA 6005
Telephone: (08) 9488 5200
Facsimile: (08) 9321 6699
Website: www.rangeresources.com.au

Country of Incorporation

Australia

Auditors

BDO Kendalls Audit & Assurance (WA)
128 Hay Street
SUBIACO WA 6008
Telephone: (08) 9380 8400
Facsimile: (08) 9380 8499

Share Registry

Computershare Investor Services Pty Ltd
Level 2, Reserve Bank Building
45 St Georges Terrace
PERTH WA 6000
Telephone: (08) 9323 2000
Facsimile: (08) 9323 2033

Home Exchange

Australian Stock Exchange Limited
Exchange Plaza
2 The Esplanade
PERTH WA 6000

ASX Code: RRS
RRSO

RANGE RESOURCES LIMITED
AND CONTROLLED ENTITIES
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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 2007.

DIRECTORS

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

Sir Samuel Jonah	(Appointed 19 July 2006)
Mr Michael Povey	
Mr Peter Landau	
Mr Liban Bogor	
Mr Marcus Edwards-Jones	(Appointed 29 August 2006)
Mr Toufic Rahi	(Resigned 04 July 2007)

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 person held the position of company secretary at the end of the financial year:

Ms Joanna Kiernan	(Appointed 04 December 2006)
-------------------	------------------------------

PRINCIPAL ACTIVITIES

The principal activity of the economic entity during the financial year was mineral exploration within Australia, Peru and Somalia.

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

- The economic entity acquired the remaining 49.9% interest in all hydrocarbon and mineral rights over the state of Puntland in Northern Somalia.

OPERATING RESULTS

The consolidated loss of the economic entity for the financial year after providing for income tax amounted to \$1,797,561 (2006: \$10,744,547)

DIVIDENDS PAID OR RECOMMENDED

The directors recommend that no dividend be paid for the year ended 30 June 2007, nor have any amounts been paid or declared by way of dividend since the end of the previous financial year.

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DIRECTORS' REPORT

REVIEW OF OPERATIONS

Puntland, Northern Somalia

Range entered into a Heads of Agreement in October 2005 to acquire a 50.1% interest in the sole and exclusive rights to all mineral and hydrocarbon exploration and development in the Somali state of Puntland. In July 2006, the Company reached an agreement to acquire the residual 49.9% interest in the rights to the exploration and development of Puntland's natural resources. This acquisition was since completed in May 2007.

Somalia is situated in the most north-eastern part of Africa; know as 'the Horn of Africa'. The Democratic State of Puntland is located in the north-eastern sector of Somalia and covers approximately 212,000km². The area is believed to have all the pre-requisites to become a major oil producing province whilst its other mineral potential is largely unexplored.

Somalia, and in particular Puntland, remain one of the last under-explored countries that have high potential for vast reserves of hydrocarbons. During the late 1980's the State was divided into a number of concessions for oil exploration. Significant exploration was undertaken but this effectively ceased due to political instability that arose in 1991. The mineral potential has been investigated during the 2006 by Range's team of geologists based in Bosasso on the northern coast. The geological work has identified the potential of large silver rich lead zinc deposits analgous to the Jabali deposit in southern Yemen. The agreements that Range has entered into follow intense negotiations between the Parties and their legal advisors. As part of this process the Parties have satisfied themselves that all previous mining concessions have lapsed.



Puntland Government Support

Range has continually enjoyed the full support of the Puntland Government over the last 2 years and is confident that the confident that the relationship will be strengthened as Africa Oil embarks upon its drilling programme.

The political situation in Puntland is stable with President Hersi still in a strong and respected position. The stability enjoyed by Puntland largely reflects the clan loyalty system which plays a larger role in Somalia's political system. The Puntland Government has been pro active in attempting to restore unity within the state and creating basic economic and social

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DIRECTORS' REPORT

infrastructure. Range has also assisted with infrastructure initiatives through the donation of USD\$250,000 towards the airport upgrade in Garowe.

"The Government confirms its commitment to the (Range) relationship and looks forward to progressing with both the exploration and development of Puntland's natural resources and the meaningful social and economic infrastructure initiatives that will be undertaken as part of the constructive relationship between parties."

- His Excellency, President Hersi July 2006

Transitional Federal Government Support

At the beginning of the year Range Directors and consultants met with the Puntland Government and members of the Transitional Federal Government of Somalia in Garowe, Puntland. As a result of the discussions with, and presentations to the TFG, the acting TFG Minister for Oil and Gas committed the TFG to further support Range in its development of Puntland within any agreement that the TFG will recognise and uphold the key terms of Range's Contract of Work within any national framework of mining and petroleum legislation enacted as part of the Somali unification process which the TFG is involved in.

Indication of further support came in October when Range and Canmex signed the MOU :

"The Transitional Federal Government of Somalia in principle supports and fully endorses the activities of Range Resources Limited and Canmex Minerals Corporation. Further, the TFG acknowledges and agrees with The key terms of Range's Contract of Work and the Range/Canmex PSA will be recognised and upheld within any national framework of mining petroleum legislation enacted as part of the Somali Unification Process which the TFG is involved in."

-Abdullahi Yusuf Ahmed – President of the TFG of Somalia.

Africa Oil Joint Venture

The most significant milestone to date for the Company was the signing of a Memorandum of Understanding (MOU) with Africa Oil Limited (formerly Canmex Minerals Corporation) in October 2006. Key terms of the MOU with Canmex are as follows:

- Canmex will be the operator of the on shore oil and gas exploration effort with an obligation to spend US\$50m to earn an 80% interest in the two main basins in Puntland (the Nogal and Dharoor Basins);
- The US\$50m includes a minimum of 4 exploration wells to be completed (2 in each basin);
- Range will be free carried until all exploration monies are spent;
- Of the Canmex 80% farm in right, 20% (in one or both basins) is available to farm out to third parties on terms to be agreed between Range and Canmex;
- Any sign on bonuses with third parties will be split 60% Range and 40% Canmex;
- Range received as US\$5m payment from Canmex as a sign on bonus.

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Africa Oil is currently in possession of previous exploration documentation relating to hydrocarbon exploration in Puntland up until June 1990 which Range was able to obtain in the latter part of 2006. The documentation included previous seismic and drilling data processed prior to exploration activities ceasing in Somalia. Upon initial review of the data it was noted that the Nogal Valley area demonstrated:

1. Abundant oil shows;
2. Thick, high porosity reservoirs;
3. Many large structures; and
4. An excellent regional seal.

Africa Oil is currently in the final stages of reinterpreting this data and through the use of modern techniques it is believed that this data will be extremely valuable in fast tracking exploration activities in Puntland and commencing the first drilling programme. It has already allowed Africa Oil to identify two drilling targets in the Nogal block (one of which is expected to be the 28/B-1 prospect), and it is the intention to drill two wells as soon as a drilling rig is sourced. It is anticipated that the drilling programme will take place early 2008.

The Product Sharing Agreements

The MOU was formalised in January 2007 with the formal signing of the Puntland Product Sharing Agreement ("PSA") between the Government of Puntland, Range Resources Limited and Canmex Holdings (Bermuda) II Limited (a subsidiary of TSX listed Canmex Minerals Corporation).

His Excellency President Hersi commented:

"Range and Puntland have been working together in the past few years and I am very happy with the relationship. Canmex has worked with Range and I am very happy with the deal. I honestly believe our country is rich in natural resources and it requires people to do the work. The big oil companies were previously all exploring in my country 20 years ago I was the Governor of the area and believe an oil discovery was near..... I have heard good things about Canmex and the people involved and I look forward to the commencement of work as soon as possible. Puntland has always been secure and it looks like the other parts of the country are now settling down. I am sure that you (Range and Canmex) will succeed."

Rick Schmitt, President of Canmex, commented:

"We very much look forward to working in the State of Puntland for years to come and greatly appreciate the warm, professional hospitality extended to us. The signing of the PSA represents the passing of a major milestone towards beginning our work program on these truly world-class exploration assets and we look forward to great success."

The PSA relates to the two main exploration areas in Puntland, namely the Nogal and Dharoor Valleys. Under the terms on the PSA, Canmex (as part of its proposed US\$50m 80% farm in agreement with Range) will commit to a comprehensive exploration programme under two three year periods in respect of each exploration area:

- First Exploration Period: duration period of 36 months and minimum expenditure of US\$5m
- Second Exploration Period: duration period of 36 months with a 6 month extension if requested prior to 30 days from the expiry of the exploration period.

After each three year period a 25% relinquishment is required.

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The work programme set out in both PSA agreements for Nogal and Dharoor blocks includes:

- Geological fieldwork;
- Acquisition of surface high resolution geochemical surveys;
- Reprocessing of prior 2D seismic (up to an aggregate of 1,000km);
- Review and integration of all geophysical and geological data
- Drilling of four exploratory wells (over first (minimum one well) and second exploration periods).

In the event that a commercial discovery be made, a 20 year exploitation period is put in place with the option of extending the period by a further 5 years if the field/fields are still on commercial production. A further extension is possible through negotiations, provided that such terms enable profitability for all parties. The royalty rate for produced crude oil is set as a sliding scale with the following rates:

from (bopd)	to (bopd)	royalty rate
-	25,000	4.0%
25,000	50,000	5.0%
50,000	75,000	7.0%
75,000	100,000	9.0%
100,000	and above	10.0%

- Cost Oil: after deduction of royalty, up to 70% of the gross income in each year will be put towards unrecovered capital and operating capital and operation expenses;
- Profit Oil: after deduction of royalty and cost oil, profit is split 50% to the Puntland government and 50% to other parties;
- Taxes: any and all taxes that may in the future be imposed on petroleum operations shall be paid by the Puntland government on behalf on all parties out of the Puntland government's share of profit oil.

Oil and Gas Potential

Puntland is now perceived as the geological mirror image of Yemen across the Gulf of Aden as the two areas were joined some 18 million years ago prior to rifting in the Gulf of Aden. It is therefore believed that oil reserves found in the Cretaceous and Jurassic formation in Yemen could also be present in similar formations in Puntland.

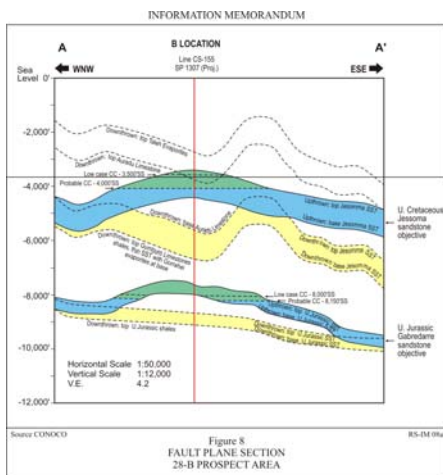
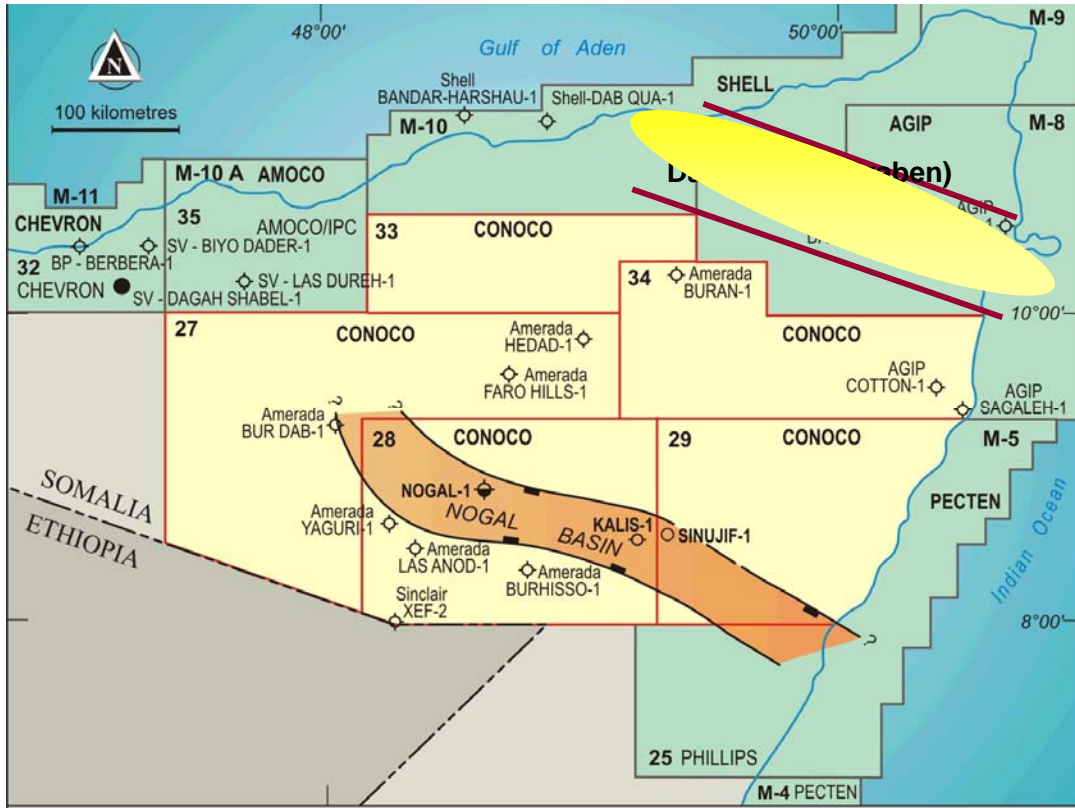
Africa Oil has identified two drilling targets in the Nogal block (one of which is expected to be the 28/B-1 prospect), and it is the intention to drill two wells as soon as a drilling rig is sourced. It is anticipated that the drilling programme will take place early 2008.

Prospect 28/B-1 was to be drilled in 1991 as a result of Conoco's exploration effort. The exploration showed a Yemen style rift (graben) running through blocks 28 & 29. Several major structures were mapped showing that the right conditions were present for potential major oil accumulations and structures were thought to be analogous to Hunt Oil's Alif Fields and the CanOxy fields discovered in the mid 1980s. In Prospect 28B Conoco postulated 2 reservoir targets in well, with the most likely 'oil reserve' to be in the vicinity of >500MBO recoverable. Due to the civil unrest that broke out in 1990, Conoco and all other companies with concessions exited Somalia.

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DIRECTORS' REPORT



RESERVES SUMMARY			
	MINIMUM RESERVES VALUE OF PARAMETER	MOST LIKELY RESERVES VALUE OF PARAMETER	MAXIMUM RESERVES VALUE OF PARAMETER
UPPER CRETACEOUS JESOMIA SANDSTONE			
AREAL CLOSURE (ACRES)	1,658	4,571	9,039
CLOSING CONTOUR (-FEET SS)	-8,000	-8,150	-8,150
NET THICKNESS (FEET)	100	200	300
POROSITY (%)	15	20	25
OIL SATURATION (%)	60	70	80
RECOVERY FACTOR (%)	25	30	40
TRAP FILL (VOLUMETRIC %)	100	100	100
FORMATION VOLUME FACTOR	1.3	1.2	1.1
BARRELS/ACRE FOOT REC	134	271	564
IN-PLACE RESERVES (MMBO)	89	827	3,824
RECOVERABLE RESERVES (MMBO)	22	248	1,530
UPPER JURASSIC GABBARDARE SANDSTONE			
AREAL CLOSURE (ACRES)	2,758	4,930	7,537
CLOSING CONTOUR (-FEET SS)	-3,500	-4,000	-4,250
NET THICKNESS (FEET)	100	200	300
POROSITY (%)	15	20	25
OIL SATURATION (%)	60	70	80
RECOVERY FACTOR (%)	25	30	40
TRAP FILL (VOLUMETRIC %)	100	100	100
FORMATION VOLUME FACTOR	1.3	1.2	1.1
BARRELS/ACRE FOOT REC	134	271	564
IN-PLACE RESERVES (MMBO)	148	892	3,189
RECOVERABLE RESERVES (MMBO)	37	268	1,276

Mineral Exploration

Mineral exploration is still proceeding from its base in Boossaso. Whilst access to areas is at times very difficult the geological team has progressed as best they can during the year. Historical mines containing Silver, Lead and Zinc have been located at Qandala. This area is considered to be geologically analogous to the Jabali deposit in Yemen. Similarly, historical experts have identified significant Uranium deposits. The sampling program done to date warrants a comprehensive drilling programme.

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The following summarises the work done to date:

PROJECTS

Tisje (Lead-Zinc)

Stream sediment sampling program finished. Currently awaiting assays.

Aware (Silver-Lead-Zinc)

Assays pending on galena-rich quartz veins within metamorphic rocks (14 rock samples taken).

Two 20 m long trenches are currently being dug, 40m apart. Across strike, in a swarm of galena-bearing quartz veins up to 0.8 m thick and 400 m long at Aware. Six initial rock samples have been collected from one trench and sent for assay. Results are pending.

30km west of Aware is located **Aware W Extension** where encouraging work had identified sulphide-rich quartz veins close to a reported metamorphic – limestone contact (13 rock samples).

Trenching is in progress at Aware with depths up to 2 m being obtained. Trench direction is perpendicular to the strike of the galena-quartz veins. 20 additional rock samples have been taken from new veining hosted by metamorphics. Awaiting assay results.

Antarra (Uranium)

A scintillometer survey at Antarra provided some very interesting anomalies with 'highs' up to 864 cps being reported from this first pass trip with the lowest 'high' being 278 cps. The background radiation count is of the order of 50 to 100 cps. A total of 15 rock samples were taken at these 'highs'. The rock samples assays are pending. The area appears to be granite intrusive in limestones.

Buruc (Lead)

A carbonate vein close to a granitic contact from the Buruc area (located about 20 km E of Aantaara) has been identified with further test work planned.

Magia Yahan ((Tin,Rare Earths)

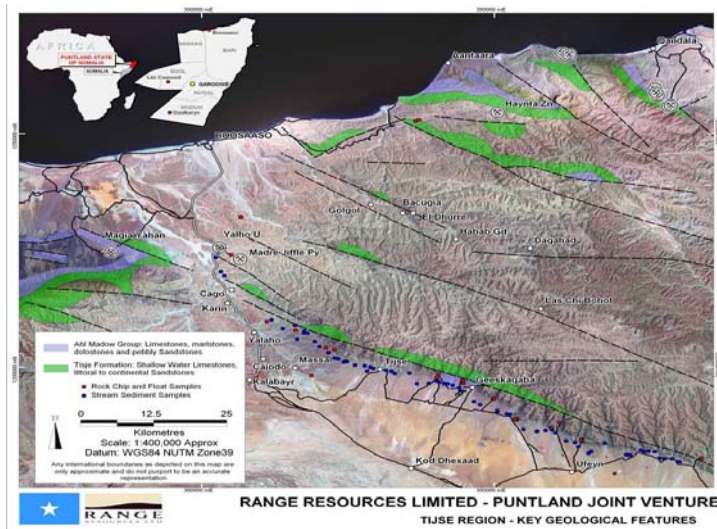
Assays pending on six rock samples taken of pegmatitic rocks occurring on old ore pads in and around the two main shafts at Magia Yahan.

Madar Jiifle (Uranium)

A scintillometer survey is planned following identification of ironstones consisting mostly of limonitic pseudomorphs after pyrite (8 rock samples) at Madar Jiifle near Boosaaso.

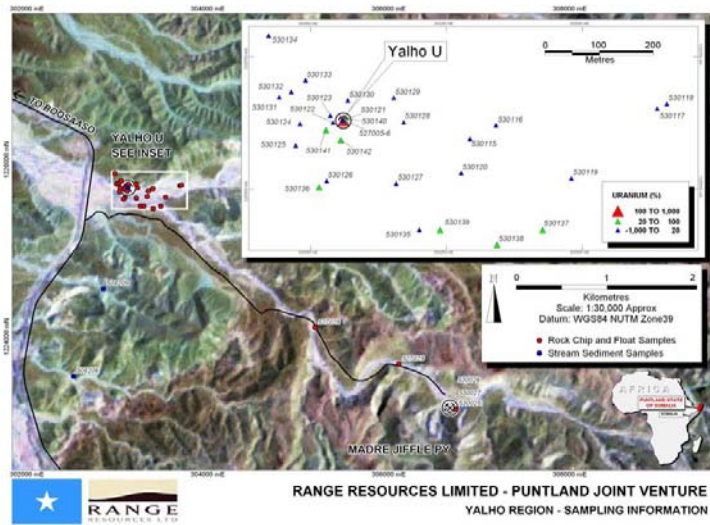
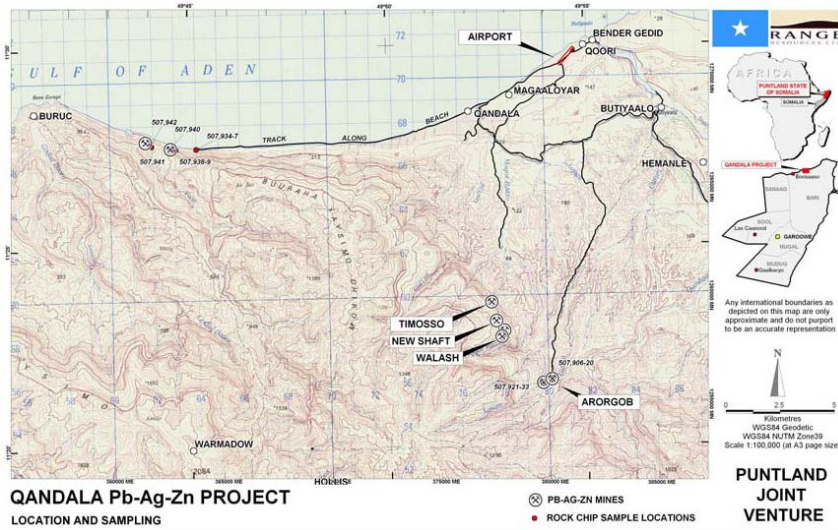
Wanaaney Valley (Uranium)

A scintillometer survey is planned for the current quarter.



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DIRECTORS' REPORT



Corporate Update

The Range Board was enormously strengthened with the appointment of Sir Sam Jonah as Non Executive Chairman, and Messers Marcus Edwards Jones and Liban Bogor as Non Executive Directors during the year. All three Directors have been instrumental throughout the year in assisting the Company achieve its Corporate Objectives and as it consolidated its position in Puntland.

During the year the Company opened new corporate headquarters in West Perth, WA and continued to use the Boossaso office in Puntland as the base from which the Mineral Exploration programme is conducted.

In November/December 2006 the Company was extremely pleased to secure two placements of AUD\$1.5m each by UK based RAB Capital and Cayman based Firebird Global Master Fund Ltd. These strategic investments were further

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DIRECTORS' REPORT

complimented by the raising of USD\$20m in April 2007 coordinated by Fox Davies Capital Limited. This saw both RAB and Firebird consolidate and increase their investments in the Company and saw other key international institutions such as Tudor Capital and Tosca Asset Management come onto the register. The Board viewed these investments into Range as a vote of confidence in the Company's ability to exploit the hydrocarbon potential of Puntland. The raising also set the stage for Range's proposed dual listing on to the AIM market of London.

The major capital raising in April 2007 also allowed the Company to finalise the acquisition of the remaining 49.9% of the Puntland rights from Consort Private Limited.

Corachapi Uranium Project

Due to the size of the Company's commitment to the Puntland project Range entered into a Heads of Agreement with Contact Resources Limited ("Contact") to divest up to 80% of its interest in the Corachapi Uranium Project. With the focus of the Company firmly cemented on the development of the Puntland project, the Agreement allows Range to retain an exposure in the Corachapi project as well as an upside through equity in Contact.

Range has full confidence in the ability of Contact to exploit the Uranium resource at Corachapi and looks forward to sharing in the success of the project.

FINANCIAL POSITION

The net assets of the economic entity have increased by \$36,653,852 from \$21,185,695 at 30 June 2006 to \$57,839,547 in 2007. This increase has largely resulted from the following factors:

- Completing the acquisition of the remaining 49.9% interest in the Puntland Project & further development of the project;
- Completion of a share placement in April 2007 raising approximately US\$20 million; and
- Assessing other areas of interest

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

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

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

- On 01 November 2006, the Company issued 10,000,000 shares at a deemed issue price of \$0.027 and 10,000,000 options as a termination fee of the Heads of Agreement with Middle East Petroleum Services;
- On 01 November 2006, the Company issued 358,978,632 shares and 332,311,965 free attaching options in consideration for the conversion of a loan facility;
- On 01 November 2006, the Company issued 55,000,000 shares at a deemed issue price of \$0.027 and 65,000,000 options as consideration for corporate advisory and capital raising fees;
- On 01 November 2006, the Company issued 100,000,000 shares at a deemed issue price of \$0.027 and 50,000,000 options as part consideration for the remaining 49.9% interest in the rights to exploration and development of Puntland's natural resources;

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DIRECTORS' REPORT

SIGNIFICANT CHANGES IN STATE OF AFFAIRS (cont'd)

- On 01 November 2006, the Company issued 75,000,000 partly paid shares to the Directors of the Company;
- On 29 November 2006, the Company issued 66,210,043 shares with a 1 for 1 free attaching option as part of a strategic placement;
- On 21 December 2006, the Company issued 64,102,564 shares with a 1 for 1 free attaching option as part of a strategic placement;
- On 21 December 2006, the Company issued 5,000,000 shares at a deemed issue price of \$0.029 and 2,500,000 options;
- On 04 April 2007, the Company consolidated the capital of the Company on the basis that every 20 shares, options and partly paid shares be consolidated into one share, option and partly paid share;
- During April 2007, the Company issued 49,391,817 shares and 27,525,058 options as part of a placement to raise approximately US\$20m to fund the cash component of the consideration for the remaining 49.9% Puntland rights and for working capital purposes; and
- On 30 June 2007, the Company issued 1,125,000 partly paid shares to consultants of the Company.

AFTER BALANCE DATE EVENTS

- The resignation of Toufic Rahi as a Non-Executive Director of the Company as announced on 04 July 2007;
- Payment of US\$10m to Consort Private Limited representing the cash component for the remaining 49.9% carried interest in the Contract of Work for the exploration and development of Puntland's mineral and hydrocarbon resources on 14 July 2006.
- On the 21st September, Range lodged its "Pre-admission announcement" for the proposed admission of Range ordinary shares to trade on the AIM market of the London Stock Exchange. It is anticipated that the AIM listing will take place towards the end of October 2007.

FUTURE DEVELOPMENTS, PROSPECTS AND BUSINESS STRATEGIES

To further improve the economic entity's profit and maximise shareholders wealth, the Company is committed to further developing the exploration potential of its Puntland Project and invite interested parties into joint venture arrangements.

ENVIRONMENTAL ISSUES

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.

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DIRECTORS' REPORT

INFORMATION ON DIRECTORS

Sir Samuel Jonah
Hon D Sc (Exeter)
MSc (Mineral Management)
Experience
Production

Chairman (Non-executive). Age 57

Sir Samuel Jonah is non-executive Chairman of Range Resources Limited, and non-executive President of Anglo Gold Ashanti Limited, a NYSE-listed company which is one of the world's largest gold companies and the largest African-based gold producer. He was appointed to the position of chief executive officer of Ashanti Goldfields Company Limited in 1986 and oversaw its growth and listing as the first operating sub-Saharan African company on the NYSE. He became President of Anglo Gold Ashanti in May 2004, when Anglo Gold Limited acquired Ashanti. Sir Samuel Jonah has been decorated with many awards and honours (including an honorary Doctor of Science) and, in 2003, was conferred with an Honorary Knighthood. In addition, he has received the prestigious Star of Ghana from the Ghanaian Government.

He is a member of numerous advisory committees including President Thabo Mbeki's International Investment Advisory Council of South Africa, President Kufuor's Ghana Investors' Advisory Council, and the United Nations Secretary General's Global Compact Advisory Council. He is currently a director on a number of public and private company boards including Anglo Gold Ashanti Limited, Anglo American Corporation of South Africa, Anglo American Platinum Corporation Ltd. (Amplats), Titanium Resources Group Ltd., and Standard Bank Group. He is also an advisor to four Presidents in Africa - President Kufuor of Ghana, President Obasanjo of Nigeria, President Mbeki of South Africa and President Hersi of Puntland.

Interest in Shares and Options

Sir Samuel Jonah holds 8,270,025 ordinary shares in the Company.

Directorships held in other listed entities

During the past three years Sir Samuel Jonah has served as a Director of Moto Goldmines Ltd from 01 August 2005.

Mr Michael Povey, B.Sc (Hons)
Mining Engineer; C. Eng;
M.Aus.I.M.M.
Experience

Managing Director (Executive). Age 51

Mr. Povey is a Mining Engineer with 28 years experience in the mining and explosives industry. Previous experience has been gained in Southern Africa, North America and Australia and has included senior management positions with Rio Tinto Ltd, ICI Explosives and the Anglo American Group of Companies.

In addition, Mr Povey has a strong commercial and technical background in the explosives industry gained as a senior technical engineer the North American explosives company MSI International based in Salt lake City and was the manager of the former ICI Explosives Group's commercial and production operations in North-West Australia.

Mr Povey is a Chartered Engineer, a member of the Australian Institute of Mining and Metallurgy, a member of the Australian Institute of Company Directors, an Associate of the Camborne School of Mines and holds a number of Certificates of Competency in the mining industry including an Unrestricted West Australian Mine Managers Certificate.

Interest in Shares and Options

Mr Povey holds 56,250 options and 1,500,000 partly paid shares (paid up to 30 cents) in the Company.

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DIRECTORS' REPORT

INFORMATION ON DIRECTORS (continued)

Directorships held in other listed entities

During the past three years Mr Povey has served as a Director of other listed companies as follows:

- International Goldfields Ltd From: 27 February 2007
- Synergy Exploration NL From: 21 May 2002
To: 03 July 2003
- Synergy Metals Ltd From: 30 January 2002
To: 03 July 2003

**Mr Liban Bogor BA Econs. M Sc
Telecommunications**

Director (Non-Executive). Age 41

Experience

Mr Bogor is an economist with post graduate qualifications in IT management with international experience in project management. Liban has previously held various executive positions in IT and financial services with CIBC Bank, Scotia Bank and Qwest Communications. Liban is currently Senior Economic Advisor to the President of Puntland and was instrumental in finalising the deal between Consort Pty Ltd and subsequently Range Resources and the State of Puntland.

Interest in Shares and Options

Mr Bogor holds no shares or options in the Company.

Mr Peter Landau, LLB;B.Com

Director (Executive). Age 35.

Previously Company Secretary (ceased on 3 December 2006)

Experience

Mr Landau is a corporate lawyer and corporate advisor, having previously worked with Grange Consulting Group, Clayton Utz and as general counsel at Co-operative Bulk Handling. Peter is responsible for providing general corporate, capital raising, transaction and strategic advice to numerous ASX listed and unlisted companies. Mr Landau has project managed a significant number of mining exploration and development transactions around the world including capital raisings, M & A, joint ventures and financings. Mr Landau is a Director of a number of ASX listed companies with particular focus on mining, oil and gas exploration and development in Australia and Africa.

Interest in Shares and Options

Mr Landau holds 1,500,000 partly paid shares (paid up to 30 cents) in the Company.

Directorships held in other listed entities

During the past three years Mr. Landau has served as a Director of other listed companies as follows:

- BioProspect Ltd From: 29 May 2007
- Cape Lambert Iron Ore Ltd From: 15 May 2007
- Nkwe Platinum Ltd From: 14 September 2006
- View Resources Ltd From: 21 May 2004
- Continental Goldfields Ltd From: 10 December 2002
- Blaze Ltd From: 21 May 2004
To: 19 April 2007
- Nuenco NL From: 27 September 2004
To: 12 October 2006
- Poseidon Nickel Ltd From: 17 June 2005
(formerly Niagara Ltd) To: 04 April 2007
- Konekt Ltd From: 10 December 2002
To: 14 July 2006

**RANGE RESOURCES LIMITED
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DIRECTORS' REPORT

INFORMATION ON DIRECTORS (continued)

Mr Marcus Edwards-Jones	Director (Non-executive). Age 44
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 resources 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 world wide institutional capital raisings for large resource projects in Africa.
Interest in Shares and Options	Mr Edwards-Jones holds 500,000 ordinary shares, 40,000 options and 750,000 partly paid shares (paid up to 30 cents) in the Company
Mr Toufic Rahi	Director (Non-Executive)
Experience	Mr Rahi is a lawyer with considerable experience in international law and Middle Eastern corporate transactions. Mr Rahi is fluent in Arabic, English and French.
Interest in Shares and Options	Mr Rahi holds no shares or options in the Company.
Ms Joanna Kiernan, BA	Company Secretary. Age 26
Experience	Ms Kiernan is Corporate Advisor with Lacka Consulting Pty Ltd, having previously worked with Grange Consulting Group Pty Ltd providing general compliance and company secretarial advice to their clients who include numerous ASX listed and unlisted companies. Prior to that, Ms Kiernan worked as a Compliance Officer with Great Southern Plantations Ltd. Ms Kiernan is currently Company Secretary of International Goldfields Limited
Interest in Shares and Options	Ms Kiernan holds no shares or options in the Company.

REMUNERATION REPORT

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

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:

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DIRECTORS' REPORT

REMUNERATION REPORT (continued)

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 reviews executive packages annually by reference to the Company's performance, executive performance and comparable information from industry sectors and other listed companies in similar industries. In addition external consultants may be used to provide analysis and advice to ensure the directors and senior executives' remuneration is competitive in the market place.

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.

Directors and senior executives receive a superannuation guarantee contribution required by the government, which is currently 9%, and do not receive any other retirement benefits. Some individuals, however, may choose to sacrifice part of their salary to increase payments towards superannuation.

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. 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. 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 economic 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.

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

Remuneration Committee

During the year ended 30 June 2007, the economic entity did not have a separately established nomination or remuneration committee. Considering the size of the economic entity, the number of directors and the economic entity's early stages of its development, the Board are of the view that these functions could be efficiently performed with full Board participation.

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DIRECTORS' REPORT

REMUNERATION REPORT (continued)

Company Performance, Shareholder Wealth and Directors and Executives Remuneration

No relationship exists between shareholder wealth, director and executive remuneration and Company performance except for options issued.

The table below shows the gross revenue, losses and earnings per share for the last five years for the listed entity.

	2003	2004	2005	2006	2007
Revenue	339,340	33,249	84,445	140,058	5,392,888
Net Loss	(721,723)	(524,808)	(2,662,373)	(10,744,547)	((1,797,561)
Earnings Per Share	(0.85)	(0.38)	(0.88)	(1.40)	(0.16)

Details of Remuneration

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

2007	Salary, Fees and Commissions \$	Superannuation Contribution \$	Cash Bonus \$	Non-cash Benefits \$	Partly Paid Shares \$	Total \$	Performance Related %
Directors & officers							
Samuel Jonah	13,238	-	-	-	-	13,238	-
Michael Povey	299,243	-	-	-	527,700	826,943	-
Marcus Edwards-Jones	61,247	-	-	-	263,850	325,097	-
Peter Landau	280,000	25,200	-	-	527,700	832,900	-
Liban Bogor	196,935	-	-	-	-	196,935	-
Toufic Rahi	28,000	-	-	-	-	28,000	-
Joanna Kiernan *	-	-	-	-	-	-	-
	<u>878,663</u>	<u>25,200</u>	<u>-</u>	<u>-</u>	<u>1,319,250</u>	<u>2,223,113</u>	<u>-</u>

* Ms Kiernan is an employee of Lacka Consulting Pty Ltd and is paid a salary through Lacka's consulting agreement with Range Resources Limited.

There were no other Key Management Personnel during the year.

There were no specified executives during the year.

2006	Salary, Fees and Commissions \$	Superannuation Contribution \$	Cash Bonus \$	Non-cash Benefits \$	Options \$	Total \$	Performance Related %
Directors							
Michael Povey	122,840	-	-	-	322,257	445,097	-
Jim Marinis	46,500	-	-	-	-	46,500	-
Peter Landau*	36,000	3,240	-	-	-	39,240	-
Matthew Lewis	6,000	-	-	-	-	6,000	-
Arthur Ioannou*	24,000	-	-	-	-	24,000	-
	<u>235,340</u>	<u>3,240</u>	<u>-</u>	<u>-</u>	<u>322,257</u>	<u>560,837</u>	<u>-</u>

* Peter Landau and Arthur Ioannou were Co-Company Secretary's during the year.

There were no specified executives during the year.

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**RANGE RESOURCES LIMITED
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DIRECTORS' REPORT

REMUNERATION REPORT (cont'd)

Partly paid shares issued as part of remuneration for the year ended 30 June 2007

Partly paid shares are issued to directors as part of their remuneration. The shares are not issued based on performance criteria, but are issued to directors of Range Resources Ltd and its subsidiaries to increase goal congruence between directors and shareholders. No partly paid shares were exercised during the year.

	Partly paid shares issued and vested	Partly paid shares Granted as Part of Remuneration \$	Total Remuneration Represented by Partly paid shares %	De-Consolidation of Capital	Partly paid shares remaining after de-consolidation
Directors & officers					
Samuel Jonah	-	-	-	-	-
Michael Povey	30,000,000	527,700	64	(28,500,000)	1,500,000
Marcus Edwards-Jones	15,000,000	263,850	81	(14,250,000)	750,000
Peter Landau	30,000,000	527,700	63	(28,500,000)	1,500,000
Liban Bogor	-	-	-	-	-
Toufic Rahi	-	-	-	-	-
Joanna Kiernan	-	-	-	-	-
	<u>75,000,000</u>	<u>1,319,250</u>		<u>(71,250,000)</u>	<u>3,750,000</u>

Partly paid shares were allotted and issued at an issue price of \$0.60 each and have been deemed to have been paid up to \$0.30 each leaving \$0.30 payable by the holder anytime within 13 months of the date of issue. All partly paid shares vest at the grant date. The value of the partly paid portion of the shares has been calculated using a market priced valuation methodology based upon the assumptions of a risk free rate of 6%, a period of 1 year, a nil dividend yield and a call of 15 cents to be made. The value of the unpaid portion was calculated to be 35.18 cents. At the date of issue, ordinary shares were trading at \$0.54 on a post-consolidation basis.

Options issued as part of remuneration for the year ended 30 June 2007

No options were issued, lapsed or exercised during the period. Options were issued in the previous period as follows:

	Granted and vested number	Options granted as part of remuneration \$	Options exercised \$	Options Lapsed \$	Total \$
Directors					
Michael Povey	10,000,000	322,257	(10,322,257)	-	-
	<u>10,000,000</u>	<u>322,257</u>	<u>(10,322,257)</u>	<u>-</u>	<u>-</u>

These options were granted on 7 December 2005 and vested immediately with an exercise price of \$0.05 (pre-consolidation) on or before 1 October 2007. Options are valued using the Black Scholes model using an expected price volatility of 30.7% a nil expected dividend yield and a risk free interest rate of 5.41%. The share price at grant date was \$0.042 (pre-consolidation).

A capital de-consolidation on a one for twenty basis was performed during the year, subsequently bringing down the number of options held.

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**RANGE RESOURCES LIMITED
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DIRECTORS' REPORT

REMUNERATION REPORT (cont'd)

The terms and conditions of each grant of options affecting remuneration in the previous, this or future reporting periods are as follows:

Grant date	Date vested and exercisable	Expiry date	Exercise price	Value per option at grant date
10/09/04	10/09/04	1 October 2007	\$0.05	\$0.05
27/05/05	27/05/05	1 October 2010	\$0.05	\$0.09
07/12/05	07/12/05	1 October 2007	\$0.05	\$0.03

Additional Information - unaudited

Details of remuneration: cash bonuses and options

There were no cash bonuses paid during the period. For grant of partly paid shares and options included in the tables on pages 17 – 19, the percentage of the available grant that was paid, or that vested, in the financial year, and the percentage that was forfeited because the person did not meet the service and performance criteria is set out below. The options vest immediately.

Name	Partly Paid Shares					Options				
	Year granted & vested immediately	Vested	Forfeited	Minimum total value of grant yet to vest	Maximum total value of grant yet to vest	Year granted & vested immediately	Vested	Forfeited	Minimum total value of grant yet to vest	Maximum total value of grant yet to vest
Samuel Jonah	-	-	-	-	-	-	-	-	-	-
Michael Povey	2007	100%	-	-	-	2005	100%	-	-	-
Marcus Edwards-Jones	2007	100%	-	-	-	-	-	-	-	-
Peter Landau	2007	100%	-	-	-	-	-	-	-	-
Liban Bogor	-	-	-	-	-	-	-	-	-	-
Toufic Rahi	-	-	-	-	-	-	-	-	-	-
Joanna Kiernan	-	-	-	-	-	-	-	-	-	-

Employment Contracts of Directors and Senior Executives

Remuneration and other terms of employment for the directors have been formalised in consultancy agreements. No employment contracts were in place as at 30 June 2007.

MEETINGS OF DIRECTORS

During the financial year, 7 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

Board Meetings

Director	Attended	Held
Samuel Jonah	1	7
Michael Povey	7	7
Peter Landau	7	7
Liban Bogor	5	7
Toufic Rahi	3	7
Marcus Edwards-Jones	6	7

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**RANGE RESOURCES LIMITED
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DIRECTORS' REPORT

INDEMNIFYING OFFICERS OR AUDITOR

During the financial year, Range Resources Limited paid a premium of \$68,575 to insure the directors and secretaries of the company and its Australian-based controlled entities, and the general managers of each of the divisions of the Group.

The liabilities insured are legal costs that maybe incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of entities in the Group, and any other payments arising from liabilities incurred by the officers in connection with such proceedings. This does not include such liabilities that arise from conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the company. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

OPTIONS

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

Date Granted	Date of Expiry	Exercise Price	Number Under-Option
Options granted in prior years	01/10/07	\$1.00	37,929,432
20/03/2006	01/10/07	\$1.00	1,750,000
01/11/2006	01/10/07	\$1.00	22,865,598
29/11/2006	01/10/07	\$1.00	3,310,502
21/12/2006	01/10/07	\$1.00	3,330,128
24/04/2007	01/10/10	\$1.00	24,573,029
09/05/2007	01/10/12	\$0.50	2,952,029
			<hr/> <hr/>
			96,710,716

During the year ended 30 June 2007, no ordinary shares of Range Resources Limited were issued on the exercise of options. No further shares have been issued since that date.

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.

LOANS TO DIRECTORS AND EXECUTIVES

Information on loans to directors and executives including amounts, interest rates and repayment terms are set out in Note 24 to the financial statements

RANGE RESOURCES LIMITED
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DIRECTORS' REPORT

NON-AUDIT SERVICES

The board of directors, is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The directors are satisfied that the services disclosed below did not compromise the external auditor's independence for the following reasons:

- all non-audit services are reviewed and approved by the audit committee prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- the nature of the services provided do not compromise the general principles relating to auditor independence as set out in the Institute of Chartered Accountants in Australia and APES110 Code of Ethics for Professional Accountants.

The following fees for non-audit services were paid/payable to the external auditors during the year ended 30 June 2007:

Taxation Services	BDO Kendalls Corporate Tax (WA)	\$1,300
Other Services	BDO Kendalls (WA)	\$2,730

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 2007 has been received and can be found on page 22 of the directors' report.

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



Mr M Povey
Managing Director

Dated this 28th day of September 2007



BDO Kendalls

BDO Kendalls Audit & Assurance (WA)
128 Hay Street
SUBIACO WA 6008
PO Box 700
WEST PERTH WA 6872
Phone 61 8 9380 8400
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www.bdo.com.au

ABN 90 360 101 594

28 September 2007

The Directors
Range Resources Limited
PO Box 684
WEST PERTH WA 6872

Dear Sirs

**DECLARATION OF INDEPENDENCE BY BDO KENDALLS TO THE DIRECTORS
OF RANGE RESOURCES LIMITED**

As lead auditor of Range Resources Limited for the year ended 30 June 2007, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

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

Yours faithfully
BDO Kendalls Audit & Assurance (WA) (formerly BDO)

BG McVeigh
Partner

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**RANGE RESOURCES LIMITED
AND CONTROLLED ENTITIES
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**INCOME STATEMENT
FOR THE YEAR ENDED
30 JUNE 2007**

	Note	Economic Entity		Parent Entity	
		2007 \$	2006 \$	2007 \$	2006 \$
Revenue from continuing operations	2	217,757	90,058	217,757	89,845
Other income	2	5,175,131	50,000	5,175,131	50,000
Finance costs		(1,003,604)	(729,689)	(1,003,604)	(729,689)
Depreciation expense		(37,366)	(16,218)	(37,366)	(16,218)
Directors fees		(696,128)	(235,340)	(696,128)	(235,340)
Directors remuneration		(1,319,250)	(322,257)	(1,319,250)	(322,257)
Corporate management services		(573,217)	(97,000)	(573,217)	(97,000)
Consultants		(654,542)	(335,268)	(654,451)	(335,268)
Marketing & public relations		(266,841)	(34,609)	(266,841)	(34,609)
Costs associated with AIM listing		(62,814)	-	(62,814)	-
Garowe airport project		(591,411)	-	(591,411)	-
Travel Expenditure		(879,208)	(21,095)	(879,208)	(21,095)
Other expenses	3	(1,106,068)	(9,093,129)	(1,110,328)	(9,346,388)
Profit/(Loss) before income tax		(1,797,561)	(10,744,547)	(1,801,730)	(10,788,019)
Income tax expense	4	-	-	-	-
Profit/(Loss) from continuing operations		(1,797,561)	(10,744,547)	(1,801,730)	(10,788,019)
Profit/(Loss) attributable to members of the parent entity		(1,797,561)	(10,744,547)	(1,801,730)	(10,788,019)
Earnings per share for profit attributable to the ordinary equity holders of the company:					
Basic loss per share (cents per share)	7	(0.15)	(1.40)		
Diluted loss per share (cents per share)	7	NA	NA		

The Company's potential ordinary shares were not considered dilutive as the company is in a loss position

The accompanying notes form part of these financial statements.

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**RANGE RESOURCES LIMITED
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**BALANCE SHEET
AS AT
30 JUNE 2007**

	Note	Economic Entity		Parent Entity	
		2007 \$	2006 \$	2007 \$	2006 \$
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	8	22,896,484	1,210,838	22,856,019	1,173,733
Trade and other receivables	9	606,551	31,026	606,551	31,026
Other current assets	10	61,191	68,804	61,191	68,804
TOTAL CURRENT ASSETS		23,564,226	1,310,668	23,523,761	1,273,563
NON-CURRENT ASSETS					
Trade and other receivables	9	-	-	353,364	207,188
Financial assets available for sale	11	3,363,450	213,450	8,310,862	5,185,862
Property, plant and equipment	13	105,767	73,663	105,767	73,663
Other non-current assets	14	84,026,027	19,994,071	78,718,075	14,808,104
TOTAL NON-CURRENT ASSETS		87,495,244	20,281,184	87,488,068	20,274,817
TOTAL ASSETS		111,059,470	21,591,852	111,011,829	21,548,380
CURRENT LIABILITIES					
Trade and other payables	15	53,219,923	406,157	53,219,923	406,157
TOTAL LIABILITIES		53,219,923	406,157	53,219,923	406,157
NET ASSETS		57,839,547	21,185,695	57,791,906	21,142,223
EQUITY					
Issued capital	16	70,866,367	34,891,091	70,866,367	34,891,091
Reserves	17	10,975,482	8,499,345	10,975,482	8,499,345
Accumulated losses		(24,002,302)	(22,204,741)	(24,049,943)	(22,248,213)
TOTAL EQUITY		57,839,547	21,185,695	57,791,906	21,142,223

The accompanying notes form part of these financial statements.

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RANGE RESOURCES LIMITED
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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED
30 JUNE 2007

Economic Entity

Note	Share Capital Ordinary \$	Accumulated Losses \$	Option Reserve \$	Share Based Payment Reserve \$	Total \$
Balance at 1 July 2005	15,014,129	(11,460,194)	1,139,906	609,502	5,303,343
Loss attributable to members of the company	-	(10,744,547)	-	-	(10,744,547)
Total recognised income and expense for the year	-	(10,744,547)	-	-	(10,744,547)
Shares/options issued during the year	21,830,822	-	6,427,500	-	28,258,322
Options issued during the year	-	-	-	322,437	322,437
Transaction costs	(1,953,860)	-	-	-	(1,953,860)
Balance at 30 June 2006	34,891,091	(22,204,741)	7,567,406	931,939	21,185,695
Loss attributable to members of the company	-	(1,797,561)	-	-	(1,797,561)
Total recognised income and expense for the year	-	(1,797,561)	-	-	(1,797,561)
Shares/options issued during the year	40,265,872	-	2,476,137	-	42,742,009
Partly paid shares issued during the year	1,759,000	-	-	-	1,759,000
Transaction costs	(6,049,596)	-	-	-	(6,049,596)
Balance at 30 June 2007	70,866,367	(24,002,302)	10,043,543	931,939	57,839,547

The accompanying notes form part of these financial statements.

RANGE RESOURCES LIMITED
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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED
30 JUNE 2007

Parent Entity

Note	Share Capital Ordinary	Accumulated Losses	Option Reserve	Share Based Payment Reserve	Total
	\$	\$	\$	\$	\$
Balance at 30 June 2005	15,014,129	(11,460,194)	1,139,906	609,502	5,303,343
Loss attributable to members of the company	-	(10,788,019)	-	-	(10,788,019)
Total recognised income and expense for the year	-	(10,788,019)	-	-	(10,788,019)
Shares/options issued during the year	21,830,822	-	6,427,500	-	28,258,322
Options issued during the year	-	-	-	322,437	322,437
Transaction costs	(1,953,860)	-	-	-	(1,953,860)
Balance at 30 June 2006	34,891,091	(22,248,213)	7,567,406	931,939	21,142,223
Loss attributable to members of the company	-	(1,801,730)	-	-	(1,801,730)
Total recognised income and expense for the year	-	(1,801,730)	-	-	(1,801,730)
Shares/options issued during the year	40,265,872	-	2,476,137	-	42,742,009
Partly paid shares issued during the year	1,759,000	-	-	-	1,759,000
Transaction costs	(6,049,596)	-	-	-	(6,049,596)
Balance at 30 June 2007	70,866,367	(24,049,943)	10,043,543	931,939	57,791,906

The accompanying notes form part of these financial statements

**RANGE RESOURCES LIMITED
AND CONTROLLED ENTITIES
ABN 88 002 522 009**

**CASH FLOW STATEMENT
FOR YEAR ENDED
30 JUNE 2007**

Note	Economic Entity		Parent Entity	
	2007	2006	2007	2006
	\$	\$	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES				
Payments for exploration and evaluation	(4,214,900)	(4,019,672)	(4,203,968)	(3,720,532)
Payments to suppliers and employees	(4,388,467)	(1,341,087)	(4,361,374)	(1,363,639)
Interest received	215,568	84,631	215,568	84,418
Net cash (outflow)/inflow from operating activities	21(a) (8,387,799)	(5,276,128)	(8,349,774)	(4,999,753)
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds – Somalia farm-in signature bonus	4,975,131	(71,817)	4,975,131	(71,817)
Payment for property, plant & equipment	(69,469)	-	(69,469)	-
Payment for investment in Somalia	(6,027,227)	-	(6,027,227)	-
Payment for acquisition of Somalian rights	-	(4,996,321)	-	(4,996,321)
Loans to controlled entity	-	-	(41,385)	(299,935)
Purchase of investments	(500,000)	(213,450)	(500,000)	(213,450)
Deposit received for sale of subsidiary	200,000	50,000	200,000	50,000
Net cash (outflow)/inflow from investing activities	(1,421,565)	(5,231,588)	(1,462,950)	(5,531,523)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from issue of shares	31,530,996	10,181,003	31,530,996	10,181,003
Payment of share issue costs	(35,986)	(235,747)	(35,986)	(235,747)
Proceeds from borrowings	-	2,000,000	-	2,000,000
Repayment of borrowings	-	(1,340,483)	-	(1,340,483)
Net cash (outflow)/inflow from financing activities	31,495,010	10,604,773	31,495,010	10,604,773
Net (decrease)/ increase in cash and cash equivalents	21,685,646	97,057	21,682,286	73,497
Cash and cash equivalents at beginning of financial year	1,210,838	1,113,781	1,173,733	1,100,236
Cash and cash equivalents at end of financial year	8 22,896,484	1,210,838	22,856,019	1,173,733

The accompanying notes form part of these financial statements.

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NOTES TO THE FINANCIAL STATEMENTS
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Note 1: Statement of Significant Accounting Policies

The financial report is a general purpose financial report that has 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*.

The financial report covers the economic entity of Range Resources Limited and controlled entities, and Range Resources Limited as an individual parent entity. Range Resources Limited is a listed public company, incorporated and domiciled in Australia.

The financial report of Range Resources Limited and controlled entities, and Range Resources Limited as an individual parent entity comply with all Australian equivalents to International Financial Reporting Standards (AIFRS) except the parent entity has the election to apply the relief provided to parent entities in respect of certain disclosure requirements contained in AASB132 Financial Instruments Presentation and Disclosure.

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

Basis of Preparation

Reporting Basis and Conventions

The financial report has been prepared on an accruals basis and is 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.

Early adoption of standards

For the annual reporting period beginning on 1 July 2006, we have elected to early adopt the revised AASB 101 *Presentation of Financial Statements* (Issued October 2006). An effect of this is that certain previously mandatory disclosures, including information concerning economic dependencies, are not included.

As required under AIFRS, the impact of standards and interpretations that have not been early adopted are disclosed within the accounting policy note 26.

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NOTES TO THE FINANCIAL STATEMENTS
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Note 1: Statement of Significant Accounting Policies (cont'd)

Accounting Policies

(a) Principles of consolidation

A controlled entity is any entity Range Resources Limited has the power to control the financial and operating policies so as to obtain benefits from its activities.

A list of controlled entities is contained in Note 12 to the financial statements. All controlled entities have a June financial year-end.

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

Where controlled entities have entered or left the economic entity during the year, their operating results have been included/excluded from the date control was obtained or until the date control ceased.

Minority equity interests in the equity and results of the entities that are controlled are shown as a separate item in the consolidated financial report.

(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 balance sheet date.

Deferred tax is accounted for using the balance sheet 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 liability is settled. Deferred tax is credited in the income statement 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.

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 economic 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.

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Note 1: Statement of Significant Accounting Policies (cont'd)

(c) Property, plant and equipment

Each class of plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation and impairment losses.

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

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 assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

The cost of fixed assets constructed within the economic 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 group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

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 economic 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%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

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 the income statement. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

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NOTES TO THE FINANCIAL STATEMENTS
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Note 1: Statement of Significant Accounting Policies (cont'd)

(d) Exploration and evaluation expenditure

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.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

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.

Costs of site restoration are provided over the life of the facility from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with clauses of the mining permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on an undiscounted basis.

Any changes in the estimates for the costs are accounted on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly the costs have been determined on the basis that the restoration will be completed within one year of abandoning the site. '

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.

(e) Financial instruments

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.

Financial assets at fair value through profit and loss

A financial asset is classified in this category if acquired principally for the purpose of selling in the short term or if so designated by management and within the requirements of AASB 139: Recognition and Measurement of Financial Instruments. Derivatives are also categorised as held for trading unless they are designated as hedges. Realised and unrealised gains and losses arising from changes in the fair value of these assets are included in the income statement in the period which they arise.

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.

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NOTES TO THE FINANCIAL STATEMENTS
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Note 1: Statement of Significant Accounting Policies (cont'd)

Available-for-sale financial assets

Available-for-sale financial assets include any financial assets not included in the above 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 equity.

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, including recent arm's length transactions, reference to similar instruments and option pricing models.

Impairment of assets

At each reporting date, the group assess whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. Impairment losses are recognised in the income statement.

At each reporting date, the group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the income statement.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives.

Where it is not possible to estimate the recoverable amount of an individual asset, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

(f) Foreign currency transactions and balances

Functional and presentation currency

The functional currency of each of the group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

Transaction and balances

Foreign currency transactions are translated into 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 the income statement, except where deferred in equity as a qualifying cash flow or net investment hedge.

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 the income statement.

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NOTES TO THE FINANCIAL STATEMENTS
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Note 1: Statement of Significant Accounting Policies (cont'd)

Group companies

The financial results and position of foreign operations whose functional currency is different from the group's presentation currency are translated as follows:

- assets and liabilities are translated at year-end exchange rates prevailing at that reporting date;
- income and expenses are translated at average exchange rates for the period; and
- retained profits are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations are transferred directly to the group's foreign currency translation reserve in the balance sheet. These differences are recognised in the income statement in the period in which the operation is disposed.

(g) Employee benefits

Provision is made for the company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Equity settled compensation

The group undertakes a number of share-based compensation transactions. These include both the issue of partly paid shares or unlisted options to directors. The bonus element over the exercise price of the employee services rendered in exchange for the grant of partly paid shares and options is recognised as an expense in the income statement. The total amount to be expensed over the vesting period is determined by reference to the fair value of the partly paid shares or the options granted.

(h) Provisions

Provisions are recognised when the group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

(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, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the balance sheet.

(j) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

Revenue from the sale of goods is recognised upon delivery of goods to customers.

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

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Note 1: Statement of Significant Accounting Policies (cont'd)

Dividend revenue is recognised when the right to receive a dividend has been established. Dividends received from associates are accounted for in accordance with the equity method of accounting.

Revenue from the rendering of a service is recognised upon the delivery of the service to the customers. All revenue is stated net of the amount of goods and services tax (GST).

(k) 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 balance sheet are shown inclusive of GST.

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

(l) Comparative figures

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

(m) Critical accounting estimates and judgements

The directors evaluate estimates and judgements incorporated into the financial report 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 group.

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 14.

(n) Business combinations

The purchase method of accounting is used to account for all business combinations, including business combinations involving entities or businesses under common control, regardless of whether equity instruments or other assets are acquired. Cost is measured as the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange plus costs directly attributable to the acquisition. Where equity instruments are issued in an acquisition, the fair value of the instruments is their published market price as at the date of exchange unless, in rare circumstances, it can be demonstrated that the published price at the date of exchange is an unreliable indicator of fair value and that other evidence and valuation methods provide a more reliable measure of fair value. Transaction costs arising on the issue of equity instruments are recognised directly in equity.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets

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Note 1: Statement of Significant Accounting Policies (cont'd)

acquired is recorded as goodwill. If the cost of acquisition is less than the Group's share of the fair value of the identifiable net assets of the subsidiary acquired, the difference is recognised directly in the income statement, but only after a reassessment of the identification and measurement of the net assets required.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions

(o) Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or 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 balance sheet date. The quoted market price used for financial assets held by the Group 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 Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance date. Quoted market prices or dealer quotes for similar instruments are used for long-term debt instruments held. Other techniques, such as estimated discounted cash flows, are used to determine fair value for the remaining financial instruments. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows. The fair value of forward exchange contracts is determined using forward exchange market rates at the balance sheet 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 flows at the current market interest rate that is available to the Group for similar financial instruments.

(p) Trade and other payables

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

(q) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing the profit 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.

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Note 2: Revenue

	Economic Entity		Parent Entity	
	2007	2006	2007	2006
	\$	\$	\$	\$
From continuing operations				
– interest received other persons	217,757	84,955	217,757	84,742
– other income	-	5,103	-	5,103
	<u>217,757</u>	<u>90,058</u>	<u>217,757</u>	<u>89,845</u>
<i>Other Income</i>				
– sale of Peruvian project	200,000	50,000	200,000	50,000
– Somalian Farm-in signature bonus	4,975,131	-	4,975,131	-
	<u>5,175,131</u>	<u>50,000</u>	<u>5,175,131</u>	<u>50,000</u>

Note 3: Expenses

Loss before income tax includes the following specific expenses:

(a) Expenses

Depreciation				
- Plant and equipment	37,366	16,218	37,366	16,218
Total depreciation	<u>37,366</u>	<u>16,218</u>	<u>37,366</u>	<u>16,218</u>
Finance Costs				
- external	1,003,604	729,689	1,003,604	729,689
Total finance costs	<u>1,003,604</u>	<u>729,689</u>	<u>1,003,604</u>	<u>729,689</u>
Write –off capitalised expenses	-	8,391,008	-	8,147,526
Garowe airport project	591,411	-	591,411	-
Director fees	696,128	235,340	696,128	235,340
Consultancy expenses	654,542	335,268	654,451	335,268
Provision for debt forgiveness	-	-	6,183	289,802
Corporate management services	573,217	97,000	573,217	97,000
Marketing & public relations	266,841	34,609	266,841	34,609
Costs associated with AIM listing	62,814	-	62,814	-
Travel expenditure	879,208	21,095	879,208	21,095
Other expenses	1,106,068	1,024,378	1,104,145	1,021,317
Total other expenses	<u>4,830,229</u>	<u>10,138,698</u>	<u>4,834,398</u>	<u>10,181,957</u>

(b) Significant revenue and expenses

The following significant revenue and expense items are relevant in explaining the financial performance:

Director options granted	-	322,257	-	322,257
Partly paid shares issued	1,319,250	-	1,319,250	-

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NOTES TO THE FINANCIAL STATEMENTS
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Note 4: Income Tax Expense

	Note	Economic Entity		Parent Entity	
		2007	2006	2007	2006
		\$	\$	\$	\$
(a) Income tax expense					
Current tax		-	-	-	-
Deferred tax		-	-	-	-
Adjustments for current tax of prior periods		-	-	-	-
		-	-	-	-
		-	-	-	-

	Note	Economic Entity		Parent Entity	
		2007	2006	2007	2006
		\$	\$	\$	\$
(b) The prima facie tax on profit from ordinary activities before income tax is reconciled to the income tax as follows:		(1,797,561)	(10,744,547)	(1,801,730)	(10,788,019)
Prime facie tax payable on profit from ordinary activities before income tax at 0% (2006: 0%)					
- economic entity		(539,268)	(3,223,364)	-	-
- parent entity		-	-	(540,519)	(3,236,406)
		(539,268)	(3,223,364)	(540,519)	(3,236,406)
Add:					
Tax effect of:					
- other non-allowable items		1,253,499	218,966	1,255,354	218,906
		714,231	(3,004,398)	714,835	(3,017,500)
Less:					
Tax effect of:					
- capital profits not subject to income tax		(1,552,539)	(15,000)	(1,552,539)	(15,000)
- issue costs charged to equity		-	(133,535)	-	(133,535)
Recoupment of prior year tax losses not previously brought to account					
Deferred Tax Asset in relation to tax losses not recognised		838,308	3,152,933	837,705	3,166,035
		838,308	3,152,933	837,705	3,166,035
Income tax attributable to parent entity		-	-	-	-
Income tax expense to wholly-owned subsidiaries under the tax sharing agreement		-	-	-	-
		-	-	-	-
Income tax attributable to entity		-	-	-	-
The applicable weighted average effective tax rates are as follows:		0%	0%	0%	0%

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Note 4: Income Tax Expense (continued)

(c)	Deferred tax assets not brought to account, the benefits of which will only be realised if the conditions for deductibility set out in Note 1b occur				
	— temporary differences				
	— tax losses:				
	— operating losses	3,374,171	3,964,853	3,374,171	3,790,755
	— capital losses	449,636	809,859	449,636	809,859
		3,823,807	4,774,712	3,823,807	4,600,614

Note 5: Key Management Personnel Compensation

(a) Directors

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

(i)	<i>Executive Directors</i> Mr Michael Povey– Managing Director Mr Peter Landau	
(ii)	<i>Non-executive Directors</i> Sir Samuel Jonah - Chairman Mr Marcus Edwards-Jones Mr Liban Bogor Mr Toufic Rahi	 appointed 19 July 2006 appointed 29 August 2006 resigned 04 July 2007

(b) Other key management personnel

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

(c) Key management personnel compensation

	Economic Entity		Parent Entity	
	2007	2006	2007	2006
	\$	\$	\$	\$
Short –term employee benefits	878,663	235,340	878,663	235,340
Post-employment benefits	25,200	3,240	25,200	3,240
Share-based payments	1,319,250	322,257	1,319,250	322,257
	2,223,113	560,837	2,223,113	560,837

The company has transferred the detailed remuneration disclosures to the directors' report in accordance with the Corporations Amendment Regulations 2006 (No. 4)

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Note 5: Key Management Personnel Compensation (continued)

(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 in the directors' report on page 18

- (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 of Range Resources Limited, including their personally related parties, are set out below

2007 Directors of Range Resources Ltd	Balance at the start of the year	Granted during the year as compensation	Exercised during the year	Other changes during the year ⁽ⁱⁱⁱ⁾	Balance at the end of the year/ resignation	Vested and exercisable
Mr M Povey	1,125,000	-	-	(1,068,750)	56,250	56,250
Mr L Bogor	-	-	-	-	-	-
Mr M Edwards- Jones ⁽ⁱ⁾	800,000	-	-	(760,000)	40,000	40,000
Mr P Landau	-	-	-	-	-	-
Sir S Jonah	-	-	-	-	-	-
Mr T Rahi ^(j)	-	-	-	-	-	-
Total	1,925,000	-	-	(1,828,750)	96,250	96,250

No options are vested and unexercisable at the end of the year

- (i) Mr Rahi resigned 04 July 2007
(ii) Mr Edwards-Jones was appointed as director on the 29th August 2006
(iii) Other changes during the year refer to the capital de-consolidation on a 1 for 20 basis, subsequently reducing the number of options on issue

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Note 5: Key Management Personnel Compensation (continued)

2006 Directors of Range Resources Ltd	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 at the end of the year
Mr M Povey	1,325,000	10,000,000	(10,000,000)	(200,000)	1,125,000	1,125,000
Mr J Marinis ⁽ⁱⁱⁱ⁾	10,000,000	-	(10,000,000)	-	-	-
Mr L Bogor	-	-	-	-	-	-
Mr A Ioannou ⁽ⁱ⁾	10,216,666	-	-	(91,666)	10,125,000	-
Mr P Landau	-	-	-	-	-	-
Mr M Lewis ⁽ⁱⁱ⁾	10,000,000	-	-	-	10,000,000	-
Mr T Rahi	-	-	-	-	-	-
Total	31,541,666	10,000,000	20,000,000	(291,666)	21,250,000	1,125,000

No options are vested and unexercisable at the end of the year

- (i) Mr Ioannou resigned 8 November 2005;
- (ii) Mr Lewis resigned 26 August 2005; and
- (iii) Mr Marinis resigned 24 May 2006.

- (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

2007	Balance at the start of the year	Granted during the year as compensation	Received during the year on the exercise of options	Other changes during the year ⁽ⁱⁱⁱ⁾	Balance at the end of the year
Sir S Jonah	-	-	-	-	-
Mr M Povey	-	-	-	-	-
Mr L Bogor	-	-	-	-	-
Mr M Edwards- Jones ⁽ⁱⁱ⁾	10,000,000	-	-	(9,500,000)	500,000
Mr P Landau	-	-	-	-	-
Mr T Rahi ⁽ⁱ⁾	-	-	-	-	-
Total	10,000,000	-	-	(9,500,000)	500,000

- (i) Mr Rahi resigned 04 July 2007
- (ii) Mr Edwards-Jones was appointed as director on the 29th August 2006
- (iii) Other changes during the year refer to the capital de-consolidation on a 1 for 20 basis, subsequently reducing the number of options on issue

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Note 5: Key Management Personnel Compensation (continued)

2006	Balance at the start of the year	Granted during the year as compensation	Received during the year on the exercise of options	Other changes during the year ⁽ⁱⁱⁱ⁾	Balance at the end of the year
Mr M Povey	-	-	10,000,000	(10,000,000)	-
Mr J Marinis ⁽ⁱⁱⁱ⁾	-	-	10,000,000	(10,000,000)	-
Mr L Bogor	-	-	-	-	-
Mr A Ioannou ⁽ⁱ⁾	2,166,667	-	-	-	2,166,667
Mr P Landau	-	-	-	-	-
Mr M Lewis ⁽ⁱⁱ⁾	125,000	-	-	-	125,000
Mr T Rahi	-	-	-	-	-
Total	2,291,667	-	20,000,000	(20,000,000)	2,291,667

(i) Mr Ioannou resigned 8 November 2005;

(ii) Mr Lewis resigned 26 August 2005; and

(iii) Mr Marinis resigned 24 May 2006.

(iv) Partly 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

2007	Balance at the start of the year	Granted during the year as compensation	Other changes during the year ⁽ⁱⁱⁱ⁾	Balance at the end of the year
Sir S Jonah	-	-	-	-
Mr M Povey	-	30,000,000	(28,500,000)	1,500,000
Mr L Bogor	-	-	-	-
Mr M Edwards-Jones ⁽ⁱⁱ⁾	-	15,000,000	(14,250,000)	750,000
Mr P Landau	-	30,000,000	(28,500,000)	1,500,000
Mr T Rahi ⁽ⁱ⁾	-	-	-	-
Total	-	75,000,000	(71,250,000)	3,750,000

(i) Mr Rahi resigned 04 July 2007

(ii) Mr Edwards-Jones was appointed as director on the 29 August 2006

(iii) Other changes during the year refer to the capital de-consolidation on a 1 for 20 basis, subsequently reducing the number of options on issue.

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Note 5: Key Management Personnel Compensation (continued)

(e) Loans to key management personnel

Details of loans made to directors of Range Resources Limited and other key management personnel of the Group, including their personally related parties, are set out below:

2007	Balance at the start of the year \$	Interest paid and payable for the tax year \$	Interest not charged \$	Balance at the end of the year \$	Highest indebtedness during the year \$
Timespan Holdings Pty Ltd	-	18,873	-	-	440,865
Total	-	18,873	-	-	440,865

The loan was to Timespan Holdings Pty Ltd, a company that Mr Povey is a director of. The loan was at normal commercial terms and was repaid in full at year end.

Note 6: Auditors' Remuneration

	Economic Entity		Parent Entity	
	2007 \$	2006 \$	2007 \$	2006 \$
Remuneration of the auditor of the parent entity for:				
- auditing or reviewing the financial report BDO Kendalls Audit & Assurance (WA)	30,000	20,000	30,000	20,000
- taxation services BDO Kendalls Corporate Tax (WA)	1,300	1,110	1,300	1,110
- other services BDO Consultants (WA)	2,730	3,300	2,730	3,300
Total remuneration for audit services	34,030	24,410	34,030	24,410

Note 7: Earnings per Share

	Economic Entity	
	2007 \$	2006 \$
(a) Basic earnings per share		
Loss from continuing operations attributable to the ordinary equity holders of the company	(0.15)	(1.40)
Loss from discontinued operations	-	-
Loss attributable to the ordinary equity holders of the company	(0.15)	(1.40)

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Note 7: Earnings per Share (continued)

(b) Reconciliation of earnings used in calculating earnings per share

Loss from continuing operations attributable to the ordinary equity holders of the company	(1,797,561)	(10,744,547)
Loss attributable to the ordinary equity holders of the company	<u>(1,797,561)</u>	<u>(10,744,547)</u>

(c) Weighted average number of shares used as the denominator

	No.	No.
Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	1,173,634,939	764,767,946

Diluted EPS not disclosed as the loss per share will not increase

Note 8: Cash and Cash Equivalents

	Note	Economic Entity		Parent Entity	
		2007 \$	2006 \$	2007 \$	2006 \$
Cash at bank and in hand		22,896,484	1,210,838	22,856,019	1,173,733
		<u>22,896,484</u>	<u>1,210,838</u>	<u>22,856,019</u>	<u>1,173,733</u>
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 balance sheet as follows:-					
Balances as above		22,896,484	1,210,838	22,856,019	1,173,733
Bank overdrafts		-	-	-	-
Balances as per statement of cash flow		<u>22,896,484</u>	<u>1,210,838</u>	<u>22,856,019</u>	<u>1,173,733</u>

Note 9: Trade and Other Receivables

Current

Other receivables

- other debtors	596,445	-	596,445	-
- goods and services tax	10,106	31,026	10,106	31,026
	<u>606,551</u>	<u>31,026</u>	<u>606,551</u>	<u>31,026</u>

Non-Current

Amounts receivable from:

- wholly-owned entities	-	-	1,035,830	883,469
- provision for impairment of receivables	-	-	(682,464)	(676,281)
	<u>-</u>	<u>-</u>	<u>353,366</u>	<u>207,188</u>

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Note 10: Other Assets

	Note	Economic Entity		Parent Entity	
		2007	2006	2007	2006
		\$	\$	\$	\$
CURRENT					
Prepayments		61,191	68,804	61,191	68,804
		<u>61,191</u>	<u>68,804</u>	<u>61,191</u>	<u>68,804</u>

Note 11: Other Financial Assets

Available-for-sale financial assets	11(a)	3,363,450	213,450	8,310,862	5,185,862
Less non current portion		-	-	-	-
Total available-for-sale financial assets		<u>3,363,450</u>	<u>213,450</u>	<u>8,310,862</u>	<u>5,185,862</u>

**(a) Available-for-sale Financial Assets
Comprise:**

Listed investments, at fair value					
– interest in other corporations		3,150,000	-	3,150,000	-
Unlisted investments, at cost					
– shares in controlled entities		-	-	6,613,680	6,638,680
– interest in other corporations		213,450	213,450	213,450	213,450
– Less provision for impairment		-	-	(1,666,268)	(1,666,268)
		<u>3,363,450</u>	<u>213,450</u>	<u>8,310,862</u>	<u>5,185,862</u>
Total available-for-sale financial assets		<u>3,363,450</u>	<u>213,450</u>	<u>8,310,862</u>	<u>5,185,862</u>

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.

The fair value of unlisted available-for-sale financial assets cannot be reliably measured as variability in the range of reasonable fair value estimates is significant. As a result, all unlisted investments are reflected at cost. Unlisted available-for-sale financial assets exist within active markets and could be disposed of if required.

Note 12: Subsidiaries

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

Name of entity	Country of incorporation	Class of share	Equity (%)*	
			2007	2006
Subsidiaries of Range Resources Limited:				
Donnybrook Gold Pty Ltd	Australia	Ordinary	100	100
Westblade Pty Ltd	Australia	Ordinary	100	100
Sociedad Minera de Responsabilidad Limtada Corachapi ("Somirelco")	Peru	Ordinary	80	80
Yono Nominees Pty Ltd	Australia	Ordinary	100	100

* Percentage of voting power is in proportion to ownership

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Note 12: Subsidiaries (continued)

(b) Disposal of Controlled Entities

On 02 May 2006 the Company entered a Heads of Agreement with Contact Resources Limited to divest its 80% share of Sociedad Minera de Responsabilidad Limtada Corachapi (Somirelco). Under the terms of the agreement Contact would only earn 80% of Somirelco by funding \$500,000 worth of exploration in Peru, issuing 5 million Contact shares to Range and paying a \$250,000 option fee. As at 30 June 2007, Contact had not completed the full expenditure commitment and as such the shares have not been transferred.

Note 13: Non-current Assets

Economic Entity	Furniture, fittings and equipment \$	Total \$
At 1 July 2005		
Cost or fair value	22,454	22,454
Accumulated depreciation	(4,389)	(4,389)
Net book amount	18,065	18,065
Year ended 30 June 2006		
Opening net book amount	18,065	18,065
Additions	71,816	71,816
Depreciation charge	(16,218)	(16,218)
Closing net book amount	73,663	73,663
At 30 June 2006		
Cost or fair value	94,270	94,270
Accumulated depreciation	(20,607)	(20,607)
Net book amount	73,663	73,663
Year ended 30 June 2007		
Opening net book amount	73,663	73,663
Additions	69,470	69,470
Depreciation charge	(37,366)	(37,366)
Closing net book amount	105,767	105,767
At 30 June 2007		
Cost or fair value	163,739	163,739
Accumulated depreciation	(57,972)	(57,972)
Net book amount	105,767	105,767

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Note 13: Non-current Assets (continued)

Parent Entity	Furniture, fittings and equipment \$	Total \$
At 1 July 2005		
Cost or fair value	22,454	22,454
Accumulated depreciation	(4,389)	(4,389)
Net book amount	<u>18,065</u>	<u>18,065</u>
Year ended 30 June 2006		
Opening net book amount	18,065	18,065
Additions	71,816	71,816
Depreciation charge	(16,218)	(16,218)
Closing net book amount	<u>73,663</u>	<u>73,663</u>
At 30 June 2006		
Cost or fair value	94,270	94,270
Accumulated depreciation	(20,607)	(20,607)
Net book amount	<u>73,663</u>	<u>73,663</u>
Year ended 30 June 2007		
Opening net book amount	73,663	73,663
Additions	69,470	69,470
Depreciation charge	(37,366)	(37,366)
Closing net book amount	<u>105,767</u>	<u>105,767</u>
At 30 June 2007		
Cost or fair value	163,739	163,739
Accumulated depreciation	(57,972)	(57,972)
Net book amount	<u>105,767</u>	<u>105,767</u>

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Note 14: Non-current Intangible Assets

Economic Entity	Exploration and evaluation	Total
At 1 July 2005		
Cost	3,757,203	3,757,203
Accumulated amortisation	-	-
Net book amount	<u>3,757,203</u>	<u>3,757,203</u>
Year ended 30 June 2006		
Opening net book amount	3,757,203	3,757,203
Additions – acquisition	<u>16,236,868</u>	<u>16,236,868</u>
Closing net book amount	<u>19,994,071</u>	<u>19,994,071</u>
At 30 June 2006		
Cost	19,994,071	19,994,071
Net book amount	<u>19,994,071</u>	<u>19,994,071</u>
Year ended 30 June 2007		
Opening net book amount	19,994,071	19,994,071
Additions – acquisition of Somalian interests	59,679,507	59,679,507
Additions – exploration	<u>4,352,449</u>	<u>4,352,449</u>
Closing net book amount	<u>84,026,027</u>	<u>84,026,027</u>
At 30 June 2007		
Cost	84,026,027	84,026,027
Net book amount	<u>84,026,027</u>	<u>84,026,027</u>

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Note 14: Non-current Intangible Assets (continued)

Parent Entity	Exploration and evaluation	Total
At 1 July 2005		
Cost	3,589,871	3,589,871
Net book amount	<u>3,589,871</u>	<u>3,589,871</u>
Year ended 30 June 2006		
Opening net book amount	3,589,871	3,589,871
Additions – acquisition	11,218,233	11,218,233
Closing net book amount	<u>14,808,104</u>	<u>14,808,104</u>
At 30 June 2006		
Cost	14,808,104	14,808,104
Net book amount	<u>14,808,104</u>	<u>14,808,104</u>
Year ended 30 June 2007		
Opening net book amount	14,808,104	14,808,104
Additions – acquisition	50,402,280	50,402,280
Additions – exploration	13,507,691	13,507,691
Closing net book amount	<u>78,718,075</u>	<u>78,718,075</u>
At 30 June 2007		
Cost	78,718,075	78,718,075
Net book amount	<u>78,718,075</u>	<u>78,718,075</u>

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 for the development phase is not being charged pending the commencement of production.

Capitalised costs amounting to \$4,214,900 (2006:\$4,019,672) have been included in cash flows from operating activities in the cash flow statement.

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Note 15: Current Liabilities

	Note	Economic Entity		Parent Entity	
		2007	2006	2007	2006
		\$	\$	\$	\$
Trade payables		50,006	164,990	50,006	164,990
Gain received in advance of sale		2,650,000	-	2,650,000	-
Sundry payables and accrued expenses		50,519,917	241,167	50,519,917	241,167
		<u>53,219,923</u>	<u>406,157</u>	<u>53,219,923</u>	<u>406,157</u>

Gain received in advance of sale relates to the value of the Contact Uranium Limited shares issued to the Company as part settlement for the sale of Somirelco

An amount of US\$10m has been accrued as a payable in cash for the remaining 49.9% of the Puntland rights as well as \$38,618,280 which represents the value at 30 June 2007 of 30m ordinary shares and 26.25m unlisted options (\$1.00, 1 October 2010) to be issued to Consort. The amount has subsequently been settled.

Note 16: Contributed equity

138,967,635 (2006: 1,132,219,388) fully paid ordinary shares
5,000,000 partly paid shares (2006: 0)
Share issue costs

138,967,635 (2006: 1,132,219,388) fully paid ordinary shares	77,701,689	37,435,817	77,701,689	37,435,817
5,000,000 partly paid shares (2006: 0)	1,759,000	-	1,759,000	-
Share issue costs	(8,594,322)	(2,544,726)	(8,594,322)	(2,544,726)
	<u>70,866,367</u>	<u>34,891,091</u>	<u>70,866,367</u>	<u>34,891,091</u>

(a) Fully Paid Ordinary Shares

	No.	No.	No.	No.
At the beginning of reporting period	1,132,219,388	361,143,841	1,132,219,388	361,143,841
Shares issued during year	708,683,056	771,075,547	708,683,056	771,075,547
Consolidation of capital	(1,701,934,809)	-	(1,701,934,809)	-
)	
Total contributed equity	<u>138,967,635</u>	<u>1,132,219,388</u>	<u>138,967,635</u>	<u>1,132,219,388</u>

(b) Partly Paid Ordinary Shares

	No.	No.	No.	No.
At the beginning of reporting period	-	-	-	-
Shares issued during the year	76,250,000	-	76,250,000	-
Consolidation of capital	(71,250,000)	-	(71,250,000)	-
Total contributed equity	<u>5,000,000</u>	<u>-</u>	<u>5,000,000</u>	<u>-</u>

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(c) Movements in fully paid ordinary share capital					
Date	Details	Notes	Number of shares	Issue price	\$
1 July 2005	Opening balance		361,143,841	-	15,604,995
7 July 2005	Consideration for Yono Nominees		15,000,000	\$0.023	345,000
29 July 2005	Fundraising for Forrestania tenements		50,000,000	\$0.024	1,200,000
31 July 2005	Paying contractors for services provided		15,000,000	\$0.025	375,000
7 September 2005	Consideration for Somirelco		20,000,000	\$0.024	480,000
Nov & Dec 2005	Conversion of options		125,410,880	\$0.050	6,270,544
7 December 2005	Final consideration for Yono		65,000,000	\$0.042	2,730,000
17 January 2006	Rights issue		325,655,861	\$0.015	4,879,838
18 January 2006	50.1% consideration of the Puntland project		120,000,000	\$0.034	4,080,000
13 February 2006	Conversion of options		8,806	\$0.050	440
20 March 2006	Consultancy services provided		35,000,000	\$0.042	1,470,000
30 June 2006	Balance		<u>1,132,219,388</u>		<u>37,435,817</u>
1 July 2007	Opening balance		1,132,219,388		37,435,817
1 November 2006	Termination fee of the Heads of Agreement with middle East Petroleum Services		10,000,000	\$0.027	270,000
1 November 2006	Consideration for the conversion of a loan facility		358,978,632	\$0.0222	7,952,100
1 November 2006	Corporate advisory and capital raising fees		55,000,000	\$0.027	1,485,000
1 November 2006	Consideration for the remaining 49.9% interest in Puntland		100,000,000	\$0.027	2,700,000
29 November 2006	Strategic placement		66,210,043	\$0.0234	1,549,315
21 December 2006	Strategic placement		64,102,564	\$0.0234	1,500,000
21 December 2006	Corporate advisory for Rights issued		5,000,000	\$0.029	145,000
4 April 2007	Capital consolidation (i)		(1,701,935,096)	-	-
April 2007	Consideration for the remaining 49.9% Puntland rights and working capital purposes		49,391,817	\$0.499	24,664,457
30 June 2007	Balance		<u>138,967,635</u>		<u>77,701,689</u>
(d) Movements in partly paid share capital					
Date	Details	Notes	Number of shares	Issue price	\$
1 November 2006	Issued to directors		75,000,000	\$0.017	1,319,250
4 April 2007	Capital consolidation (i)		(71,250,000)	-	-
30 June 2007	Consideration for consultancy fees		1,250,000	\$0.352	439,750
30 June 2007	Balance		<u>5,000,000</u>	-	<u>1,759,000</u>

- (i) On 4 April 2007, the Company consolidated the capital of the Company on the basis that every 20 shares, options and partly paid shares be consolidated into 1 share, option and partly paid share.
- (ii) Partly paid shares were allotted and issued at an issue price of \$0.60 each and have been 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.

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Note 17: Reserves

	Economic Entity		Parent Entity	
	2007	2006	2007	2006
	\$	\$	\$	\$
(a) Share-based payments reserve				
Balance 1 July	8,499,345	1,749,408	8,499,345	1,749,408
Options issued as brokerage fee	2,476,137	6,427,500	2,476,137	6,427,500
Directors options	-	322,437	-	322,437
Balance 30 June	10,975,482	8,499,345	10,975,482	8,499,345

Note 18: Commitments

(a) Capital commitments

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

Intangible assets

Capital expenditure commitment contracted for:

Interest in Puntland Project	2,474,372	3,240,000	2,474,372	3,240,000
Garowe Airport Project	-	270,000	-	270,000
	2,474,372	3,510,000	2,474,372	3,510,000
Payable				
- not later than 12 months	2,474,372	3,510,000	2,474,372	3,510,000

Tenement Leases Expenditure Payable

Not later than 1 year	514,760	N/A	424,760	N/A
Later than 1 year	2,815,233	N/A	2,705,233	N/A
	3,329,993	N/A	3,129,993	N/A

**Prior period comparatives were not reported.*

(b) Remuneration commitments

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	1,005,655	1,025,183	1,005,655	1,025,183
Later than one year and not later than five years	984,948	2,043,625	984,948	2,043,625
Later than five years	-	-	-	-
	1,990,603	3,068,808	1,990,603	3,068,808

Amounts disclosed as remuneration commitments include commitments arising from the service contracts of key management personnel referred to in the remuneration report on pages 15 – 19 that are not recognised as liabilities and are not included in the key management personnel compensation.

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Note 19: Contingent Liabilities and Contingent Assets

The Company completed the acquisition of the remaining 49.9% of the Puntland Rights from Consort Private Limited in May 2007. Under the terms of the Agreement, Range must issue a further 45 million shares and 11.25 million unlisted options (\$1.00, 01 October 2010) to Consort upon completion of the first hydrocarbon well drilled in Puntland.

In addition upon completion of the first 4 hydrocarbon wells drilled in Puntland, the Company must pay US\$20 Million to Consort.

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

The Directors are not aware of any further contingent liabilities or contingent assets as at 30 June 2007.

Note 20: Segment Reporting

The consolidated entity operates in three geographical segments being Australia, Peru and Somalia and one industry segment, that of mineral exploration.

Primary Reporting – Geographical Segments

	Australia \$	Peru \$	Somalia \$	Consolidated \$
2007				
Segment Revenue				
Operating revenue	5,392,888	-	-	5,392,888
Total Revenue	5,392,888	-	-	5,392,888
Segment Result				
Segment Result	(1,797,561)	-	-	(1,797,561)
Profit/(loss) before income tax	(1,797,561)	-	-	(1,797,561)
Income tax	-	-	-	-
Profit/(loss)after income tax	(1,797,561)	-	-	(1,797,561)
Segment Assets				
Segment assets	26,620,579	5,300,787	79,138,104	111,059,470
Total Assets	26,620,579	5,300,787	79,138,104	111,059,470
Segment Liabilities				
Segment liabilities	2,817,644	-	50,402,279	53,219,923
Total Liabilities	2,817,644	-	50,402,279	53,219,923
Other segment information				
Acquisitions of property, plant and equipment, intangibles and other non-current segment assets	3,056,353	5,300,787	79,138,104	87,495,244
Total Acquisitions	3,056,353	5,300,787	79,138,104	87,495,244
Depreciation and amortisation of segment assets	37,366	-	-	37,366
Total depreciation and amortisation	37,366	-	-	37,366

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Note 20: Segment Reporting (continued)

	Australia \$	Peru \$	Somalia \$	Consolidated \$
2006				
Segment Revenue				
Operating revenue	140,058	-	-	140,058
Total Revenue	140,058	-	-	140,058
Result				
Segment Result	(10,744,547)	-	-	(10,744,547)
Profit/(loss)before income tax	(10,744,547)	-	-	(10,744,547)
Income tax	-	-	-	-
Profit/(loss)after income tax	(10,744,547)	-	-	(10,744,547)
Segment Assets				
Segment assets	1,604,595	5,179,153	14,808,104	21,591,852
Total Assets	1,604,595	5,179,153	14,808,104	21,591,852
Segment Liabilities				
Segment liabilities	406,157	-	-	406,157
Total Liabilities	406,157	-	-	406,157
Other segment information				
Acquisitions of property, plant and equipment, intangibles and other non-current segment assets	293,927	5,179,153	14,808,104	20,281,184
Total Acquisitions	293,927	5,179,153	14,808,104	20,281,184
Depreciation and amortisation of segment assets	16,218	-	-	16,218
Total Other	16,218	-	-	16,218

Notes to and forming part of the segment information

Accounting Policies

Segment information is prepared in conformity with the accounting policies of the entity as disclosed in Note 1 and Accounting Standard AASB114 Segment Reporting.

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 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 liabilities consist principally of payables, employee benefits, accrued expenses, provisions and borrowings. Segment assets and liabilities do not include deferred income taxes.

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Note 20: Segment Reporting (continued)

Intersegment Transfers

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

Business Segments

The economic entity has one business segment:

- Exploration – conducting feasibility in relations to mining projects in Australia, Peru and Somalia

Geographical Segments

The economic entity's head office is located in Australia, with exploration work carried out in Peru and Somalia.

Note 21: Cash Flow Information

	Note	Economic Entity		Parent Entity	
		2007 \$	2006 \$	2007 \$	2006 \$
(a) Reconciliation of Cash Flow from Operations with Loss after Income Tax					
Loss after income tax		(1,797,561)	(10,744,547)	(1,801,730)	(10,788,019)
Non-cash flows in profit					
Depreciation		37,366	16,218	37,366	16,218
Borrowing expenses		-	729,689	-	729,689
Share based director remuneration		-	322,257	-	322,257
Share based payments		2,730,185	-	2,730,185	-
Exploration expenditure capitalised		(4,214,900)	(4,019,672)	(4,203,968)	(3,720,532)
Proceeds from disposal of Somirelco		(200,000)	-	(200,000)	-
Net gain from Somalia farm-in signature bonus		(4,975,131)	-	(4,975,131)	-
Impairment provisions		-	-	-	289,802
Exploration expenditure written-off		-	8,391,008	31,362	8,147,526
Decrease/(increase) in receivables		13,944	60,826	13,944	44,652
Increase/(decrease) in trade payables and accruals		18,298	27,064	18,198	17,625
Decrease/(increase) in prepayments		-	(58,971)	-	(58,971)
Net cash outflow from operations		<u>(8,387,799)</u>	<u>(5,276,128)</u>	<u>(8,349,774)</u>	<u>(4,999,753)</u>

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Note 22: Share-based Payments

No share based payments were made through the share-based payments reserve, however partly paid shares were issued to directors as per Note 16(c).

The following share based payment arrangements from prior periods existed at 30 June 2007:

- On 10 September 2004, 55,000,000 share options were granted to directors and contractors of Range Resources Ltd to take up ordinary shares at an exercise price of 5 cents. The options are exercisable on or before 01 October 2007. The options hold no voting or dividend right and are not transferable.
- On 27 May 2005, 20,000,000 share options were granted to directors of Range Resources Ltd to take up ordinary shares at an exercise price of 5 cents. The options are exercisable on or before 01 October 2010. The options hold no voting or dividend right and are not transferable.
- On 7 December 2005, 10,000,000 share options were granted to directors of Range Resources Ltd to take up ordinary shares at an exercise price of 5 cents. The options are exercisable on or before 01 October 2010. The options hold no voting or dividend right and are not transferable.

	2007		2006	
	Number of Options	Weighted Average Exercise Price \$	Number of Options	Weighted Average Exercise Price \$
Outstanding at the beginning of the year	55,000,000	0.05	75,000,000	0.05
Granted	-		10,000,000	0.05
Forfeited	-		-	-
Exercised	-		30,000,000	0.05
Expired	-		-	-
Consolidation of capital	(52,250,000)	0.05	-	-
Outstanding at year end	<u>2,750,000</u>	<u>\$1.00</u>	<u>55,000,000</u>	<u>0.05</u>
Exercisable at year end	<u>2,750,000</u>		<u>55,000,000</u>	<u>0.05</u>

The options outstanding at 30 June 2007 have an exercise price of \$1.00 and a remaining contractual life of 0.25 years.

The fair value of share options granted are measured by reference to the fair value of share options granted. The estimate of the fair value of the services received is measured based on the Black-Scholes model. The contractual life of the option is used as an input into this model.

The following factors and assumptions were used in determining the fair value of 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
10 September 2004	01 October 2007	\$0.008	\$0.05	\$0.02	71.00%	5.31%	-
27 May 2005	01 October 2010	\$0.009	\$0.05	\$0.02	71.00%	5.31%	-
07 December 2005	01 October 2010	\$0.030	\$0.05	\$0.04	106.35%	5.41%	-

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Note 23: Events After the Balance Sheet Date

- The resignation of Toufic Rahi as a Non-Executive Director of the Company as announced on 04 July 2007;
- Payment of US\$10m to Consort Private Limited for the remaining 49.9% interest in the Contract of Work for the exploration and development of Puntland's mineral and hydrocarbon resources.
- On the 21st September, Range lodged its "Pre-admission announcement" for the proposed admission of Range ordinary shares to trade on the AIM market of the London Stock Exchange. It is anticipated that the AIM listing will take place towards the end of October 2007.

Note 24: Related Party Transactions

	Economic Entity		Parent Entity	
	2007	2006	2007	2006
	\$	\$	\$	\$
(a) Parent entities				
The parent entity within the Group is Range Resources Limited. The ultimate Australian parent entity is Range Resources Limited which at 30 June 2007 owns 100% (2006 – 100%) of the issued ordinary shares of Donnybrook Gold Pty Ltd, Westblade Pty Ltd, Yono Nominees Pty Ltd and owns 80% (2006 – 80%) of Somirelco Pty Ltd.				
(b) Subsidiaries				
Interests in subsidiaries are set out in Note 12.				
(c) Transactions with related parties				
Consulting fees paid to Grange Consulting Group Pty Ltd, a company in which Mr Landau was an executive, for the provision of corporate advisory, company secretarial and associated services.	18,000	163,000	18,000	163,000
Consulting fees paid to Lacka Consulting Pty Ltd, a company in which Mr Landau is a Director for the provision of corporate advisory, company secretarial and associated services.	500,000	-	500,000	-
Consulting fees paid to Minman Pty Ltd, a company in which Mr Povey is a Director.	280,000	35,090	280,000	35,090
Consulting fees paid to Imax Business Group, a company in which Mr Ioannou is a Director.	12,000	12,500	12,000	12,500
Consulting fees paid to JMK Management Pty Ltd, a company in which Mr Marinis is a Director.	6,000	53,250	6,000	53,250
Consulting fees paid to Injidup Nominees Pty Ltd, a company in which Mr Lewis is a Director.	-	7,000	-	7,000
Consulting fees paid to Amina Gurre, wife of Director, Mr Liban Bogor. Ms Gurre is responsible for the administration of the Puntland Project.	41,766	-	41,766	-

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Note 24: Related Party Transactions (continued)

	Economic Entity		Parent Entity	
	2007	2006	2007	2006
	\$	\$	\$	\$
(d) Loans to/from related parties				
Amounts receivable from wholly owned entities are set out in Note 9				
<i>Loans to subsidiaries</i>				
Beginning of the year	-	-	207,188	197,056
Loans advanced	-	-	152,359	299,934
Loans forgiven	-	-	(6,183)	(289,802)
Interest charged	-	-	-	-
Interest received	-	-	-	-
End of year	-	-	353,364	207,188
<i>Loans to other related parties</i>				
Beginning of the year	-	-	-	-
Loans advanced	421,922	-	421,922	-
Loans forgiven	-	-	-	-
Interest charged	18,873	-	18,873	-
Interest received	(18,873)	-	(18,873)	-
Loans repaid	(421,922)	-	(421,922)	-
End of year	-	-	-	-

The loan was to Timespan Holdings Pty Ltd, a company that Mr Povey is a director of. The loan was at normal commercial terms and was repaid in full at year end.

Note 25: Financial Risk Management

(a) Financial Risk Management

The Group's activities expose it to a variety of financial risks; market risk (including currency risk, fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk. Risk management is carried out by the board of directors.

The Group's financial instruments consist mainly of deposits with banks, accounts receivable and payable and loans to and from subsidiaries

Market Risk

The main risks the Group is exposed to through its financial instruments are interest rate risk, foreign currency risk, liquidity risk and credit risk.

Foreign Currency Risk

The Group is exposed to fluctuations in foreign currencies arising from the sale and purchase of goods and services in currencies other than the Group's measurement currency.

Price Risk

The Group is exposed to equity securities price risk. This arises from investments held by the Group and classified on the balance sheet either as available-for-sale or at fair value through profit or loss. The Group is not exposed to commodity price risk

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Note 25: Financial Risk Management (continued)

Liquidity risk

The Group manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained.

Credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements

The economic entity does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the economic entity.

Cash Flow and Fair Value Interest Rate Risk

The economic entity's exposure to interest rate risk, which is the risk that a financial instruments value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

	Weighted Average Effective Interest Rate		Floating Interest Rate \$		Fixed Interest rate maturing 1 to 5 Years \$		Non-interest Bearing \$		Total \$	
	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006
Financial Assets:										
Cash	4.3%	4.2%	22,896,484	1,210,838	-	-	-	-	22,896,484	1,210,838
Receivables			-	-	-	-	606,551	31,026	606,551	31,026
Investments			-	-	-	-	3,363,450	213,450	3,363,450	213,450
Total Financial Assets			22,896,484	1,210,838	-	-	3,970,001	244,476	26,866,485	1,455,314
Financial Liabilities:										
Trade and sundry creditors			-	-	-	-	53,219,923	406,157	53,219,923	406,157
Total Financial Liabilities			-	-	-	-	53,219,923	406,157	53,219,923	406,157

(i) Net Fair Values

The net fair values of:-

- Listed investments have been valued at the quoted market price at balance date adjusted for transaction costs expected to be incurred. For unlisted investments where there is no organised financial market the net fair value has been based on a reasonable estimation of the underlying net assets or discounted cash flows of the investment.
-
- Other assets and liabilities approximate their carrying value

No financial assets and liabilities are readily traded on organised markets in standardised form other than listed investments, forward exchange contracts and interest rate swaps.

Aggregate net fair values and carrying values of financial assets and liabilities at balance date.

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Note 25: Financial Risk Management (continued)

	2007		2006	
	Carrying Amount \$	Net Fair Value \$	Carrying Amount \$	Net Fair Value \$
Financial Assets				
Available for sale financial assets at fair value	3,363,450	3,363,450	213,450	213,450
Loans and receivables	606,551	606,551	31,026	31,026
	<u>3,970,001</u>	<u>3,970,001</u>	<u>244,476</u>	<u>244,476</u>
Financial Liabilities				
Other loans and amounts due	53,219,923	53,219,923	406,157	406,157
	<u>53,219,923</u>	<u>53,219,923</u>	<u>406,157</u>	<u>406,157</u>

Note 26: Change in Accounting Policy

Australian Accounting Standards/Amendments Released But Not Yet Effective
– 30 June 2007 Year Ends

The Standards will affect disclosure only and will have no financial impact.

AASB reference	Title and Affected Standard(s):	Applies to:	Application date:
AASB 7 (issued Aug 2005)	Financial Instruments: Disclosures	Significant new disclosures of financial instruments – replaces and expands parts of AASB 132. This new standard affects disclosure only and will have no impact on accounting policies.	Periods commencing on or after 1 January 2007
AASB 2005-10 (issued Sept 2005)	Amendments to Australian Accounting Standards [AASB 132, AASB 101, AASB 114, AASB 117, AASB 133, AASB 139, AASB 1, AASB 4, AASB 1023 & AASB 1038]	Changes to AASB 132 and 9 other standards arising from the issue of AASB 7 (see above). Amends AASB 101 to require the disclosure of the entity's objectives, policies and processes for managing capital (for reporting entities under Part 2M.3 of the Corps Act).	Periods commencing on or after 1 January 2007
AASB 101 (revised Oct 2006)	Presentation of Financial Statements	Removes Australian specific paragraphs (economic dependence and where functional currency is different to presentation currency) and example formats for balance sheet and income statement in appendix.	Periods commencing on or after 1 January 2007
AASB 2007-1 (issued Feb 2007)	Amendments to Australian Accounting Standards arising from AASB Interpretation 11 [AASB 2]	Consequential amendments to AASB 2: Share-based Payment arising from AASB Interpretation 11: AASB 2 – Group and Treasury Share Transactions. Affects equity transactions with employees whether shares given by / issued by shareholders or apparent entity.	Periods commencing on or after 1 March 2007

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Note 26: Change in Accounting Policy (continued)

AASB reference	Title and Affected Standard(s):	Applies to:	Application date:
AASB 2007-2 (issued Feb 2007)	Amendments to Australian Accounting Standards arising from AASB Interpretation 12 [AASB 1, AASB 117, AASB 118, AASB 120, AASB 121, AASB 127, AASB 131 & AASB 139]	Consequential amendments to 8 standards arising from AASB Interpretation 12: Service Concession Arrangements	Periods commencing on or after 1 January 2008
AASB 8 (issued Feb 2007)	Operating Segments	Disclosure of operating segments – replaces AASB 114: Segment Reporting. Applies to listed entities and similar only. Early adoption is permitted and likely to occur for many unlisted reporting entities to avoid segment reporting disclosures. Significantly changes the way segment information is given.	Periods commencing on or after 1 January 2009
AASB 2007-3 (issued Feb 2007)	Amendments to Australian Accounting Standards arising from AASB 8 [AASB 5, AASB 6, AASB 102, AASB 107, AASB 119, AASB 127, AASB 134, AASB 136, AASB 1023 & AASB 1038]	Changes to 10 standards arising from the issue of AASB 8 (see above)	Periods commencing on or after 1 January 2009
AASB 2007-4 (issued Apr 2007)	Amendments to Australian Accounting Standards arising from ED 151 and Other Amendments [AASB 1, 2, 3, 4, 5, 6, 7, 102, 107, 108, 110, 112, 114, 116, 117, 118, 119, 120, 121, 127, 128, 129, 130, 131, 132, 133, 134, 136, 137, 138, 139, 141, 1023 & 1038]	Implements the proposals in ED 151: Australian additions to, and Deletions from, IFRS's. Changes to 34 standards. Introduction of new accounting policy choices and removal of various Australian-specific disclosure requirements (internationalising specific Australian treatments). Allows choice of reporting in cash flow statement from direct only to now include indirect, proportionate consolidation now allowed for joint ventures, tax reconciliation can now be done on tax rate basis, and changes to accounting for government grants.	Periods commencing on or after 1 July 2007
AASB 123 (revised Jun 2007)	Borrowing Costs	Amendments to AASB 123: Borrowing Costs as a result of revisions to IAS 23 (mainly removal of the option of recognising borrowing costs immediately as an expense, to the extent that they are directly attributable to the acquisition, construction or production of a qualifying asset.). Consequently all borrowing costs for qualifying assets will have to be capitalised.	Periods commencing on or after 1 January 2009

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Note 26: Change in Accounting Policy (continued)

AASB reference	Title and Affected Standard(s):	Applies to:	Application date:
AASB 2007-6 (issued Jun 2007)	Amendments to Australian Accounting Standards arising from AASB 123 [AASB 1, AASB 101, AASB 107, AASB 111, AASB 116 & AASB 138 and Interpretations 1 & 12]	Consequential amendments to a number of standards and interpretations arising from the amendments to AASB 123 that remove reference to the expensing option. (see above)	Periods commencing on or after 1 January 2009
AASB 2007-7 (issued Jun 2007)	Amendments to Australian Accounting Standards [AASB 1, AASB 2, AASB 4, AASB 5, AASB 107 & AASB 128]	Makes editorial amendments to six Standards, removes the encouragement in AASB 107: Cash Flow Statements to adopt a particular format for the cash flow statement and deletes superseded implementation guidance accompanying AASB 4 Insurance Contracts.	Periods commencing on or after 1 July 2007

Note 27: Company Details

The registered office of the company is:

34 Parliament Place
West Perth WA 6005
Tel: (08) 9488 5200
Fax: (08) 9321 6699

The principal places of business is:

34 Parliament Place
West Perth WA 6005
Tel: (08) 9488 5200
Fax: (08) 9321 6699

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DIRECTORS' DECLARATION

In the director's opinion:

- (a) the financial statements and notes set out on pages 23 to 61, are in accordance with the *Corporations Act 2001* including:
- (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - (ii) giving a true and fair view of the company's and consolidated entity's financial position as at 30 June 2007 and of their performance for the financial position as at 30 June 2007 and of their performance for the financial year ended on that date; and
- (b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
- (c) the audited remuneration disclosures set out on pages 15 to 19 of the directors' report comply with Accounting Standards AASB 124 *Related Party Disclosures* and the *Corporations Regulations 2001*; and

The directors have been given the declarations by the chief executive officer required by section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of the directors.



Mr M Povey
Managing Director

Dated this 28th day of September 2007



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RANGE RESOURCES LIMITED

We have audited the accompanying financial report of Range Resources Limited, which comprises the balance sheet as at 30 June 2007, and the income statement, statement of changes in equity and cash flow statement for the year ended on that date, a summary of significant accounting policies, other explanatory notes 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.

We have also audited the remuneration disclosures contained in the directors' report. As permitted by the *Corporations Regulations 2001*, the consolidated entity has disclosed information about the remuneration of directors and executives ("remuneration disclosures"), required by Accounting Standard AASB 124 *Related Party Disclosures*, under the heading "Remuneration Report" in the directors' report and not in the financial report.

Directors' Responsibility for the Financial Report and the AASB 124 Remuneration Disclosures Contained in the Directors' Report

The directors of the company are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001*. This responsibility includes establishing and maintaining internal control relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

The directors of the company are also responsible for the remuneration disclosures contained in the directors' report.

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. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement. Our responsibility is to also express an opinion on the remuneration disclosures contained in the directors' report based on our audit.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report and the remuneration disclosures contained in the directors' report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report and the remuneration disclosures contained in the directors' report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report and the remuneration disclosures contained in the directors' report 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 entity'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 and the remuneration disclosures contained in the directors' report.

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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*, provided to the directors of Range Resources Limited on 28 September 2007, would be in the same terms if provided to the directors as at the date of this auditor's report.

Auditor's Opinion on the Financial Report

In our opinion the financial report of Range Resources Limited is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the company's and consolidated entity's financial position as at 30 June 2007 and of their performance for the year ended on that date; and
- (b) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*.

Auditor's Opinion on the AASB 124 Remuneration Disclosures Contained in the Directors' Report

In our opinion the remuneration disclosures that are contained in the directors' report comply with Accounting Standard AASB 124.

BDO Kendalls Audit & Assurance (WA) (formerly BDO)

BDO Kendalls
BG McVeigh

BG McVeigh
Partner

Perth, Western Australia
Dated this 28th day of September 2007

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CORPORATE GOVERNANCE STATEMENT

This statement sets out the 10 core principles identified by the ASX Corporate Governance Council ("Council") as underlying good corporate governance (ASX principles), and outlines the main corporate governance practices of the Range Resources group ("Range").

The Council has determined that corporate governance is the method by which companies are directed and managed. There is no single model of "good" corporate governance. Furthermore, corporate governance is an evolving thing which must be reviewed from time to time to match the scale, growth and individual circumstances of a particular company.

The Directors of Range have considered the 10 core ASX principles and have adopted practices they believe are appropriate for Range.

1. Role of the Board of Directors and management

ASX principle 1 is to lay solid foundations for management and oversight by formalising and disclosing the functions reserved to the Board and those delegated to management.

The Board is responsible to shareholders for Range's strategic direction, and the execution of the group's overall objective which is to increase long-term shareholder value through the discovery of and exploitation of mineral resources within Australia and overseas. The Board is small to reflect the modest size of the group, its business plans, and the scale of its operations as an exploration company. Only the Directors have the capacity to bind the Company.

2. Composition of the Board

ASX principle 2 is to have a board of an effective size, composition and commitment to adequately discharge its responsibilities and duties. Details of the persons who have acted as directors of Range during the year are provided in the Directors' report.

At the date of this report, the Range Board consists of a Non-executive Chairman and two Executive Directors, and two Non-executive Directors. The Board has considered this and decided as a junior explorer, the composition of the Board is deemed to be appropriate at this stage given the Company's status.

The Board does not comply with recommendation 2.4 in having a separate nomination committee as the Directors believe that it would not increase efficiency or effectiveness to have a separate committee. The review of candidates as possible new directors should be carried out by the full Board. The Board may call on outside consultants if it requires assistance in this area.

The composition of the Board is reviewed at least annually to ensure the balance of skills and experience is appropriate. A majority of the existing Directors have a broad range of qualifications; experience and expertise in the resources sector, and details are provided in the Directors' report.

Directors are subject to election by shareholders. All directors are subject to re-election by rotation at least once every three years. Range's constitution provides that one-third of directors retire by rotation at each annual general meeting and that the Directors who are retiring may submit themselves for re-election by shareholders, including any director who was appointed to fill a casual vacancy since the date of the previous general meeting.

CORPORATE GOVERNANCE STATEMENT

3. Ethical and responsible decision-making

ASX principle 3 is to actively promote ethical and responsible decision-making.

The Board adheres to and requires all officers and consultants to adhere to the highest ethical standards, and in particular to:

- Comply with the law;
- Act honestly and with integrity;
- Be personally responsible and accountable for their actions;
- Act professionally;
- Not allow themselves to be placed in situations which may result in divided loyalties or non-objective decisions;
- Treat all shareholders equally; and
- Use Range's assets and intellectual property responsibly and in the best interests of Range.

The Board allows, and on matters involving corporate governance and exercise of any business judgment encourages, individual directors to seek independent professional advice to allow a director to carry out his duties. The advice is obtained at the Company's expense and the advice so obtained is usually made available to all Directors.

Directors are not required to hold shares in Range; however the Company encourages directors to accumulate long term holdings over time. Directors must advise the Company within five business days of a transaction in the Company's securities so as to allow the Company to report the transaction to the ASX.

Directors, officers and consultants are made aware that they may buy or sell securities in the Company only a short time after the release to the ASX of any price sensitive information. Short term speculative trading in the company's securities is severely discouraged although it is recognised that a persons financial circumstances may require them to sell. Prospective consultants are advised of the policies and law in this regard.

Prospective and existing consultants are required to promptly disclose to the Board any potential conflicts of interest which may harm the interests of Range.

4. Integrity of financial reporting

ASX principle 4 is to have a structure in place which independently verifies and safeguards the integrity of the Company's financial reports.

Range has put in place a structure of review and authorisation designed to ensure the truthful and factual presentation of Range's financial position. The financial reports are to present a true and fair view in all material respects of Range's operational results and financial condition, and are to be approved by the chairman and the Director responsible for the preparation of the report.

The Board does not comply with recommendation 4.2 to have a separate audit committee because the Directors believe that it would not increase efficiency or effectiveness to have a separate committee, and that audit matters are of such significance that they should be considered by the full Board. In this regard, the Company Secretary has specialist Corporations Act experience. The Board may call on outside consultants if it requires assistance in this area.

Range's auditor is invited to attend the annual general meeting and the Company supports the recommended practice that the auditor be available to answer questions on the conduct of the audit, the state of affairs of Range and the content of the audit report.

CORPORATE GOVERNANCE STATEMENT

5. Continuous disclosure to ASX

ASX principle 5 is that listed companies should make timely and balanced disclosure to the ASX of all material matters concerning the Company.

Range has put in place mechanisms which are designed to ensure strict compliance with ASX listing rules and in particular with continuous disclosure requirements to ensure that:

- All investors have equal and timely access to material information concerning the company's operations, its financial position, its performance, and its activities generally; and
- Company announcements are factual and are presented in a balanced way to correctly inform readers of either positive or negative information.

6. Rights of shareholders

ASX principle 6 is that companies should respect the rights of shareholders and facilitate the effective exercise of those rights.

Range communicates with holders of its securities in an open, regular and timely manner to ensure that the market has sufficient information to make informed investment decisions on the operations and results of the Company.

Range encourages shareholders to attend general meetings to ensure a high level of accountability and understanding of Range's business strategy and corporate objectives. The Company auditor is invited to speak at the Company's annual general meeting. Published Company information is readily available from the Company.

7. Risk management

ASX principle 7 is that companies should establish a sound system of risk oversight, and effective management internal controls.

The Board is responsible for the oversight of Range's risk management and for the structure of the internal control framework. Range has implemented a framework designed to ensure that risks are identified and that controls are in place and functioning effectively. This framework is designed to monitor: compliance with ASX continuous disclosure requirements and other listing rules; compliance with mining regulations; the financial position; compliance with taxation requirements; and health and safety matters.

8. Encourage enhanced performance

ASX principle 8 is that companies should fairly review and encourage Board and management effectiveness.

Range has always operated in an open manner and teamwork approach to ensure that directors and consultants are equipped with the knowledge and information they need to carry out their duties and obligations responsibly and effectively. Individual and collective performance is regularly reviewed in an equitable manner.

New directors, employees and consultants cannot be fully effective until they have a good deal of knowledge about the company and the industry within which it operates. An induction program is in place which enables directors, key executives and consultants to gain an understanding of the Company's financial, strategic, operations and risk management position, their duties, rights and obligations.

The Board does not comply fully with recommendation 8.1 to disclose the process for performance evaluation of the Board, its committees and individual directors and key executives, because a formal prescriptive measurement system would not increase efficiency or effectiveness for a small company such as Range. The Board may call on outside consultants if it requires assistance in this area.

CORPORATE GOVERNANCE STATEMENT

9. Remuneration

ASX principle 9 is that companies should ensure that the level and composition of remuneration is sufficient and reasonable, and that its relationship to corporate and individual performance is defined.

Range has adopted a policy of remuneration fairly and responsibly, commensurate with industry practice and which is directed at underpinning a high level of performance. The focus of its remuneration strategy is on performance and accountability and takes into account the normal commercial rates required to be paid in the marketplace for a particular level of skill and responsibility. Remuneration packages for the Board and its consultants are designed to encourage the delivery of high long-term returns for shareholders. Range does not have a scheme for retirement benefits for directors. Full remuneration details are provided in the Directors Report of the financial statements.

The Board does not comply with recommendation 9.2 to have a separate remuneration committee because the Directors believe 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 outside assistance in this area.

10. Recognise the interests of all stakeholders

ASX principle 10 is that companies should recognise the legitimate legal and other obligations to all legitimate stakeholders.

Range recognises that it has legal or social obligations to stakeholders (in addition to shareholders) such as to the environment, landholders and contractors and the community as a whole. There is growing acceptance of the view that organisations can create value by better managing natural, human, social and other forms of capital. Increasingly, the performance of companies is being scrutinised from a perspective that recognises these other forms of capital.

Range has adopted a policy of recognising other stakeholders and encouraging them to work within Range's core values which are to:

- Act professionally with integrity and impartiality;
- Foster a performance-driven culture;
- Protect the environment;
- Treat stakeholders equitably; and
- Participate as a responsible member of the community.

RANGE RESOURCES LIMITED
AND CONTROLLED ENTITIES
ABN 88 002 522 009

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 18 September 2007 is 177,239,120 ordinary fully paid shares. There are 69,184,200 listed options (\$1.00, 1 October 2007).

Ordinary Shares	No. of Holders	No. of Shares
1 - 1,000	1134	509,639
1,001 - 5,000	1572	4,654,714
5,001 - 10,000	715	5,810,437
10,001 - 100,000	981	29,344,757
100,001 and over	116	136,919,573
	<u>4,518</u>	<u>177,239,120</u>
Number holding less than a marketable parcel	<u>928</u>	<u>340,809</u>

Listed Options (\$1.00, 1 October 2007)	No. of Holders	No. of Options
1 - 1,000	339	135,389
1,001 - 5,000	236	621,046
5,001 - 10,000	113	893,286
10,001 - 100,000	325	13,019,715
100,001 and over	132	54,514,764
	<u>1,145</u>	<u>69,184,200</u>
Number holding less than a marketable parcel	<u>1,015</u>	<u>9,738,126</u>

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ASX ADDITIONAL INFORMATION

2. Top 20 Shareholders as at 18 September 2007

	No. of Shares Held	% Held
1 Citicorp Nominees Pty Limited	32,686,826	18.44
2 Consort Private Limited	30,000,000	16.93
3 Erine International Limited	8,270,025	4.67
4 ANZ Nominees Limited <Cash Income A/C>	8,267,013	4.66
5 National Nominees Limited	6,445,791	3.64
6 Merrill Lynch (Australia) Nominees Pty Limited <Berndale A/C>	4,420,000	2.49
7 Firebird Global Master Fund II Ltd	3,600,000	2.03
8 Merrill Lynch (Australia) Nominees Pty Limited	3,410,708	1.92
9 Firebird Global Master Ltd	3,291,084	1.86
10 JP Morgan Nominees Australia Limited	2,999,780	1.69
11 HSBC Custody Nominees (Australia) Limited	2,457,305	1.39
12 Mr Dominic Redfern	2,457,305	1.39
13 HSBC Custody Nominees (Australia) Limited	2,111,803	1.19
14 HSBC Custody Nominees (Australia) Limited – GSCO ECSA	1,977,494	1.12
15 Mr Peter Bruce King & Mr Benjamin Peter King <PBK Superfund A/C>	1,910,000	1.08
16 Mr Daryl William James & Mrs Catherine Anne James <DW&CA James Super Fund A/C>	1,200,000	0.68
17 Goldfields Cottages Pty Ltd <The Lowe S/F A/C>	1,050,000	0.59
18 HSBC Custody Nominees (Australia)	766,050	0.43
19 MLEQ Nominees Pty Limited <Unpaid1 A/C>	480,917	0.27
20 Mr Phomg Nguyen	456,806	0.26
	<u>118,258,907</u>	<u>66.73</u>

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ASX ADDITIONAL INFORMATION

3. Top 20 Option holders (\$1.00, 1 October 2007) as at 18 September 2007

	No. of Options Held	% Held
1 Mr David Scanlen	4,071,368	5.88
2 HSBC Custody Nominees (Australia) Limited – A/C3	3,310,502	4.79
3 Mr David Andrew Scanlen	2,000,001	2.89
4 Mr Peter Bruce King & Mr Benjamin peter King <PBK Super Fund A/C>	1,950,000	2.82
5 Global Transact Pty Ltd	1,800,000	2.60
6 Goldfields Cottages Pty Ltd <Lowe S/F A/C>	1,745,000	2.52
7 Firebird Global Master Ltd	1,605,129	2.32
8 Firebird Global Master Fund II Ltd	1,600,000	2.31
9 Mr Bruce Crabb	1,375,120	1.99
10 Comsec Nominees Pty Limited	1,071,418	1.55
11 Mr Shane Mathew Collins	1,000,000	1.45
12 Pre-emptive Trading Pty Ltd	902,600	1.30
13 Masall Pty Ltd	850,000	1.23
14 Designet Pty Ltd	793,750	1.15
15 RDU Business Solutions Pty Ltd	770,995	1.11
16 Mr Travis Mathew Viragh	752,132	1.09
17 Patfurn Nominees Pty Ltd <Blaze Leather Lounges A/C>	717,398	1.04
18 Mrs Marny Louise Sardinha	676,666	0.98
19 G&D Finn Pty Ltd	620,000	0.90
20 Minsk Pty Ltd	560,438	0.81
	28,172,477	40.73

4. Substantial Shareholders as at 18 September 2007

	No. of Shares Held	% Held
1 Citicorp Nominees Pty Ltd	32,686,826	18.44
2 Consort Private Limited	30,000,000	16.93
3 Erine International Limited	8,270,025	4.67

5. Substantial Option holders as at 18 September 2007

	No. of Options Held	% Held
1 David Scanlen	4,071,368	5.88
2 HSBC Custody Nominees (Australia) Limited – A/C 3	3,310,502	4.79

TENEMENTS

TENEMENT NO	Prospect Area	STATUS (Granted or Application)	Range Percentage Interest
	<u>Donnybrook</u>		
ELA70/2481	Donnybrook	Granted	100%
	<u>Calyerup Creek</u>		
ELA70/2556	Calyerup Creek	Granted	100%
	<u>Redmond</u>		
ELA70/2500	Redmond	Granted	60%
	<u>Forrestania</u>		
ELA74/337-338	Forrestania	Application	100%
ELA77/1184	Forrestania	Granted	100%
ELA77/1186-1187	Forrestania	Granted	100%
ELA77/1206-1207	Forrestania	Granted	100%
ELA77/1217	Forrestania	Granted	100%
ELA77/1225-1226	Forrestania	Application	100%
ELA77/1227-1230	Forrestania	Granted	100%
ELA77/1232	Forrestania	Granted	100%
ELA77/1246	Forrestania	Granted	100%
ELA77/1257-1258	Forrestania	Application	100%
ELA77/1264	Forrestania	Granted	100%
MLA77/748	Forrestania	Application	100%
MLA77/1100	Forrestania	Application	100%
PLA77/2766	Forrestania	Granted	100%
PLA77/3331-3332	Forrestania	Granted	100%
PLA77-3435-3437	Forrestania	Application	100%
PLA77/3446	Forrestania	Granted	100%
PLA77/3449-3453	Forrestania	Granted	100%
PLA77/3455-3457	Forrestania	Granted	100%
PLA77/3483-3492	Forrestania	Application	100%
PLA77/3494-3495	Forrestania	Application	100%
PLA77/3499-3507	Forrestania	Granted	100%
PLA77/3511-3521	Forrestania	Granted	100%
PLA77/3530-3531	Forrestania	Application	100%
PLA77-3598	Forrestania	Application	100%
PLA77/3605-3606	Forrestania	Application	100%

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