Annual Report 2016

Range Resources Limited
ABN 88 002 522 009


CONTENTS

About this report

This Annual Report is a summary of Range Resources Limited ("Range") operations, activities and financial position for the year ended 30 June 2016. It complies with Australian reporting requirements. Range (ABN 88 002 522 009) is a company limited by shares and is incorporated and domiciled in Australia.

Unless otherwise stated, in this report all references to Range, the Group, the Company, we, us and our, refer to and its controlled entities as a whole. References to the financial year or 'FY' are to the year ended 30 June 2016. All dollar figures are expressed in United States currency unless otherwise stated.

An electronic version of this report is available on Range's website www.rangeresources.co.uk. Range's Corporate Governance Statement can be viewed at: www.rangeresources.co.uk/governance.

Driven to maximise shareholder value

Focused on executing the strategy

Determined to deliver on promises

Committed to safe operations and communities

Range is an exploration and production company listed on ASX and AIM. Range is focused on growth through acquisition of transformational new projects, whilst continuing production and reserves growth in Trinidad. The Company has a robust balance sheet, streamlined operations, support from strategic partner, and the Board and management fully aligned with shareholder interests.

Statement from the Chairman and Chief Executive Officer

Dear fellow shareholder

2016 has been another year of low oil prices which continue to impact our industry. Despite this challenging environment, as a result of ongoing initiatives and a proactive approach to running a successful company, we have shown that Range is a fundamentally strong and resilient business.

The actions undertaken during the year were firmly focused on pursuing new projects, cutting costs, strengthening the balance sheet, and progressing waterflood projects in Trinidad. We have achieved a number of significant operational and corporate milestones, including:

- Increased 2P reserves in Trinidad by 11% to 24.4 mmbbl;
- US$30 million equity financing completed at a 50% premium to the share price;
- Extended credit terms agreed with LandOcean Energy Services Co., Ltd ("LandOcean") for oilfield work undertaken in Trinidad;
- Further Board and management restructuring completed, with Mr Zhiwei Gu appointed as a Non-Executive Chairman and three new Non-Executive Directors appointed to the Board. Mr Lijun Xiu, an oil industry veteran with long and distinguished career of over 30 years, appointed as Trinidad General Manager;
- Significant progress on the waterflood programme continued with water injection commencing on two projects;
- Four development wells successfully drilled during the period, with two further wells drilled subsequently to the period end;
- Substantial, positive progress achieved in obtaining acceptable outcomes to a number of historic legal issues;
- Strong cash position of circa US$21 million (including restricted cash of US$8m);

We have ended the financial year with increased reserves in Trinidad, strengthened technical expertise on the Board, cash position of circa US$21 million, and a mutually beneficial relationship with our strategic partner LandOcean. Range is a leaner, stronger and better organised company than ever before, ready to take on new opportunities that lie ahead and fulfil our growth ambitions.

Acquisition-led growth strategy

Following a Board review, our strategy has been refined and can be summarised as follows:

1. Optimise Trinidad assets by focusing on waterflood projects and continuing low cost production and reserves growth;
2. Pursue growth opportunities through acquisition of new assets;
3. Build an asset base demonstrating significant production, reserves and cashflows, whilst maintaining further growth potential through selective exploration;
4. Continue to evolve through strong technical strategic partnerships, applying the best talent and the best technologies; and
5. Maintain financial strength, flexibility and stringent cost control.

During the period, we have actively vetted numerous acquisition prospects. We are confident in the longer term oil price recovery and focused on taking advantage of the opportunities presented in this lower commodity price environment, which is favourable for acquirers and presents unique opportunities for companies with strong cash positions, like Range.

We have not limited ourselves to looking at traditional E&P projects and have expanded our search globally. Those projects that are in development / production stage, with near term cashflows, are of particular interest to Range. Attractive valuation is key, and having reviewed numerous opportunities, we have turned down a number of potential targets that we believed were overvalued. We are continuing to actively pursue numerous new projects. We believe the Company and its team have all the credentials to take advantage of the current downturn in the industry and maximise future shareholder value through opportunistic acquisitions.

Realising value from Trinidad

2016 has been a year of record investment into our Trinidad operations, with over US$16 million incurred during the period. As a result of this investment, we expect to see a notable increase in production as we realise the inherent value in these assets from the successful implementation of the waterflood projects. Our ongoing commitment in Trinidad is to ensure that the business is self-sustaining over the long-term, and generates returns for shareholders particularly in a lower commodity price environment.

We have been working to reorganise our operations in Trinidad to cut costs, improve efficiencies and position ourselves for the future. We have already implemented material and sustainable cost reductions but there is a lot more to be done, particularly to reduce operating costs. We will continue to actively work with our partner LandOcean to drive costs down even further.

Mr Xiu has been appointed as Trinidad General Manager, to oversee all Trinidad operations and strengthen the local management team. He has a long and distinguished geological career of over 30 years working for China National Petroleum Corporation, and is a valuable addition to our management team.

Our assets in Trinidad provide a balance of exploration, appraisal, development and production activities. We are encouraged with the increase in our independently audited 2P reserves by 11% to 24.4 mmbbls during the year, which validates the quality and potential of the Trinidad assets.

During the period, we produced 193,868 bbls net to Range, which is broadly unchanged from our production last year. The production was line with our expectations, given the limited number of wells drilled during the period and our continued longer term focus on commencing production from waterflood projects.

During the period, waterflood projects were the biggest component in our capex programme, with approximately US$13.5 million incurred as follows:

- Waterflood development work (well workovers, gathering station, water injection system, power supply, road improvements) - US$9.4 million;
- Design work (drilling engineering design, surface facility design) – US$1.2 million;
- Studies and evaluation reports – US$1.6 million; and
- Infrastructure (power systems, roads, civil engineering, communication systems) – US$1.3 million.

As a result of this continued work, initial water injection commenced on two waterflood projects. Together with LandOcean, we are continuing to commission the remaining facilities and infrastructure, in order to increase water supply and achieve projected production rates towards our goal of 2,500 bopd by the end of 2017 (calendar year).

The exploration component also gives much to look forward to, and we are hopeful to commence drilling on the Canari North exploration prospect early in 2017 once the drilling rig becomes available.

Our commitment to Health, Safety and Environment ("HSE") is a number one priority for all our operations and is crucial to our success as a growing business. During the year, we have seen a substantial improvement in all key HSE indicators including Lost Time Incident ("LTI") frequency and environmental incidents, which is a notable achievement. The Company is proud to have decreased the LTI frequency rate by 75% to 0.61, which is significantly below the average of 1.35 reported by the International Association of Drilling Contractors for the onshore US Oil & Gas Industry.

We are encouraged by the support of Petroleum Company of Trinidad and Tobago Limited ("Petrotrin") and the Trinidad government who signed an agreement to reduce the overriding royalty rates on our producing fields in Trinidad. These incentives are particularly welcome during the period of lower commodity prices for producers like Range. We are hopeful that the government will continue to incentivise operators to invest into growing production onshore Trinidad through further incentives, such as reduced rates of Supplemental Petroleum Tax.

Range's Chairman and CEO meet with Petrotrin

Our strategic partners

We always aim to build and maintain high quality long lasting relationships with our communities, governments and partners. We are delighted to have the ongoing support from our partner and oilfield services provider LandOcean, one of the largest listed oilfield services providers in China.

LandOcean provides an extensive range of services to the oil and gas industry internationally, from research and development of software technology to various product sales and the provision of technical services. Headquartered in Beijing, LandOcean has over 400 employees, and attracts top talent including professors, senior engineers, post-doctorates, doctors and masters in the fields of geology, geophysics, and reservoir engineering.

The two companies have been working together since 2014 and LandOcean has continued to support Range throughout the period despite the challenging macro-environment.

During the year, Range and LandOcean have focused on implementing the waterflood projects targeting to bring them into first production towards the end of 2016, with substantial progress made to date. The initial water injection has commenced on both projects as a result of the hard work of both teams, and the main effort now will be aimed at completing the full schemes and increasing water injection rates. LandOcean provides Range with credit terms of 720 days for up to US$50 million which covers work related to these waterflood projects.

Field operations in Trinidad

During the period, LandOcean also added four brand new rigs to its fleet in Trinidad. The addition of these modern rigs has been extremely beneficial in delivering safe and efficient drilling operations and continuing Range's drilling campaign. Two of the rigs are already being successfully used, which has seen wells being completed ahead of schedule, and in line with high safety standards.

The strategic partnership not only allows Range to benefit from LandOcean's technical expertise and vast experience, but also provides Range with financial flexibility from the generous credit terms, as it allows the Company to repay LandOcean from future cashflows once the expected production levels ramp up. In addition, LandOcean has agreed to further extend its credit terms for drilling services and earlier work undertaken under the first purchase order. We look forward to continued strengthening of our relationship and mutually benefitting from our joint success.

During the year, we were also pleased to have completed funding with a new cornerstone investor, Beijing Sibo Investment Management LP ("Sibo"), which invested US$30 million into Range at a significant premium to the share price at the time of the transaction. This investment came at a time when securing funding was particularly challenging for oil juniors, therefore it is a true testimony of the underlying value of the Company's assets and the team.

Sibo has played a key role in strengthening our balance sheet and providing us with financial flexibility to consider new acquisitions. Sibo currently holds 32% interest in Range's share capital and has appointed Mr Yu Wang, as a representative Director during the period.

Range's Chairman and CEO with Trinidad staff

Platform for growth

During the period, we have appointed two new independent Non-Executive Directors, Mr Lubing Liu and Dr Yi Zeng, both bringing significant experience and broad industry knowledge. We are very fortunate to have attracted such high calibre oil industry veterans, from which Range will benefit considerably. We have the right mix of technical and management expertise to further strengthen Range's prospects and fulfil our growth ambitions.

The Company has gone through a significant investment phase in Trinidad over the last 12 months and the focus going forward will be on driving efficiencies to ensure the Trinidad business is self-sustaining over the long-term. The continued focus in the next year will be on the waterflood projects which account for the majority of reserves and is a critical element in our goal of increasing production and generating returns for shareholders.

We will continue to adapt to changes in the industry and are determined to maximise shareholder value. The remainder of 2016-2017 holds significant potential to add exciting new projects to our portfolio and build upon the share price recovery.

We would like to thank all shareholders for your support, and welcome those who joined during the year. We also thank our fellow Directors, staff and management team for their hard work over the past year and look forward to the continuing growth into the future.

Yours Faithfully

Zhiwei Gu
Chairman

Yan Liu
Chief Executive Officer

DIRECTORS' REPORT

The Directors of Range Resources Limited ("Range" or "the Company") and the entities it controls (together, the "Group") present the financial report for the year ended 30 June 2016.

DIRECTORS

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

Mr Zhiwei Gu	Non-Executive Chairman	*appointed 25 May 2016*
	Non-Executive Director	
Mr Yan Liu	Executive Director	*resigned 31 January 2016, re-appointed 25 May 2016*
	Non-Executive Director	*appointed 31 January 2016, resigned 25 May 2016*
Mr David Yu Chen	Non-Executive Director	*appointed 25 May 2016*
	Non-Executive Chairman	*resigned 25 May 2016*
Ms Juan Wang	Non-Executive Director	
Mr Yu Wang	Non-Executive Director	*appointed 30 September 2015*
Mr Lubing Liu	Non-Executive Director	*appointed 16 June 2016*
Dr Yi Zeng	Non-Executive Director	*appointed 16 June 2016*

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

COMPANY SECRETARY

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

Mr Nick Beattie
Ms Sara Kelly

PRINCIPAL ACTIVITIES

The principal activity of the Group during the financial year was oil and gas exploration, development and production in Trinidad. The Company holds further interests in non-core oil and gas projects in Georgia and Guatemala and continues to explore potential disposal options of its interests.

In line with the growth strategy of the Company to create value for shareholders, Range continues to evaluate potential acquisitions of high quality value-generating assets.

FINANCIAL RESULTS

- The Consolidated Statement of Profit or Loss and Other Comprehensive Income for the financial year shows a net loss attributable to owners of US$43,874,885 (2015: net loss of US$30,279,054).
- The Group's revenue was US$7,062,226 (2015: US$13,152,954). The decrease of US$6,090,728 (46% from prior year) was primarily due to lower oil prices in the 2016 financial year which averaged US$36.4/bbl. (2015: US$69.5/bbl.).
- The net loss after tax from continuing operations was US$38,994,885 (2015: US$22,581,895). The increased loss is primarily due to an impairment charge against the carrying value of the Trinidad assets in the current year which totalled US$20,564,829
- Net cash outflow from operating activities for the period was US$4,186,035 (2015: outflow US$6,955,264).

- General and administrative costs overall decreased by US$6,548,456 (65% reduction) to US$3,400,038 (2015: US$9,948,494) as a result of material cost cutting measures implemented across the Group.
- The net assets of the Group decreased by US$21,786,324 to US$72,237,132 (2015: US$95,023,456). This decrease is primarily due to the loss reported from operations combined with impairments made in the year to the Group's Trinidad asset (impairment of US$20,564,829), Georgian asset (US$3,750,000) and Guatemalan asset (impairment of US$1,000,000).

DIVIDENDS

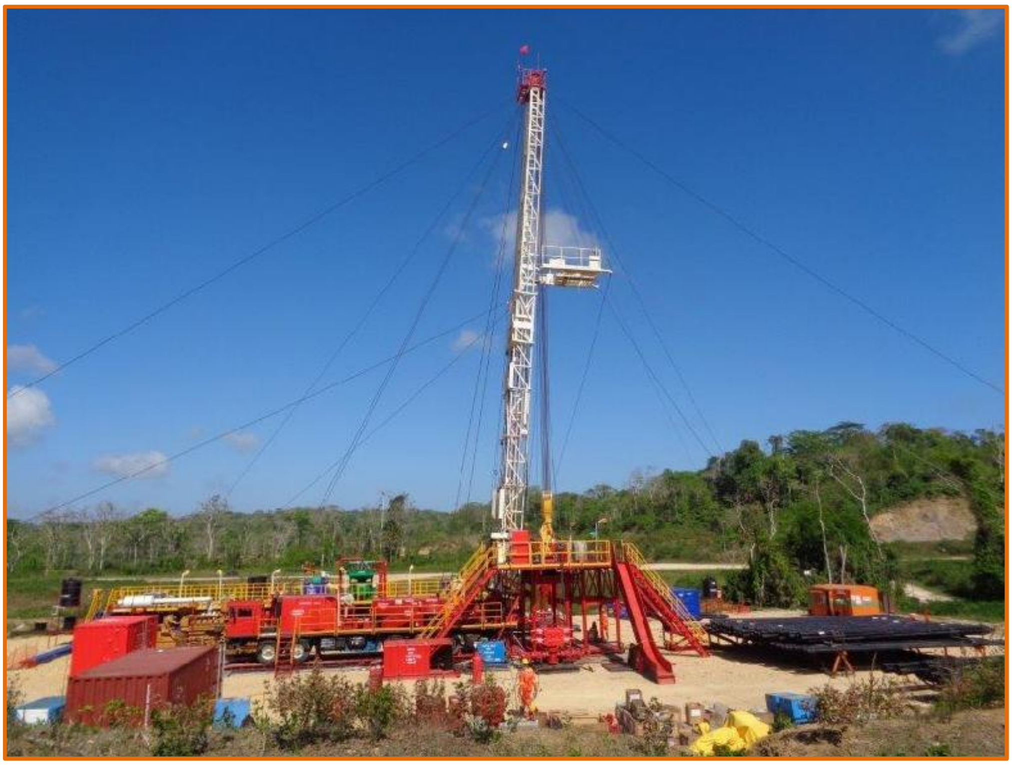
No dividends have been declared, provided for or paid in respect of the financial year ended 30 June 2016 (2015: Nil).

<u>Operations</u>

TRINIDAD

The Company holds 100% interest in three onshore production licences – Morne Diablo, South Quarry and Beach Marcelle, as well as interests in two exploration blocks – St Mary's and Guayaguayare.

Given the continued lower oil price environment and in line with ongoing cost management, during the period the Company completed a review of its work programme for 2016 (calendar year). As a result, the Company identified implementation of its waterflood projects as the highest priority, which have subsequently been the focus of operations.



Drilling operations at the Morne Diablo field

Production

The Company's oil and gas production for the period in Trinidad was 193,868 bbls (average of 531 bopd) net to Range. Production during the year was broadly unchanged from the previous year (2015: average of 562 bopd). This production is in line with internal expectations, given a limited number of development wells drilled during the period as well as reduced number of workovers undertaken.

Range continues with implementation of its waterflood projects and completion of the development work programme, aiming towards achieving production guidance of 2,500 bopd by the end of 2017 (calendar year).

Reserves

Range commissioned an independent reserves audit as at 30 June 2016 for the Company's licences in Trinidad. The audit report was compiled by the independent petroleum consultants, Rockflow Resources Limited ("Rockflow").

The audit showed an increase in the Company's total 2P reserves by 11% from the previously reported 22.0 MMBOE (30 June 2015) to 24.4 MMBOE. The reserve increase was a result of the adoption of a wider range of in-place volumes, and recovery estimates from waterflooding for the Beach Marcelle licence.

Development and workover programme

During the year, the Company drilled four development wells, as follows:

Well	Field	Total Depth (ft)	Status
MD 249	Morne Diablo	2,610	On production
GY 679	Beach Marcelle	2,000	On production
GY 680	Beach Marcelle	1,685	On production
MD 250	Morne Diablo	4,100	Under production testing

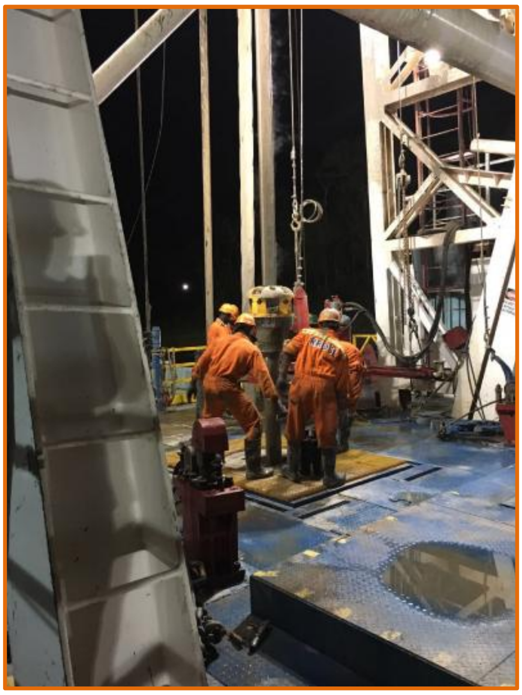
In February 2016, the Company identified five development wells for drilling, based on their risk and economic returns. The first of the five wells, the MD 250 well was drilled during the period (included in the table above).

Subsequently to the period end, the Company drilled two further wells, the MD 251 and the QUN 159 wells. The MD 251 well is a follow on well which was drilled to a total depth of 3,900 feet from the same drilling pad as the MD 250 well. The QUN 159 well was also successfully drilled to a total depth of 2,600 feet at the Morne Diablo field.

All three wells (the MD 250, MD 251 and QUN 159) are undergoing production testing. The remaining scheduled development wells to be drilled during 2016 (calendar year) include one well in Morne Diablo and one well in Beach Marcelle.

Given the Company's continued focus on delivery of the waterflood projects, Range will be scaling back on its other work programme in Trinidad, with no development wells currently planned for 2017.

The Company also reduced the number of workovers being undertaken, which contributed to the production decline during the period. Range will keep the workover programme under regular review and intends to continue workover operations on the most profitable wells.

Drilling operations on the MD 250 well

Waterflood programme

Beach Marcelle South East block

The Company and LandOcean have been making continued progress with implementing the full waterflood scheme on the South East block of the Beach Marcelle project during the period, including workovers on the selected waterflood wells; repair work on these selected wells; installation of injection stations; engineering design of the gathering station; and installation of pipeline network.

Initial water injection commenced during the period at an average rate of approximately 600 barrels of water per day ("bwpd"). This is the maximum rate that can be achieved based on one water source well being used and power and infrastructure in the area. The water source well can produce higher volumes depending on power availability, which is expected to increase once power network installation has been upgraded.

In order to achieve the expected average production of 1,600 bopd from this block, Range estimates that approximately 11,000 bwpd of water injection rate is required. The Company will initially use water from water source wells, which will be supplemented by produced water as the project progresses. The number of water source wells will be adjusted as the availability of surface facilities is increased, and depending on the response from the aquifer. Water injection volumes will increase accordingly as additional wells are commissioned.

The Company has been working on the installation of a high pressure pipeline network, with the majority of work (7,220 m) already completed. Given that Range's Beach Marcelle field is located on the eastern side of Trinidad where numerous major operators have processing facilities and oil and gas pipelines that pass through the field, Range requires various permissions in areas where it plans to install the remaining water injection pipeline.


Waterflood operations at Beach Marcelle field

The Company has been working with the relevant operators to obtain the necessary approvals and is focused on securing these approvals as soon as possible. The remaining pipeline network (530 m) is expected to be completed once the agreement is reached with these operators.

The average production from the field over an 8-year period is expected to be approximately 1,600 bopd, subject to approvals in respect of the remaining pipeline installation and access to higher water injection volumes. Beach Marcelle waterflood production is estimated to be the largest contributor towards the 2,500 bopd production target by the end of 2017.

Morne Diablo Expansion project

The initial water injection on the project commenced in December 2015 and is continuing at an average rate of 200 bwpd, which is the maximum volume of water available at present from Range's producer wells.

To get access to additional water supply, Range has been negotiating with Petrotrin to use produced water from Petrotrin's existing operations, which will increase water injection by 3,000 bwpd. The agreement with Petrotrin has been reached and Range expects to execute final agreements during the remainder of 2016 (calendar year).

The Company will be constructing a new water pipeline to connect the gathering and injection stations at the Morne Diablo field to Petrotrin's water treatment facility. Range is pleased to advise that the environmental approvals for use of the additional water and construction of the new water pipeline have been granted by the regulatory body in Trinidad.

The average production over an 8-year period is expected to be approximately 200 bopd, and is forecast to be achieved when water injection is increased to approximately 3,000 bwpd.

Waterflood operations at Morne Diablo field

Additional waterflooding areas

The Company has identified additional areas around the previously drilled development wells in the South Quarry and Morne Diablo fields, which could be suitable for waterflooding. The Company continues to evaluate these areas and study the field for waterflooding potential.

Exploration programme

Guayaguayare block

During the period, Range signed an amendment agreement to acquire the full remaining interest of Niko Resources Ltd. ("Niko") in the Guayaguayare block. Following completion of the agreement, Range holds an 80% interest in the Deep PSC and a 65% interest in the Shallow PSC (subject to final government approvals). Range is the Operator of the block.

Range also applied for the extension of the PSCs which expired during July 2015. Following ongoing discussions with the Ministry of Energy and Energy Industries ("MEEI"), Range is confident that the extension will be granted once the first shallow commitment well on the license (Canari North well) completed. The well location has been prepared with the well expected to spud during early 2017 once the drilling rig is available.

The Canari North well will be the first exploration well to be drilled by Range in Trinidad, and any success with the well is expected to de-risk the Moruga sub-basin and could result in material potential upside in the Guayaguayare block with multiple follow-on prospects and leads to be tested by further exploration drilling. The planned drilling programme is for a vertical well to be drilled to a target depth of 5,000 ft. The well is expected to spud once the rig is approved for drilling by the government.

St Mary's block

During the period, Range completed a comprehensive evaluation of all existing data on the block which was presented to Range's management team. The Company has also been working with the government of Trinidad and Tobago to obtain high resolution gravity surveys and additional seismic data for the block. Subsequent to the period end, this technical data was received. The Company now intends to conduct further studies utilizing the data provided. This completed work will guide future work programme to be undertaken.

Royalty rates reduced

During the period, Range signed an agreement with Petrotrin to reduce the overriding royalty rates ("ORRs") on the Company's producing Morne Diablo, Beach Marcelle and South Quarry fields in Trinidad. The revised ORRs apply when the received oil price is below US$50 per barrel. The changes took effect from 16 March 2016 and apply retrospectively to sales made from 1 February 2016 onwards.

The reduced ORRs are particularly encouraging for producers like Range and are a welcome incentive introduced by Petrotrin during the period of lower commodity prices.

Range is also encouraged by the comments in the 2016 Mid-Year Budget Review that the government of Trinidad and Tobago intends to review the level of Supplemental Petroleum Tax on crude oil prices moderately higher than US$50 per barrel. This review is anticipated to be completed during 2016.

Strategic partnership

During the period, Range continued its strategic partnership with LandOcean. LandOcean acts as the preferred oilfield services contractor to Range in Trinidad, as part of the Integrated Master Services Agreement entered into during 2014.

During the period, LandOcean added four brand new drilling rigs to its fleet in Trinidad with drilling capabilities of 13,000 ft. (4,000 m), 6,500 ft. (2,000 m), 4,900 ft. (1,500 m) and 3,200 ft. (1,000 m). Two of these rigs (4,000 m and 1,500 m) have been granted all necessary regulatory and government approvals and were successfully brought into operations. These rigs are currently being used for Range's drilling programme. Range continues to assist RRDSL in obtaining the necessary certification and approvals for the remaining two new drilling rigs.

During the period, LandOcean agreed to further extend its credit terms on drilling services to 24 months (previously 12 months). It is a rolling credit facility and payments will be due after 24 months from the date each invoice is agreed. The terms of the credit terms have not changed and in line with the previous agreement announced on 1 May 2015, and interest will be payable by Range at the rate of 10% per annum.

LandOcean also agreed to defer the outstanding payment of US$2.5 million for work in relation to Purchase Order 1 by a further 12 months. In addition, LandOcean provides Range with credit terms of 720 days for all work undertaken as part of Purchase Order 2 for US$50 million which covers work relating to waterflooding projects.

Waterflood operations at Beach Marcelle field

NON-CORE ASSETS

Georgia

During the period, the Company along with the other investors in Strait Oil & Gas ("SOG") have continued to pursue disposal of their shareholding in SOG (SOG holds interests in Block VIa in Georgia). SOG advised Range that the Production Sharing Agreement ("PSA") across Block VIa remains in good standing. Ongoing sale negotiations continue with a potential interested party.

Guatemala

During the period, the Company was unable to engage with the Operator of the project, Latin American Resources ("LAR") or obtain any information with regards to operations. The Company is seeking legal advice with regards to this matter and will update shareholders as appropriate.

Corporate

Equity financing completed

During the period, the Company secured a new cornerstone investor, Sibo. The total investment by Sibo was US$30 million at a subscription price of £0.008 per share – the first tranche of the proceeds had been received in the previous financial year, and the remaining US$22.1 million was received during the period. The Company's Directors and senior management also subscribed for ordinary shares totalling US$0.3 million at the same subscription price.

Acquisition strategy

In line with the growth strategy of the Company to create value for shareholders, and to provide Range with additional production and revenue, the Board continues to evaluate potential acquisitions of high quality assets at attractive valuations. During the period, the Company has witnessed an increase in the available attractive opportunities, and is hoping to conclude an acquisition in the coming months. The Board believes the Company is well positioned to take advantage of this opportune environment for acquirers.

Directorate and management changes

During the period, Mr Zhiwei Gu, who joined the Board in January 2015 as a Non-Executive Director, was appointed to the role of Non-Executive Chairman. Mr David Chen has stepped down from the role of Chairman of the Board but continues as a Non-Executive Director of the Company,

The Company also announced the appointment of three new Non-Executive Directors to the Board: Mr Yu Wang, a nominee of Sibo; Mr Lubing Liu and Dr Yi Zeng.

During the period, the Company also appointed Mr Lijun Xiu as Trinidad Deputy General. Mr Xiu has a long and distinguished geological career of over 30 years working for Jilin Oilfield Research Institute of Petroleum Exploration & Development (a division of China National Petroleum Corporation). Mr Xiu has extensive experience in oilfield exploration and development planning, drilling design, research on geological conditions for oil and gas accumulations and target selection, evaluation of oil reservoir properties and productivity construction, evaluation of well logging, and assessment of hydrocarbon reserves.

Unmarketable parcels sale

During the period, Range completed a share sale facility for holders of unmarketable parcels on ASX. As a result, the Company has reduced its ASX shareholders by 63% to 1,854 holders at 22 December 2015, which significantly reduced the ongoing administrative and other share registry costs to the Company associated with these very small holdings.

Legal proceedings

Lind

During the period, Range was pleased to announce that it reached a binding agreement with Lind Asset Management LLC ("Lind") to settle all outstanding claims and disputes between the parties. As previously announced, Lind initiated legal action in New South Wales Supreme Court seeking payment of approximately US$600,000 in respect of interest and legal costs. Lind also sought other damages for breach of contract. Range filed a defence against the claims and a cross-claim for damages. Under the terms of the settlement agreement, Range made a payment to Lind of US$325,000 and Lind retains the beneficial ownership of the 38 million collateral shares which were issued by Range in 2014 as part of the original funding agreement. Range is pleased to have reached a mutually acceptable settlement agreement with Lind which enables the Company to draw a line under this long-running dispute.

Mark Patterson

During the period, the Company was involved in an arbitration hearing with Mr Mark Patterson who had claimed approximately US$5.8million. In February 2016, the Company received the final award of the arbitration tribunal who found fully in favour of the Company (with just an immaterial award of costs being made to Mr Patterson).

Colombia

During the period, Range received notification from the Agencia Nacional de Hidrocarburos ("ANH") in Colombia advising that the licences over three exploration blocks PUT-5, VMM-7, and VSM-1 had been revoked. The licenses had been awarded to a consortium of Optima Oil Corporation ("Optima") and the Company in December 2012.

ANH alleges that various obligations and commitments contained within the exploration licences had not been fulfilled and that invalid letters of credit had been presented by Optima to support the minimum work obligations. Under the terms of the JOA it was agreed between the consortium that it was the sole responsibility of Optima to complete the minimum work obligations and to provide all necessary funding, including the provision of valid letters of credit in favour of ANH. Under the JOA, Range has an indemnity to recover from Optima any payment incurred by Range for any contractual obligations under the licences which were not paid by Optima.

Subsequent to the period end, Range received a demand notice from ANH addressed to the consortium seeking payment of the full amount of the outstanding obligations due to ANH totalling up to approximately US$53 million.

The consortium submitted a comprehensive response to ANH on 7 September 2016. This defence addressed the numerous areas in which Range and the consortium object to the demand which was received from ANH.

The Company continues to work with Optima and legal advisers to defend its position to the maximum extent possible and is considering what further action can be taken to challenge the actions taken by ANH.

Geeta Maharaj

Range has received an invoice from Geeta Maharaj, a Trinidad based attorney seeking payment of approximately US$1.9million. The invoice purports to relate to legal work undertaken during mid-2014 in the preparation of inter-company loan agreements. Range strongly refutes the amount of this purported invoice and intends to vigorously defend its position. Range has engaged Trinidad legal counsel to assist in this matter. Range considers that that the amount of the purported invoice is vastly excessive and is not payable.

Financial

The Group reports a loss after tax for the year of US$43.9million which compares to a loss for the prior year of US$30.3million. Despite reporting an increased loss for the year, Range believes that there continues to be positive overall momentum seen in the underlying business as we continue to reposition the group towards sustainable long-term profitability and positive operating cashflow.

Range has reported consecutive losses for over the last 10 years and the current Board are focused on, once and for all, turning around performance and creating value and returns for all shareholders through the delivery of the strategy outlined in the report. Range has endured significant losses and expenses in recent years as a result of legacy issues and non-core assets. Regrettably this has had an effect once again this year with further impairments seen for the investments in Georgia, Guatemala and International Petroleum. Range believes that these legacy issues, which have proved a drag on financial performance and management time over recent years, are now under control and the remaining balance sheet value for these previous projects and investments is now minimal.

During the year Range reduced the carrying value of the Trinidad assets on the balance sheet and this was principally due to the substantial, and sustained drop in oil prices which have been seen throughout the year. The majority of this impairment was reported during the half-year unaudited results announced in March and a small further impairment of US$3.4million has been adopted at this stage to recognise historic wells which are no longer in production, and have no likely future use. This valuation does not take into consideration the inherent value in the exploration acreage and resource potential with the Trinidad assets and the Company continues to firmly believe in the long-term prospects of these assets to deliver value to shareholders.

The following table summarises performance including on a normalised basis excluding impairments:

Measure	Unit	2016	2015	Change	%
Total production (*Trinidad*)	barrels of oil	193,868	205,209	(11,341)	-5.5%
Revenue	US$	7,062,226	13,152,954	(6,090,728)	-46.3%
Average received oil price	US$/bbl	36.42	64.10	(27.68)	-43.2%
Reported NPAT / (loss)	US$	(43,714,086)	(29,823,747)	(13,890,339)	-46.6%
Underlying NPAT / (loss)	US$	(17,429,295)	(20,397,109)	2,967,814	14.6%
Underlying EBITDAX	US$	(5,658,343)	(7,461,927)	1,803,584	24.2%

Underlying NPAT (Net Profit after Tax) and Underlying EBITDAX (Earnings before interest, tax, depreciation, amortisation and exploration expenditure written off) are not defined measures under Australian Accounting Standards or IFRS, and are not audited. These measures have been calculated by the Company who believe they provide meaningful analysis of underlying 'normalised' performance of the Company.

On an underlying basis, excluding impairments and other asset write-offs, the underlying NPAT for the year would be a loss of US$17.4million which is a 15% improvement on prior year (prior year comparable loss US$20.4million). On an EBITDAX basis, there is a similar positive trend evident with underlying EBITDAX 24% improved for the year with a loss of US$5.7million seen (2015: loss of US$7.5million).

Looking at key areas in the income statement:

- The Group's revenue was US$7.1 million (2015: US$13.2 million), a decrease of approximately 46%. Group production was broadly stable for the year and the fall in revenue is due to reduced average oil price realised of US$36.42/bbl (2015: US$64.10/bbl);
- This fall in revenues contributed to an increase in the gross loss which increased to US$7.8 million (2015: US$2.9 million). The other main factor in the gross loss was an increase for the year overall in operating costs to US$7.3million (2015: US$6.4million). This increase in operating cost is partially reflective of the first full year following the disposal of Range Resources Drilling Services Limited in 2015. Following completion of the sale, Range is now exposed to 3rd party rates for a majority of operating costs, as opposed to previous periods where it was just the incurred cost which was reflected (with no 3rd party margin). Additionally, certain activities during the year including swabbing and workovers were completed which did not result in increased revenue to compensate for the cost incurred. Range is focused on delivering improvements in this during the current financial year and the effective cost per barrel will also reduce as production grows. Production growth is the key to reducing operating costs on a per barrel basis, given the inherent fixed cost element within the operations in Trinidad;
- General and administrative costs decreased materially by 66% overall during the year and totalled US$3.4 million (2015: US$9.9 million). This was achieved as a result of stringent cost cutting measures implemented with significant reduction seen in discretionary expenditure, lower staff costs and elimination of corporate management costs.

Cash management is an absolutely critical function within Range and total cash (including restricted cash) at year end was US$21.0mlllion (2015: US$10.5million). This increase was largely as a result of the new equity raising completed during the year with Sibo combined with the effect of lower G&A costs and credit terms in place.

Importantly, cash outflow from operating activities was significantly lower than the prior year at US$4.2million (2015: US$7.0million). Range benefits from the credit terms offered by our principal service provider (LandOcean Energy Services Co. Ltd.) which minimises cash outflow whilst production growth is achieved from implementation of the waterflood programme and selected development drilling.

As previously announced, LandOcean are providing Range with credit terms on the work under purchase order 2, of 720 days from issuance of each invoice. The total value of PO2 is US$50milion and as detailed in the operations review substantial progress has been seen during the year in implementation of the waterflood programme. This work is reflected within the growth seen in long-term interest-bearing liabilities on the balance sheet which total US$14.0million (2015: $nil) and accrued expenses of US$9.8million (2015: $nil); these principally reflect the payable balance to LandOcean which will be paid on a progressive basis in future years. Range anticipates that this balance will continue to increase during the 2017 financial year as the waterflood programme is further advanced and other planned development drilling is completed.

Despite the impairments during the year and the loss from operations, the balance sheet overall remains strong with total assets of US$158.0million (2015: US$161.9million) and net assets of US$72.2million (2015: US$95.0million). Total cash (including restricted cash) of US$21.0million, together with the remaining funding available from LandOcean for the Trinidad work programme positions Range in a strong position to meet its growth ambitions during 2017.

The Board recognise that there is a lot of work to be done to start generating long-term sustainable profitability. Range is confident that the right building blocks are now in place and will remain focused on improving financial performance in the years ahead.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

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

- Equity financing of US$30 million completed with Sibo.

Further details on the above matters can be found in the Review of Operations.

EVENTS SUBSEQUENT TO REPORTING DATE

Colombia

Subsequently to the period end, Range received a demand notice from ANH addressed to the consortium seeking payment of the full amount of the outstanding obligations due to ANH totalling up to approximately US$53 million.

The consortium submitted a comprehensive response to ANH on 7 September 2016. This defence addressed the numerous areas in which Range and the consortium object to the demand which was received from ANH.

The Company continues to work with Optima and legal advisers to defend its position to the maximum extent possible and is considering what further action can be taken to challenge the actions taken by ANH.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

The Company intends to continue with its work programme in Trinidad by implementing and bringing into production the secondary recovery projects (waterflood). In line with the growth strategy of the Company to create value for shareholders, and to provide Range with additional production and revenue, the Board continues to pursue potential acquisitions of new assets.

Please refer to the Review of Operations for full details on likely developments and future prospects of the Group

Corporate sustainability

Range is committed to operating in a socially responsible way with the highest standards of Business Ethics, Environmental Awareness and Health & Safety by:

- Ensuring the health and safety of its employees and contractors;
- Preserving and protecting the environment; and
- Cultivating a harmonious relationship with the local communities and key stakeholders.

Health, Safety and Environment ("HSE")

Range is committed to "Operational Excellence", a core value that drives achievement of its sustainable growth and financial performance. The Company's vision of "Zero Harm" is that "no one gets hurt and nothing gets harmed" and as a result HSE performance is a critical element of our Operational Excellence goal. It is, therefore, the Policy of the Company, and far as is reasonably practicable, to:

- Implement and maintain HSE management systems to prevent accidents, occupational injuries, illnesses and environmental incidence;
- Meet or exceed compliance with all applicable HSE laws and regulations;
- Ensure the provision and maintenance of a safe work environment, safe equipment and work procedures;
- Foster a culture where all employees and contractors are held accountable for following all Company Policies and Procedures;
- Provide appropriate training, re-training and supervision to maintain the competence levels of all employees to safely perform their duties;
- Promote the development of a positive Health and Safety culture;
- Ensure timely investigation and reporting of all HSE related incidents; and
- Conduct regular reviews of the Company's Policies and Procedures.

Concern for the environment is of utmost importance to Range where our policy is to minimise our potential environmental impact by striving to:

- Protect the natural environment;
- Implement a cost effective waste and emissions management programme to prevent and control pollution;
- Manage, monitor and communicate our environmental performance; and
- Integrate environmental considerations into all our business processes and strive for continuous improvement.

Environmental regulation

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

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

Ethics and principles

Range's employees share a responsibility for ensuring that they conduct business in an open, honest, and ethical manner and maintain the highest standards of integrity; and through corporate governance measure, audit and publicly report performance on Corporate Social Responsibility programmes.

Anti-bribery & corruption ("ABC")

Range has a zero tolerance approach with respect to its Anti-bribery and Corruption policy, procedures and implementation and complies with all applicable laws and regulations of the countries in which it operates. It is the responsibility of all Range employees to ensure that none of Range's businesses engage in practices which infringe legal or regulatory requirements or which fall below the highest standards of ethical business conduct.
Any Range employee engaging in business practices which infringe legal or regulatory requirements or fall below the highest standards of ethical business conduct may be subject to disciplinary action which may lead to dismissal and may face personal criminal or civil liability.

It is the responsibility of all Range employees to ensure that they report any infringement or suspected infringement of legal or regulatory requirements or the highest standards of ethical business conduct to the management of the Company.

Social responsibility and community involvement

Range strives to grow and strengthen the social and economic relationships within the communities we operate in, through the support and employment opportunities, as well as innovative programmes in local health, education, environment, and cultural activities. Our people and partners play a key role in creating value for our shareholders.

We recognise the need for our business to provide direct support to our local communities which rely on sponsorships and donations to survive. We will continue our involvement through various activities and will encourage the participation of our employees in the relevant events.

Supporting schools and awarding scholarships: educating and training future talent

Range aims to foster and promote the success of children in the communities and provide assistance to students from local schools. During the year, Range partnered with the Mayaro Past Pupils Association (MPPA) and provided a scholarship grant to a local primary school in an effort to promote and develop the young people living in the Mayaro / Guayaguayare area.

Range's community involvement in Trinidad

Range has also engaged with the Guayaguayare Roman Catholic Primary School located near the Company's Beach Marcelle field and provided a scholarship grant and stationery supplies. Range's employees held workshops at the school, educating students about prospects of working in the oil and gas industry. This programme is a concrete example of our commitment to educating, training and developing young local talent.

Trinidad and Tobago Society of Petroleum Engineers

During the year, Range participated in the Trinidad and Tobago Section of the Society of Petroleum Engineers. The event included a meet and greet opportunity, career development session, a young professional interactive workshop and a resume review session.

This was an excellent opportunity for engineering and geoscience students, recent graduates and young professionals to learn more about the energy industry and available career opportunities, as well as to meet with potential employers and key industry players. Range's participation in the event introduced the Company to the young talent and most importantly, allowed the opportunity to provide guidance and knowledge to those who are seeking to enter the industry. Range will continue its contribution to training and development of young local professionals in years to come.

Range meeting with young professional at SPE

Steel orchestra for youth

Range continues its support for the Morne Diablo Funk-a-delic steel orchestra in Trinidad. First formed in 2004, the steel orchestra band consists of around 40 local children between the ages of 6 and 18. Providing the children with an outlet for team building and community participation, the programme provides music lessons up to three times a week, where they learn how to play the steel pan (Trinidad and Tobago's national musical instrument) and to read music. The orchestra has performed at a number of ceremonies, including events hosted by the government of Trinidad and Tobago.

During the period, Range provided financial assistance to the Morne Diablo Funk-a-delics to build a pan shelter for the summer camp, as well as oil drums to be used as steel pans. Range is also looking to provide a cash donation towards constructing a pan theatre for orchestra's practice.

Principal risks and uncertainties

The achievement of the business strategy, production growth outlook and future financial performance is subject to various risks including the material business risks. Range continually monitors the effectiveness of the Company's risk management, internal compliance and control systems. The Board has identified the following principal business risks and adopted mitigating strategies as described below. It is not an exhaustive list of all risks that may affect the Company nor have they been listed in any particular order of importance.

Risk	**Description**	**Mitigation**
Exploration and development activities	There is a significant element of technical risk in exploring for and developing oil and gas fields. Exploration activities are inherently uncertain in their outcome. Failure to discover and develop hydrocarbons in commercially viable quantities could have a material adverse effect on the Company's business.	The Company aims to continuously improve the quality of its operations through rigorous reviews. Technical work processes are used to ensure each opportunity has been thoroughly evaluated before investment decisions are made. Range is focused on lowering its exploration risk by applying disciplined capital allocation processes and investing in technologies such as seismic.
Oil and gas reserves	Estimations of recoverable oil and gas reserves and resources contain significant uncertainties attributable to the reservoir geology, seismic data, well data, operating costs, commodity prices etc.	Range has established reserves committee which undertakes annual audits and evaluations of the Company's reserves and resources consistent with the Society of Petroleum Engineers' Petroleum Resource Management System.
Safety and Health	Exploration, development and production of oil and gas involve risks which may impact the health and safety of personnel, the community and the environment. Failure to manage these risks could result in injury or loss of life, damage or destruction of property, and damage to the environment. In addition, impacts may include reputational damage and fines.	Health and safety are a very high priority for Range. The Company is committed to maintaining robust HSE policies, and cultivating an organizational culture committed to superior HSE performance. The Company maintains strict reporting requirements in respect of any incidents, hazards or near misses. Training, procedures and competency are performed throughout the organisation. Appropriate insurances are in place.
HR	Key personnel and positions are required in order to implement the Company's strategy. The risk occurs when the appropriate personnel are difficult to recruit and retain.	The Company identifies the key positions and personnel and ensures that the incentive package offered reflects the key needs of the business.
Access to funding	Range's growth aspirations require the investment of significant capital	The Board reviews and approves the allocation of cash resources via

	to generate returns. The ability to explore for and develop oil and gas reserves is dependent on its ability to generate and otherwise access capital to fund these activities.	the annual budget. The Board also considers longer term cash forecasts to ensure sufficient funds to meet its goals. Range continues to assess long-term funding needs and manage capital efficiently.
Commodity price change	The Company's revenues, profitability, cash flows and rate of growth are significantly impacted by prevailing oil prices. Sustained periods of low oil price may impact the viability of growth projects.	Range does not currently hedge its oil price exposure. Price hedging arrangements would be implemented if deemed appropriate for financial planning and to mitigate commodity price risks.
Exchange rate fluctuations	The Company is exposed to financial market volatility and fluctuation in various foreign exchange rates.	Range does not currently hedge its US Dollar exposure. Given the proportion of development capital expenditure and operating costs incurred in currencies other than the US Dollar, the Company routinely reviews potential hedges and will execute hedges if necessary to mitigate foreign exchange rate risk.
Political, economic, and regulatory risks	A substantial amount of Range's properties and operations are located in Trinidad and Tobago and the Group's results of operations and financial condition are affected by policy, taxation and other political or economic developments in or affecting Trinidad and Tobago. Approvals for Range's projects may be delayed or denied, or costs associated with the projects may impact their economic viability.	Range continuously monitors the political, economic, and regulatory environments in which it operates and actively cooperates with the government of Trinidad and Tobago on strategies that might impact the Company.
Litigation risks	The nature of Range's business means that it is likely to be involved in litigation or regulatory actions arising from a wide range of matters, as well as investigations, inquiries or disputes, debt recoveries, commercial and contractual disputes, environmental claims, occupational health and safety claims etc. Any of these claims or actions could result in delays, increase costs or otherwise adversely impact Range's operations, and adversely impact on financial performance and future financial prospects of the Group.	Range and its legal advisers actively monitor and manage potential and actual claims, actions and disputes.

RESERVES & RESOURCES STATEMENT

For the year ended 30 June 2016

Reserves attributable to Trinidad assets (net to Range)

MMBOE	Developed	Undeveloped	Total
Proved reserves (1P)	0.5	16.8	**17.3**
Proved plus probable reserves (2P)	-	7.1	**24.4**
Proved plus probable plus possible (3P)	-	12.5	**36.9**

Resources attributable to Trinidad assets (net to Range)

MMBOE	Total
Contingent resources (2C)	**3.1**
Prospective resources	**14.8**

Reserves and resources movement

MMBOE	30 June 2015	Revisions and production (FY16)	30 June 2016	%Change
1P reserves	19.4	(2.1)	17.3	(11%)
2P reserves	22.0	2.4	24.4	11%
3P reserves	27.6	9.3	36.9	34%
2C resources	3.2	(0.1)	3.1	(3%)
Prospective resources	91.3	(76.5)	14.8	(84%)

Notes to the statement

1. During the financial period, Range engaged independent petroleum consultants, Rockflow Resources Limited, to prepare an updated reserve report for Range's Trinidad assets for the period ended 30 June 2016.
2. Range estimates and reports its petroleum reserves and resources in accordance with the definitions and guidelines of the SPE Petroleum Resources Management System (SPE-PRMS).
3. The reserve and resource estimates were calculated using probabilistic method.
4. All estimates of petroleum reserves reported by Range are reviewed by a qualified petroleum reserves and resources evaluator.
5. Range reviews and updates its oil and gas reserves position on an annual basis and reports the updated estimates as of 30 June each year. Separately, Range reviews and updates its oil and gas reserves position as frequently as required by the magnitude of the petroleum reserves and changes indicated by new data.
6. Range's Morne Diablo and South Quarry fields are operated under farm-out agreements, with rights to production net of Trinidad government royalties, overriding royalties, and production taxes.
7. Range's Beach Marcelle field is operated under the terms of an Incremental Production Service Contract, entitling Range to a defined portion of the future revenue stream. No oil and gas reserves are owned by Range.
8. The reserve figures (1P, 2P and 3P) include reserves associated with the Company's Morne Diablo, South Quarry and Beach Marcelle licences in Trinidad. The change in reserves from the previously reported figures is due to the adoption of a different calculation approach, using a wider range of in-place volumes, and recovery estimates from waterflooding for the Beach Marcelle licence.
9. The Central block and the deeper sands of the North East block of the Beach Marcelle waterflood project were considered uneconomic at current oil prices and will require further studies. These have been classified as contingent resources.
10. The reported prospective resources relate solely to the Guayaguayare licence.
11. The St Mary's exploration licence was not included in any of the estimates, as further technical studies had not been finalised at the time of the audit.

Qualified Petroleum Reserves and Resources evaluator

This report contains information on petroleum reserves which is based on and fairly represents information and supporting documentation reviewed by Dr Douglas Field. Dr Field is a petroleum and reservoir engineer who is a suitably qualified person with over 30 years' experience in assessing hydrocarbon reserves, and holds a PhD in Organic Chemistry. Dr Field is a member of the SPE (Society of Petroleum Engineers) and the PESGB (Petroleum Exploration Society of Great Britain). Dr Field holds a role of an Engineering Consultant with the Company.

Glossary - SPE Definitions

MMBOE stands for Million Barrels of Oil Equivalent.

Proved Reserves are those quantities of petroleum, which by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be commercially recoverable, from a given date forward, from known reservoirs and under defined economic conditions, operating methods, and government regulations. Probable Reserves are those additional Reserves which analysis of geoscience and engineering data indicate are less likely to be recovered than Proved Reserves but more certain to be recovered than Possible Reserves. 1P refers to Proved Reserves, 2P refers to Proved plus Probable Reserves, 3P refers to Proved, plus Probable, plus Possible Reserves.

Contingent Resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations by application of development projects, but which are not currently considered to be commercially recoverable due to one or more contingencies. Contingent Resources may include, for example, projects for which there are currently no viable markets, or where commercial recovery is dependent on technology under development, or where evaluation of the accumulation is insufficient to clearly assess commerciality. Contingent Resources are further categorized in accordance with the level of certainty associated with the estimates and may be sub-classified based on project maturity and/or characterised by their economic status.

Prospective resources are defined as those quantities of petroleum estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects. Prospective resources have both an associated chance of discovery and a chance of development. Prospective resources are further subdivided in accordance with the level of certainty associated with recoverable estimates assuming their discovery and development and may be sub-classified based on project maturity. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

INFORMATION ON DIRECTORS

Mr Zhiwei Gu	Non-Executive Chairman (appointed 25 May 2016) Non-Executive Director
Qualifications	LL.B, LL.M., MSc
Experience	Mr Gu, is an experienced corporate lawyer, who has worked with numerous companies seeking listing approval on various stock markets including Chinese A share, NASDAQ, TSX and HKSE. He is currently a partner of Dentons, which is one of the largest global law firms. Mr Gu has participated in several Venture Capital and Private Equity investment cases by various funds, such as London Asia Fund, Warburg Pincus, Korea Development Bank, China Venture Investment Co, and China Cinda AMC. During his time with China National Gold Group Corp., Mr Gu was in charge of mineral resource M&A activities. Mr Gu holds a LL.B. from the Jilin University in China; a LL.M. from the Northeast University in China; and a Master of Applied Finance from the Macquarie University in Australia. Mr Gu is a qualified lawyer and securities practitioner in China.
Interest in shares and options	2,083,333 ordinary shares 7,500,000 unlisted options (£0.01, 30 March 2020)
Directorships held in other listed entities during the past three years	None
Mr Yan Liu	Executive Director (resigned 31 January 2016, re-appointed 25 May 2016) Non-Executive Director (appointed 31 January 2016, resigned 25 May 2016)
Qualifications	B.Ec, MCom
Experience	Mr Liu, has over 19 years of accounting and corporate advisory experience in China and Australia. Mr Liu was the Chief Financial Officer with AIM listed China Rerun Chemical Group Limited, a China-based lubricant oil company and a partner of Agile Partners, the financial advisory company based in China. Previously, Mr Liu was the Financial Controller at Legalwise Seminars Pty in Australia and he spent 8 years at Chinatex Corporation where he worked in project management positions. Mr Liu holds a Bachelor degree in Economics from Central University of Finance and Economics, China,

	and a Master degree in Commerce from the University of New South Wales, Australia.
Interest in shares and options	6,333,333 ordinary shares 10,000,000 unlisted options (£0.01, 30 March 2020)
Directorships held in other listed entities during the past three years	None
Mr David Yu Chen	Non-Executive Director (appointed 25 May 2016) Non-Executive Chairman (resigned 25 May 2016)
Qualifications	B.Ec.
Experience	Mr Chen has over 18 years of corporate experience, having served as Chief Executive and Board member for companies listed on US and Hong Kong stock markets. He founded Huashan Capital in 2009 to invest in the resources sector. His investment experience includes the establishment of a US-listed special purpose acquisition fund and venture capital investments in China. Mr Chen is currently the Vice Chairman and President of Hengxing Gold, a Hong Kong Stock Exchange listed gold mining company. Mr Chen has served as a director of several technology companies in China, including Payeco, a leading mobile payment service provider; Cardvalue, a data driven online small business loan provider; and Freshfresh eCommerce, an online fresh produce retailer.
Interest in shares and options	18,288,070 ordinary shares 42,742,654 unlisted options (£0.01, 14 July 2018) 30,000,000 unlisted options (£0.01, 30 March 2020)
Directorships held in other listed entities during the past three years	Hengxing Gold Holding Company Limited *(from March 2013)* Zhonglu Company Limited *(from May 2009 to November 2014)*
Ms Juan Wang	Non-Executive Director
Qualifications	BA, MBA
Experience	Ms Wang is currently a president of Energy Prospecting Technology USA, Inc. and LandOcean Energy Canada Ltd. where she is responsible for overall management work for the subsidiary companies of LandOcean Energy Services Co. Ltd. in Houston and Calgary. Prior to the current position, she was an investment manager at Anterra Energy Inc. responsible for Chinese investor liaisons.

	Prior to joining Anterra, Ms Wang was manager of corporate mergers and acquisitions at LandOcean Energy Services Co. Ltd. Ms Wang has a commercial banking background, having previously worked for Deutsche Bank and Bank of East Asia.
Interest in shares and options	2,083,333 ordinary shares 7,500,000 unlisted options (£0.01, 30 March 2020)
Directorships held in other listed entities during the past three years	Anterra Energy Inc. *(from December 2014 to June 2016)*
Mr Yu Wang	Non-Executive Director (appointed 30 September 2015)
Qualifications	BSc; MSc
Experience	Mr Wang has over five years of corporate experience in finance and investments, focusing on energy and mineral sectors. He is currently a senior investment manager at Shanghai Anjin Investment Co., Ltd., responsible for project investments and management, both domestically and overseas. Previously, he worked as an investment manager at Weihai International Economic & Technical Cooperative Co., Ltd, specialising in project analysis and evaluation of energy and mineral projects in Africa, including oil and gas projects in the Republic of the Congo. Prior to that, Mr Wang was an investment analyst at Beijing Golden Valley Investment Management Co., Ltd. Mr Wang holds an MSc in Economics from the University of Edinburgh, and a BSc in Financial Economics from the University of Dundee.
Interest in shares and options	Nil
Directorships held in other listed entities during the past three years	None
Mr Lubing Liu	Non-Executive Director (appointed 16 June 2016)
Qualifications	BSc
Experience	Mr Lubing Liu, has over 20 years' extensive global experience in petroleum exploration, development, production, joint venture operations and new ventures. He is currently an independent consultant to MEO Australia Limited (an ASX listed company). Prior to that, he held various subsurface leader roles, including Chief Reservoir Engineer with MEO Australia Limited, Vice President of Exploration and Petroleum Technology

	with Sinopec East Puffin Pty Ltd, and other international E&P and energy service companies including ConocoPhillips, CNOOC, Woodside, RPS and Senergy. Mr Liu has an extensive waterflooding experience having worked at the Penglai oilfield in China, the Chinguetti oilfield in Mauritania and Block 95 in Peru. Mr Liu holds a BSc in Petroleum Engineering from the Southwest Petroleum University, China. He is a Member of the Society of Petroleum Engineers.
Interest in shares and options	Nil
Directorships held in other listed entities during the past three years	None

Dr Yi Zeng	Non-Executive Director (appointed 16 June 2016)
Qualifications	BSc; MSc; PhD
Experience	Dr Yi Zeng, has over 30 years of experience in the oil and gas and mining industries. Dr Zeng has held various technical and research positions with global companies, including BHP Billiton and Santos Asia Pacific. Dr Yi Zeng holds a PhD in Geophysics from the Victoria University of Wellington, New Zealand; MSc in Applied Geophysics; and BSc in Geophysical Exploration from the Chengdu University of Technology, China.
Interest in shares and options	Nil
Directorships held in other listed entities during the past three years	None

INFORMATION ON COMPANY SECRETARIES

Mr Nick Beattie	Joint Company Secretary
Qualifications	BA (Hons), FCIBS, AMCT
Experience	Mr Nick Beattie has over twenty years of experience in finance working with a range of international banks. Most recently he was a Managing Director in the BNP Paribas Upstream Oil and Gas team in London where he was responsible for leading the bank relationships with UK focused independent E&P companies. Nick has approximately ten years' experience specifically financing the E&P sector and whilst at BNP Paribas, he structured and led numerous reserve based loans, development financings and other debt facilities. Prior to working with BNP Paribas,

	Nick worked as a Director within the Oil and Gas finance team at Fortis Bank covering Europe, Middle East and Africa and in a variety of roles with National Australia Bank Group. Nick is an Associate Member of the Association of Corporate Treasurers and a Fellow of the Chartered Institute of Bankers in Scotland.
Interest in shares and options	2,916,667 ordinary shares 25,000,000 unlisted options (£0.01, 30 March 2020)
Directorships held in other listed entities during the past three years	None
Ms Sara Kelly	Joint Company Secretary
Qualifications	B.Com, LLB
Experience	Ms Sara Kelly is an experienced Company Secretary and Corporate Lawyer with over 11 years' experience. Sara has comprehensive knowledge of and experience in administering regulatory frameworks and processes in a listed company environment and practised as a corporate lawyer specialising in acquisitions, takeovers, capital raisings and listing of companies on ASX and AIM. Sara has acted as the company secretary of a number of ASX listed companies.
Interest in shares and options	1 ordinary share
Directorships held in other listed entities during the past three years	None
Directorships held in other listed entities during the past three years	None

REMUNERATION REPORT (AUDITED)

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 Group'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 Group, as well as create alignment of goals between directors, executives and shareholders.

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

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

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

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

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

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

The Board policy is to remunerate non-executive directors at market rates for comparable companies taking into consideration time, commitment and level of responsibility. As approved by shareholders in 30 November 2011, the aggregate non-executive remuneration per annum is currently A$350,000 (US$260,555). The Remuneration and Nomination Committee determines payments to the non-executive directors and reviews their remuneration annually. Independent external advice is sought when required. Fees for non-executive directors are not linked to the performance of the Group. The directors are not required to hold any shares in the Company under the Constitution of the Company; however, to align Directors' interests with shareholder interests, the directors are encouraged to hold shares in the Company.

Options may be issued to directors and executives as part of remuneration. Options issued to directors have historically not been based on performance criteria. However, the options issued to the current directors on 27 March 2015 and the Key Management Personnel on 1 September 2015 principally vest upon satisfaction of set company performance criteria detailed in Note 31.

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

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

Remuneration Committee

A Remuneration Committee was established during the year ended 30 June 2015. One meeting was held during the current year to undertake annual review of performance remuneration for senior executives and directors.

Company Performance, Shareholder Wealth and Directors and Executives Remuneration

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

Use of remuneration consultants

During the year ended 30 June 2015, the Group contracted the service of a remuneration consultant, The Curzon partnership, to provide market comparison for executive and non-executive remuneration. The fee for this service was GB£480 (US$755). No such services were contracted in the year ended 30 June 2016.

REMUNERATION REPORT (AUDITED) (continued)

Voting and comments made at the company's 2015 Annual General Meeting

Range Resources Limited received 99% of "yes" votes on its remuneration report for the 2015 financial year. Range notes this was a significant improvement on the previous year and reflects the conservative remuneration practices of the company.

Key Management Personnel

Name	Position Held	Appointment / Resignation Date
Mr Zhiwei Gu	Non-Executive Chairman	*appointed 25 May 2016*
	Non-Executive Director	
Mr Yan Liu	Executive Director	*resigned 31 January 2016* *re-appointed 25 May 2016*
	Non-Executive Director	*appointed 31 January 2016* *resigned 25 May 2016*
Mr David Yu Chen	Non-Executive Director	*appointed 25 May 2016*
	Non-Executive Chairman	*resigned 25 May 2016*
Ms Juan Wang	Non-Executive Director	
Mr Yu Wang	Non-Executive Director	*appointed 30 September 2015*
Mr Lubing Liu	Non-Executive Director	*appointed 16 June 2016*
Dr Yi Zeng	Non-Executive Director	*appointed 16 June 2016*

Officers

Mr Nick Beattie	CFO & Company Secretary	*appointed 23 May 2014 (as CFO) and 30 March 2015 (as Company Secretary)*
Ms Sara Kelly	Company Secretary	*resigned 21 Jul 2014, re-appointed 7 January 2015*

REMUNERATION REPORT (AUDITED) (continued)

Details of Remuneration

The remuneration for the Key Management Personnel of the Group during the year was as follows:

	Short-term benefits			Post-employment benefits	Share-based payments	
2016	**Cash salary and fees**	**One-off payment**	**Termination benefits**	**Super-annuation/ pensions**	**Options**	**Total**
	US$	**US$**	**US$**	**US$**	**US$**	**US$**
Directors & officers						
Mr Gu	53,065	-	-	-	38,317	91,382
Mr Y Liu	113,605	-	-	3,052	50,120	166,777
Mr Chen	141,437	-	-	-	67,058	208,495
Ms Wang	30,000	-	-	-	16,764	46,764
Mr Wang	-	-	-	-	-	-
Mr L Liu	10,375	-	-	-	-	10,375
Dr Zeng	1,042	-	-	-	-	1,042
Mr Beattie	211,943	15,700	-	21,194	62,165	311,002
	561,467	15,700	-	24,246	234,424	835,837

	Short-term benefits			Post-employment benefits	Share-based payments	
2015	**Cash salary and fees**	**Cash bonus**	**Termination benefits**	**Super-annuation/ pensions**	**Options**	**Total**
	US$	**US$**	**US$**	**US$**	**US$**	**US$**
Directors & officers						
Sir Sam Jonah	37,609	-	-	-	-	37,609
Mr Scott Russell	103,137	-	150,253	-	-	253,390
Mr Beattie	228,342	-	-	28,152	-	256,494
Mr Edwards-Jones	37,609	-	-	-	-	37,609
Mr Macliver	5,584	-	-	-	-	5,584
Mr Lyon (i)	50,093	-	-	-	-	50,093
Dr Bukovics	37,889	-	-	-	-	37,889
Mr Riekie (ii)	45,836	-	-	-	-	45,836
Mr Olson	21,265	-	-	-	-	21,265
Mr Chen	88,710	-	-	-	34,186	122,896
Mr Liu	86,418	-	-	-	34,186	120,604
Ms Wang	19,152	-	-	-	8,546	27,698
Mr Gu	16,694	-	-	-	8,546	25,240
	778,338	-	150,253	28,152	85,464	1,042,207

(i) Fees paid to Mr Lyon comprised US$37,299 received in his capacity as a non-executive director and US$12,794 received for additional consulting work.

(ii) Fees paid to Mr Rieke comprised US$31,416 received in his capacity as a non-executive director and US$14,420 received for additional consulting work.

REMUNERATION REPORT (AUDITED) (continued)

Equity instrument disclosures relating to Key Management Personnel

Year ended 30 June 2016

i. Share-based payments

The following options were issued to key management personnel:

Name	Number of options	Grant date
Mr Nick Beattie	25,000,000	1 September 2015
Mr Yan Liu	20,000,000	25 May 2016 (i)
Mr Kerry Gu	22,500,000	25 May 2016 (i)

(i) Options to be granted on gaining shareholder approval

The options expire on 30 March 2020 with an exercise price of £0.01 per share.

The vesting conditions of these options are as follows:

a) 25% became exercisable on 31 March 2016
b) 25% will become exercisable upon the Company reaching production of 1,500 barrels of oil per day for a continuous 15 day period in Trinidad
c) 25% will become exercisable upon the Company reaching production of 2,500 barrels of oil per day for a continuous 15 day period in Trinidad
d) 25% will become exercisable upon the Company reaching production of 4,000 barrels of oil per day for a continuous 15 day period in Trinidad

Mr Nick Beattie options:

The value per option at the grant date was 0.56 cents, determined using the Black Scholes option price model using the following key inputs:

Volatility: 100%
Risk free rate: 1.92%
USD/GBP exchange rate: 0.6509
Probability of meeting vesting conditions: 100%
Exercise price: £0.01
Share price on grant date £0.0057

Mr Kerry Gu and Mr Yan Liu options:

The value per option at the grant date was 0.30 cents, determined using the Black Scholes option price model using the following key inputs:

Volatility: 100%
Risk free rate: 1.92%
USD/GBP exchange rate: 0.7468
Probability of meeting vesting conditions: 100%
Exercise price: £0.01
Share price on grant date £0.0037

REMUNERATION REPORT (AUDITED) (continued)

Year ended 30 June 2015

On 27 March 2015, the following options were issued to key management personnel:

Name	Number of options
Mr Yan Liu	30,000,000
Mr David Chen	30,000,000
Mr Zhiwei Gu	7,500,000
Ms Juan Wang	7,500,000

All options expire on 30 March 2020 with an exercise price of £0.01 per share.

The vesting conditions of these options are as follows:

a) 25% will become exercisable on the date that is one year from the issue date
b) 25% will become exercisable upon the Company reaching production of 1,500 barrels of oil per day for a continuous 15 day period in Trinidad
c) 25% will become exercisable upon the Company reaching production of 2,500 barrels of oil per day for a continuous 15 day period in Trinidad
d) 25% will become exercisable upon the Company reaching production of 4,000 barrels of oil per day for a continuous 15 day period in Trinidad

The value per option at the grant date was 0.51 cents, determined using the Black Scholes option price model using the following key inputs:

Volatility: 100%
Risk free rate: 1.92%
USD/GBP exchange rate: 0.7752

Grant date: 27 March 2015
Exercise price: £0.01
Share price on grant date £0.054

ii. Shares provided on exercise of remuneration options

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

iii. Fully paid share holdings

The numbers of shares in the company held during the financial year or at time of resignation by Key Management Personnel of the Company, including their personally related parties, are set out below.

2016	**Balance at the start of the year**	**Granted as compensation**	**Other changes**	**Balance at the end of the year**	**Balance held indirectly**
Mr Gu	-	-	2,083,333	2,083,333	-
Mr Chen	10,288,070	-	8,000,000	18,288,070	-
Mr Y Liu	-	-	6,333,333	6,333,333	-
Ms Wang	-	-	2,083,333	2,083,333	-
Mr Wang	-	-	-	-	-
Mr L Liu	-	-	-	-	-
Dr Zeng	-	-	-	-	-
Mr Beattie	-	-	2,916,667	2,916,667	-
Total	**10,288,070**	**-**	**21,416,666**	**31,704,736**	**-**

iv. Options held by key management personnel

The numbers of options in the company held during the financial year or at time of resignation by Key Management Personnel of the Company, including their personally related parties, are set out below:

2016	**Balance at the start of the year**	**Granted as compensation**	**Other changes**	**Balance at the end of the year**	**Vested and exercisable**
Mr Gu (ii)	7,500,000	22,500,000	-	30,000,000	7,500,000
Mr Y Liu (i)(ii)	30,000,000	20,000,000	(20,000,000)	30,000,000	7,500,000
Mr Chen	72,742,654	-	-	72,742,654	50,242,654
Ms Wang	7,500,000	-	-	7,500,000	1,875,000
Mr Wang	-	-	-	-	-
Mr L Liu	-	-	-	-	-
Dr Zeng	-	-	-	-	-
Mr Beattie	-	25,000,000	-	25,000,000	6,250,000
Mr L Liu	-	-	-	-	-
Mr Zeng	-	-	-	-	-
Total	**117,742,654**	**67,500,000**	**(20,000,000)**	**165,242,654**	**73,367,654**

(i) During the year 20,000,000 options were cancelled following Yan Liu's change in position from executive to non-executive director. An amount of US$22,791 was reversed in the current year.

(ii) Options to be granted on gaining shareholder approval

Loans to Key Management Personnel

There were no loans made to directors of Range Resources Limited and other Key Management Personnel of the Group, including their personally related parties during the 2015 or 2016 financial years.

Transactions with Key Management Personnel

The following transactions occurred during the year with Key Management Personnel or their related parties:

Balances at year end due to Key and Former Key Management Personnel

	US$
David Chen and related entities	12,267
Lubing Liu and related entities	10,375
Dr Zeng	1,042
Kiki Wang and related entities	2,500
Kerry Gu and related entities	20,833
Sir Sam Jonah (i)	152,943
Soncer Limited (i)	1,519

(i) These were related parties throughout the prior financial year until 28 November 2014.

Employment contracts of Directors and other Key Management Personnel

On appointment, Executive Directors and Other Key Management Personnel enter into an employment contract with the Company (or another company within the Group). This contract sets out their duties, remuneration and other terms of employment. These contracts may be terminated by either the Company or the employee as detailed below.

All non-executive directors are eligible to receive consulting fees for services provided to the Company over and above the services expected from a non-executive director.

Mr Zhiwei Gu as Non-Executive Chairman *(appointed as Non-Executive Chairman on 25 May 2016)*

Non-Executive Chairman contract

Contract start date –25 May 2016
Total compensation including executive services - US$250,000 per annum
Superannuation – no superannuation entitlement
Notice period – 3 months
Termination benefits – payment in lieu of notice at Company option for termination without cause

Non-executive Director contract

Contract start date –19 January 2015
Base payment - US$30,000 per annum
Superannuation – no superannuation entitlement
Termination benefits – none

Mr Yan Liu as Chief Executive Officer and Executive Director *(resigned as CEO and Executive Director on 31 January 2016, re-appointed as CEO and Executive Director on 25 May 2016)*

Contract start date –25 May 2016
Base payment - AU$215,000 per annum
Superannuation – 10% of base salary
Notice period – 3 months
Termination benefits – payment in lieu of notice at Company option for termination without cause

Non-Executive Director contract

Contract start date –31 January 2016
Base payment - US$30,000 per annum
Superannuation – no superannuation entitlement
Notice period – none
Termination benefits – none

Prior Executive Director contract

Contract start date –11 December 2014
Base payment - US$155,000 per annum
Superannuation – no superannuation entitlement
Notice period – 3 months
Termination benefits – payment in lieu of notice at Company option for termination without cause

Mr David Chen as Non-Executive Director *(resigned as Non-Executive chairman on 25 May 2016)*

Non-Executive Director contract

Contract start date –25 May 2016
Base payment - US$30,000 per annum
Superannuation – no superannuation entitlement
Notice period – none
Termination benefits – none

Non- Executive Chairman contract

Contract start date –11 December 2014
Total compensation including executive services - US$155,000 per annum
Superannuation – no superannuation entitlement
Notice period – 3 months
Termination benefits – payment in lieu of notice at Company option for termination without cause

Ms Juan Wang as Non-Executive Director
Contract start date –19 January 2015
Base payment - US$30,000 per annum
Superannuation – no superannuation entitlement
Termination benefits – none

Mr Yu Wang as Non-Executive Director *(appointed 30 September 2015)*

No remuneration received

Mr Lubing Liu as Non-Executive Director *(appointed 16 June 2016)*
Contract start date –16 June 2016
Base payment - US$25,000 per annum
Superannuation – no superannuation entitlement
Termination benefits – none
Consulting services – Mr Liu may provide additional consulting services over and above services rendered to the Company as a Non-Executive Director from time to time as required at a rate of between US$600 and $1,200 per day.

Dr Yi Zeng as Non-Executive Director *(appointed 16 June 2016)*
Contract start date –16 June 2016
Base payment - US$25,000 per annum
Superannuation – no superannuation entitlement
Termination benefits – none

Mr Nick Beattie as Chief Financial Officer
Contract start date – 23 May 2014
Base payment - GB£135,000 per annum, reviewed annually
Pension – 10% of base
Bonus – Eligible to receive bonus at the discretion of the board
Notice period – 3-6 months
Termination benefits – 6 months' salary

End of Audited Remuneration Report

MEETINGS OF DIRECTORS

During the financial year 5 meetings of the board of directors were held. Attendances by each director during the year were as follows:

	Board meetings	
Director	**Eligible to attend**	**Attended**
Zhiwei Gu	5	5
Yan Liu	5	5
David Chen	5	5
Juan Wang	5	4
Yu Wang (appointed 30 September 2015)	4	4
Lubing Liu (appointed 16 June 2016)	-	-
Yi Zeng (appointed 16 June 2016)	-	-

INDEMNIFYING OFFICERS OR AUDITOR

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

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

PROCEEDINGS ON BEHALF OF THE COMPANY

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

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

OPTIONS

As at 30 June 2016, the unissued ordinary shares of Range Resources Limited under option are as follows:

Date of expiry	Exercise price	Number under option
11 July 2016	£0.037	5,000,000
25 July 2016	£0.021	476,190
29 July 2016	£0.021	952,381
31 August 2016	£0.021	6,714,284
31 August 2016	£0.020	9,000,000
30 September 2016	£0.019	3,947,368
30 September 2016	£0.018	8,666,670
31 October 2016	£0.018	694,445
31 October 2016	£0.017	2,205,885
31 October 2016	£0.016	1,250,000
31 October 2016	£0.015	17,333,336
30 November 2016	£0.015	3,000,001
30 November 2016	£0.013	5,153,846
11 December 2016	A$0.0321	2,000,000
31 December 2016	£0.012	2,000,000
31 December 2016	£0.011	5,000,000
31 January 2017	£0.075	5,180,000
31 January 2017	£0.011	23,636,364
9 September 2017	£0.03	7,500,000
15 October 2017	£0.01203	31,000,000
31 January 2018	A$0.05	1,000,000
14 July 2018	£0.01	161,472,247
14 July 2018	£0.02	118,729,593
31 August 2018	£0.01	14,000,000
3 September 2019	£0.01	194,585,862
3 September 2019	£0.02	172,557,274
30 March 2020	£0.01	80,000,000
Total		**883,055,746**

During the year ended 30 June 2016 no ordinary shares of Range Resources Limited were issued on the exercise of options (2015: 49,051,468).

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

NON-AUDIT SERVICES

The total value of non-audit services provided by a related practice of BDO Audit (WA) Pty Ltd in respect to the Company's tax compliance is US$34,149 (2015: US$72,570).

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

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

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration, as required under Section 307C of the *Corporations Act 2001*, for the year ended 30 June 2016 has been received and can be found on the following page.

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

Zhiwei Gu
Chairman
30 September 2016

Tel: +61 8 6382 4600
Fax: +61 8 6382 4601
www.bdo.com.au

38 Station Street
Subiaco, WA 6008
PO Box 700 West Perth WA 6872
Australia

DECLARATION OF INDEPENDENCE BY JARRAD PRUE TO THE DIRECTORS OF RANGE RESOURCES LIMITED

As lead auditor of Range Resources Limited for the year ended 30 June 2016, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of 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.

J Prue

Jarrad Prue

Director

BDO Audit (WA) Pty Ltd

Perth, 30 September 2016

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2016

	Note	Consolidated 2016 US$	2015 US$
Revenue from continuing operations	**3**	**7,062,226**	**13,152,954**
Operating expenses		(7,266,830)	(6,440,734)
Royalties		(2,104,894)	(4,654,241)
Depreciation, depletion and amortisation		(5,490,676)	(4,917,053)
Cost of sales	**4a**	(14,862,400)	(16,012,028)
Gross loss		**(7,800,174)**	**(2,859,074)**
Other income and expenses from continuing operations			
Other income	**3**	51,193	428,588
Finance costs	**4b**	(934,321)	(4,347,575)
General and administration expenses	**4b**	(3,400,038)	(9,948,494)
Assets written-off	**4c**	(1,000,761)	(692,929)
Exploration expenditure and land fees	**4d**	(4,261,435)	(2,202,748)
Impairment of non-current assets	**16,19**	(20,564,829)	-
Loss on disposal of subsidiary	**4e**	-	(1,491,857)
Loss before income tax expense from continuing operations		**(37,910,365)**	**(21,114,089)**
Income tax expense	**6**	(1,084,520)	(1,467,806)
Loss after income tax from continuing operations		**(38,994,885)**	**(22,581,895)**
Loss from discontinued operations, net of tax	**5a**	(4,880,000)	(7,697,159)
Loss for the year attributable to equity holders of Range Resources Limited		**(43,874,885)**	**(30,279,054)**
Other comprehensive income			
Items that may be reclassified to profit or loss			
Exchange differences on translation of foreign operations	**26c**	160,799	455,307
Other comprehensive income for the year, net of tax		**160,799**	**455,307**
Total comprehensive loss attributable to equity holders of Range Resources Limited		**(43,714,086)**	**(29,823,747)**
Loss per share from continuing operations attributable to the ordinary equity holders of the Company:			
Basic loss per share (cents per share)	**8a**	(0.54)	(0.44)
Diluted loss per share (cents per share)	**8b**	n/a	n/a
Loss per share attributable to the ordinary equity holders of the Company:			
Basic loss per share (cents per share)	**8a**	(0.60)	(0.59)
Diluted loss per share (cents per share)	**8b**	n/a	n/a

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2016

	Note	Consolidated 2016 US$	Consolidated 2015 US$
Assets			
Current assets			
Cash and cash equivalents	**9**	13,001,252	10,530,104
Restricted deposits	**10**	8,000,000	-
Trade and other receivables	**11**	4,620,266	5,148,978
Other current assets	**12**	178,158	783,385
		25,799,676	16,462,467
Assets classified as held for sale	**13**	1,250,000	6,000,000
Total current assets		**27,049,676**	**22,462,467**
Non-current assets			
Deferred tax asset	**6**	3,959,803	286,693
Available for sale financial assets	**14**	45,238	446,000
Goodwill	**16**	28,985,014	46,198,974
Property, plant and equipment	**17**	2,329,228	1,502,442
Exploration & evaluation expenditure	**18**	645,801	668,951
Producing assets	**19**	95,077,882	90,350,492
Total non-current assets		**131,042,966**	**139,453,552**
Total assets		**158,092,642**	**161,916,019**
Current liabilities			
Trade and other payables	**20**	12,244,873	13,654,195
Current tax liabilities		286,723	296,894
Borrowings	**21a**	-	7,518,077
Option liability	**21b**	835,714	808,083
Provisions	**22**	740,268	734,858
Total current liabilities		**14,107,578**	**23,012,107**
Non-current liabilities			
Trade and other payables	**20**	23,764,005	-
Deferred tax liabilities	**23**	47,561,612	43,359,199
Employee service benefits	**24**	422,315	521,257
Total non-current liabilities		**71,747,932**	**43,880,456**
Total liabilities		**85,855,510**	**66,892,563**
Net assets		**72,237,132**	**95,023,456**
Equity			
Contributed equity	**25**	383,882,192	363,205,277
Reserves	**26**	24,227,125	29,748,880
Accumulated losses		(335,872,185)	(297,930,701)
Total equity		**72,237,132**	**95,023,456**

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2016

Consolidated	**Note**	**Contributed equity US$**	**Accumulated losses US$**	**Foreign currency translation reserve US$**	**Share-based payment reserve US$**	**Option premium reserve US$**	**Total equity US$**
Balance at 1 July 2014		352,599,569	(271,166,312)	3,004,632	14,226,861	10,630,513	109,295,263
Other comprehensive income		-	-	455,307	-	-	455,307
Loss attributable to members of the company		-	(30,279,054)	-	-	-	(30,279,054)
Total comprehensive loss for the year		-	(30,279,054)	455,307	-	-	(29,823,747)
Transactions with owners in their capacity as owners:							
Issue of share capital	**25**	11,044,172	-	-	-	-	11,044,172
Exercise of options	**26**	923,880	-	-	-	1,426,850	2,350,730
Cancellation of partly paid shares	**26**	(1,362,344)	1,362,344	-	-	-	-
Expired options - Reclassified		-	2,152,321	-	(2,152,321)	-	-
Cost of share-based payments		-	-	-	2,157,038	-	2,157,038
Balance at 30 June 2015		363,205,277	(297,930,701)	3,459,939	14,231,578	12,057,363	95,023,456
		US$	**US$**	**US$**	**US$**	**US$**	**US$**
Balance at 1 July 2015		363,205,277	(297,930,701)	3,459,939	14,231,578	12,057,363	95,023,456
Other comprehensive income		-		160,799	-	-	160,799
Loss attributable to members of the company		-	(43,874,885)	-	-	-	(43,874,885)
Total comprehensive loss for the year		-	(43,874,885)	160,799	-	-	(43,714,086)
Transactions with owners in their capacity as owners:							
Issue of share capital	**25**	20,676,915	-	-	-	-	20,676,915
Expired options - Reclassified		-	5,933,401	-	(5,933,401)	-	-
Cost of share-based payments		-			250,847	-	250,847
Balance at 30 June 2016		383,882,192	(335,872,185)	3,620,738	8,549,024	12,057,363	72,237,132

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

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR YEAR ENDED
30 JUNE 2016

	Note	Consolidated 2016 US$	Consolidated 2015 US$
Cash flows from operating activities			
Receipts from customers		7,171,488	13,313,284
Payments to suppliers and employees		(10,790,650)	(19,472,258)
Payments for exploration and evaluation expenditure		-	(392,219)
Income taxes paid		(32,940)	(208,536)
Interest received		45,210	3,390
Interest & other finance costs		(449,143)	(198,925)
Payments relating to held for sale asset		(130,000)	-
Net cash outflow from operating activities	**30**	(4,186,035)	(6,955,264)
Cash flows from investing activities			
Payment for property, plant & equipment		(140,474)	(1,576,298)
Proceeds from sale of available for sale financial assets		-	450,643
Payment for producing assets		(260,888)	(3,992,670)
Payments for exploration and evaluation assets		-	(145,346)
Proceeds from disposal of property, plant and equipment		11,799	-
Proceeds from sale of assets held-for-sale		-	5,202,379
Transfer to restricted deposit		(8,000,000)	-
Receipts from loan repayments/(Loans to external parties)		-	500,000
Net cash (outflow)/inflow from investing activities		(8,389,563)	438,708
Cash flows from financing activities			
Proceeds from issue of equity (net of capital raising costs)		22,338,344	8,890,800
Proceeds from borrowings		-	5,250,000
Repayment of borrowings		(7,225,997)	-
Net cash inflow from financing activities		15,112,347	14,140,800
Net increase in cash and cash equivalents		2,536,749	7,624,244
Net foreign exchange differences		(65,601)	(71,550)
Cash and cash equivalents at beginning of financial year		10,530,104	2,977,410
Cash and cash equivalents at end of financial year	**9**	13,001,252	10,530,104

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

Note 1: Significant accounting policies

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

The financial statements cover the Group consisting of Range Resources Limited and its controlled entities. Financial information for Range Resources Limited as an individual entity is disclosed in Note 33. Range Resources Limited is a listed public company, incorporated and domiciled in Australia.

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

Basis of preparation

Reporting basis and conventions

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

Compliance with IFRS

The financial statements of Range Resources Limited also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). The financial statements were approved by the Board of Directors on 29 September 2015.

Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "Functional Currency"). The consolidated financial statements are presented in United States Dollars (USD), which is Range Resources Limited's functional and presentation currency.

Going concern

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

As disclosed in the financial statements, the Group incurred losses of US$43.9m for the year ending 30 June 2016 which includes significant non-cash items of U$32.0m. The Group also had net cash outflows from operating activities for the year totalling US$4.2m. Range considers that with anticipated production growth from its waterflood programme, this cash outflow will be eliminated in the 2017 financial year.

At the reporting date, Range had US$13.0m of unrestricted cash at bank. Range has net current liabilities (excluding cash, restricted deposits, option liability and provisions) of US$6.5m. This cash, net revenue from production, and extended credit terms of 720 days provided by LandOcean for all oil field work undertaken in Trinidad is more than sufficient to cover the Group's cash requirements for the 12 months from date of sign off including any net current liabilities due.

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

Adoption of new and revised accounting standards

In the year ended 30 June 2016, the directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Company and effective for the current annual reporting period.

As a result of this review, the directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Company and, therefore, no material change is necessary to Group accounting policies.

(a) Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Range Resources Limited ("Parent Entity" or "Company") as at 30 June 2016 and the results of all subsidiaries for the year then ended. Range Resources Limited and its subsidiaries together are referred to as the "Group".

Subsidiaries are all those entities (including special purpose entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its investment with the entity and has the ability to affect those returns through its power to direct the activities of the entity.

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

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

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

(b) Income tax

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

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

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

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

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

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

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

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

(c) Property, plant and equipment

Owned assets

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

The cost of fixed assets constructed within the Group 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 profit or loss during the financial period in which they are incurred.

Oil and gas assets

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

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

Depreciation

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Ongoing exploration costs incurred in respect of the Group's Trinidadian and Colombian interests are expensed as incurred. Initial acquisition costs to obtain the right to explore are capitalised.

(e) Producing assets

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

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

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

The carrying amount of producing assets is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount of an asset is the greater of its fair value less costs to sell and its value in use. In assessing value in use, an asset's estimated future cash flows are discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where an asset does not generate cash flows that are largely independent from other assets or groups of assets, the recoverable amount is determined for the cash generating unit to which the asset belongs. For producing assets, the estimated future cash flows for the value-in-use calculation are based on estimates, the most significant of which are 2P hydrocarbon reserves, future production profiles, commodity prices, operating costs and any future development costs necessary to produce the reserves. Under a fair value less costs to sell calculation, future cash flows are based on estimates of 2P hydrocarbon reserves. Estimates of future commodity prices are based on the Group's best estimate of future market prices with reference to external market analysts' forecasts, current spot prices and forward curves. Future commodity prices are reviewed at least annually.

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

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

The Group records the present value of the estimated cost of legal and constructive obligations to restore operating locations in the period in which the obligation arises. The nature of restoration activities includes the removal of facilities, abandonment of wells and restoration of affected areas. A restoration provision is recognised and updated at different stages of the development and construction of a facility and then reviewed on an annual basis. When the liability is initially recorded, the estimated cost is capitalised by increasing the carrying amount of the related exploration and evaluation/development assets.

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

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

(f) Financial instruments

The Group's financial instruments include cash and cash equivalents, trade and other receivables and available-for-sale financial assets.

Recognition

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

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

Loans and receivables

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

Available-for-sale financial assets

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

Fair value

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

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

Impairment of assets

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

Recognition and de-recognition

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

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

(g) Foreign currency transactions and balances

Functional and presentation currency

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

Transaction and balances

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

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

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

(h) Provisions

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

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

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

(i) Cash and cash equivalents

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

(j) Trade receivables

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

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

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

(k) Revenue recognition

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

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

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

(l) Goods and Services Tax (GST)

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

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

(m) Comparative figures

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

(n) Fair value estimation

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

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

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

(o) Investments in associates

Investments in associates are accounted for using the equity method of accounting in the consolidated financial statements.

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

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

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

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

(p) Prepayments for investments

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

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

(q) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition unless alternative terms are agreed. The Group's most material balance is with LandOcean which has credit payment terms of 720 days.

(r) Dividends

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

(s) Contributed equity

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

(t) Earnings per share

Basic earnings per share

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

Diluted earnings per share

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

(u) Segment reporting

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

(v) Impairment of assets

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

(w) Intangible assets (goodwill)

Goodwill is measured at cost less any impairment write downs. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose, identified according to operating segments (note 29).

(x) Share-based payments

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

(y) Employee benefits

Wages and salaries and annual leave

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

Long service benefit

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

(z) Leases

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

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

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

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

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

(aa) Borrowings

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

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

(bb) Compound financial instruments

Compound financial instruments issued by the Group comprise convertible notes that can be converted to ordinary shares at the option of the holder, when the number of shares to be issued is fixed.

The liability component of a compound financial instrument is recognised initially at the fair value of a similar liability that does not have an equity conversion option. The equity component is recognised initially at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not remeasured subsequent to initial recognition.

Interest related to the financial liability is recognised in profit or loss. On conversion the financial liability is reclassified to equity and no gain or loss is recognised.

Convertible notes that can be converted to share capital at the option of the holder and where the number of shares is variable, contains an embedded derivative liability. The embedded derivative liability is calculated (at fair value) first and the residual value is assigned to the debt host contract. The embedded derivative is subsequently measured at fair values and movements are reflected in the profit and loss.

Certain convertible notes issued by the Group which include embedded derivatives (option to convert to variable number of shares in the Group are recognised as financial liabilities at fair value through profit or loss. On initial recognition, the fair value of the convertible note will equate to the proceeds received and subsequently the liability is measured at fair value at each reporting period until settlement. The fair value movements are recognised on the profit or loss as finance costs.

(cc) Finance costs

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

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

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

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

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

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

(ee) Discontinued operations

A discontinued operation is a component of the Group’s business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which:

- represents a separate major line of business or geographical area of operations
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographical are of operations
- is a subsidiary acquired exclusively with a view to re-sale.

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held-for-sale.

When an operation is classified as a discontinued operation, the comparative consolidated statement of profit or loss and other comprehensive income is re-presented as if the operation had been discontinued from the start of the comparative year.

Note 2: Critical accounting estimates and judgements

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

Producing asset expenditure

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

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

Reserves and resources

Estimates of reserves requires judgement to assess the size and quality of reservoirs and their anticipated recoveries. Estimates of reserves are used to calculate depreciation, depletion and amortisation charges.

Impairment of goodwill and producing assets

The Group tests annually whether goodwill or the producing assets has suffered any impairment in accordance with the accounting policies stated in notes 1(e) and 1(w). The recoverable amount of the cash-generating unit to which the assets belong is estimated based on the present value of future cash flows. The expected future cash flow estimation is always based on a number of factors, variables and assumptions, the most important of which are estimates of reserves, future production profiles, commodity prices and costs. In most cases, the present value of future cash flows is most sensitive to estimates of future oil price and discount rates. A change in the modelled assumptions in isolation could materially change the recoverable amount. Refer to note 16 for details of these key assumptions.

Deferred tax liability

Upon acquisition of SOCA Petroleum Ltd, in accordance with the requirement of AASB 112 Income Taxes, a deferred tax liability of US$46,979,878 was recognised in relation to the difference between the carrying amount for accounting purposes of deferred development assets and their actual cost base for tax purposes. The carrying value of this deferred tax liability has increased to US$47,344,960 at 30 June 2016. In the event that the manner by which the carrying value of these assets is recovered differs from that which is assumed for the purpose of this estimation, the associated tax charges may be significantly less than this amount.

Assets held-for-sale

As part of the Company's strategy to rationalise non-core assets, the Company committed to a plan to dispose its shares in Strait Oil & Gas Limited ("Strait"). The company is in advanced discussions and negotiations surrounding the sale of this asset which is currently anticipated to complete in the 2017 financial year. Given current market conditions around exploration assets, the Company anticipates that part of any consideration will be deferred or contingent. The asset is therefore recognised at fair value being the expected recoverable value on sale in relation to non-contingent or deferred aspects of that sale. No value is assigned to the contingent or deferred aspect.

An impairment loss in respect of assets held-for-sale is generally measured at the lower of their carrying amount and fair value less costs to sell. Impairment losses on initial classification as held-for-sale and subsequent gains and losses on re-measurement are recognised in profit or loss.

Share based payments transactions

The Group measures the cost of equity-settled share-based payment transactions with employees by reference to the fair value of the equity instruments at the grant date. The fair value is determined using a Black-Scholes model. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact expenses and equity.

Classification of operations to discontinued

The assets classified as discontinued operations represent separate major lines of business and geographical areas of operations.

Note 3: Revenue

	Consolidated	
	2016	**2015**
	US$	**US$**
From continuing operations		
Revenue from sale of oil	7,062,226	13,152,954
Other income		
Interest income	45,210	3,390
Other income	5,983	425,198
	51,193	428,588

Note 4: Expenses

		Consolidated	
		2016	**2015**
		US$	**US$**
	Loss before income tax includes the following specific expenses:		
(a)	**Cost of sales**		
	Costs of production	4,944,478	3,125,464
	Royalties	2,104,894	4,654,241
	Staff costs	2,322,352	3,315,271
	Oil and gas properties depreciation, depletion and amortisation	5,490,676	4,917,052
	Total cost of sales	14,862.400	16,012,028
(b)	**Finance costs**		
	Interest and premium paid on financial liabilities at fair value	370,983	2,550,028
	Fair value movement of option liability	(1,643,570)	(127,883)
	Facility fees settled in shares	-	1,575,637
	Foreign exchange loss	1,507,714	-
	Interest expense	667,839	349,793
	Other finance expenses	31,355	-
	Total finance costs	934,321	4,347,575
	General and administration expenses		
	Equity based payments	-	2,157,037
	Directors' and officers' fees and benefits	601,413	999,571
	Share based payments – employee, director and consultant options	250,849	580,455
	Other expenses	2,547,776	6,211,431
	Total general and administration expenses	3,400,038	9,948,494
(c)	**Asset values written-down**		
	Impairment of current receivables	600,000	17,937
	Impairment of non-current receivables	-	20,992
	Impairment of investment in available for sale financial assets	400,761	654,000
	Total assets written-down	1,000,761	692,929

During the current year the Group chose to fully write down a current receivable due to uncertainty over its recoverability. In addition to this, the Group also fully wrote down its investment in International Petroleum by US$346,000 due to the continued suspension of trading of its shares and inability to therefore calculate an appropriate carrying value. A further available for sale asset was also written down by US$54,761, being Range's estimate of its recoverable value at the balance sheet date.

(d)	**Exploration Expenditure**		
	Puntland	1,812	314,982
	Trinidad (i)	4,123,048	1,810,529
	Colombia	136,575	77,237
	Total exploration expenses	4,261,435	2,202,748

(i) Amounts expensed in the year in Trinidad relate to land fees in relation to Guayaguayare and St Mary's for which the company policy is to expense.

Note 4: Expenses (continued)

(e) Loss on disposal of subsidiary

Range Resources Drilling Limited	-	1,491,857
Total loss on disposal	-	1,491,857

Details of loss on sale of subsidiaries

Consideration received	-	4,870,000
Carrying amount of net assets sold	-	6,319,358
Loss on sale	**-**	**(1,449,358)**
Reclassification of FX reserve	-	(42,499)
Income tax expense on gain	-	-
Total loss on sale	**-**	**(1,491,857)**

Note 5: Discontinued operations

In 2013, the Company indicated that it was in the process of disposing of the Company's North Chapman Ranch and East Texas Cotton Valley assets hence the transfer from producing assets to assets classified as held-for-sale in that accounting period. As announced on 23 December 2014 a sale of Range's 100% equity interest in Range Australia (US) Ltd (holder of Texas assets) was agreed with Citation Resources Limited. It completed on 24 March 2015.

The Company is committed to a plan to dispose of its 45% interest in the unlisted company Strait Oil & Gas Limited (Strait).

	2016 US$	**2015 US$**
(a) Results of discontinued operations		
Revenue	-	238,194
Cost of sales	-	(104,799)
Asset write off	(4,750,000)	(6,779,476)
Other expenses	(130,000)	(949,169)
Results from operating activities	**(4,880,000)**	**(7,595,250)**
Income tax (expense)/benefit	-	-
Results from operating activities, after tax	**(4,880,000)**	**(7,595,250)**
Loss on sale of subsidiary asset	-	(101,909)
Loss from discontinued operations	**(4,880,000)**	**(7,697,159)**

The loss from the discontinued operations of US$4,880,000 (2015: US$7,697,159) is attributable entirely to the owners of the Company.

(b) Cash flows gained from/(used in) discontinued operations		
Net cash used in operating activities	(130,000)	(801,003)
Net cash flow for the year	**(130,000)**	**(801,003)**

Note 6: Income tax expense

		Consolidated	
		2016 **US$**	**2015** **US$**
(a)	**Income tax expense**		
	Current tax	-	624,618
	Deferred tax	1,070,852	843,188
	Adjustments for current tax of prior periods	13,668	-
		1,084,520	1,467,806
	Income tax expense/(benefit) is attributable to:		
	Profit/(loss) from continuing operations	1,084,520	1,467,806
	Profit/(loss) from discontinued operations	-	-
	Aggregate income tax expense	1,084,520	1,467,806
(b)	**The prime facie tax on profit from ordinary activities before income tax is reconciled to the income tax as follows**:		
	Loss from continuing operations before income tax	(37,910,365)	(21,114,089)
	Loss from discontinuing operations before income tax	(4,880,000)	(7,697,159)
		(42,790,365)	(28,811,248)
	Prime facie tax payable on profit from ordinary activities before income tax at 30% (2015: 30%)		
	Group	(12,837,110)	(8,643,374)
		(12,837,110)	(8,643,374)
	Add tax effect of:		
	Other taxes	13,668	477,852
	Expenses not deductible for tax	18,518,390	7,752,706
	Income not assessable for tax	(6,010,578)	(3,757,145)
	Tax losses not brought to account	10,650,658	1,938,572
	Benefit of tax losses not previously recognised	-	3,608,262
	Deferred tax assets not brought to account	(242,740)	2,315,848
	Differences in tax rates	(9,007,770)	(2,224,915)
		1,084,520	1,467,806
	Unrecognised Deferred tax asset		
	Capital losses	985,528	1,084,219
	Revenue losses	9,462,107	10,033,815
	Other	4,942,534	3,265,732
		15,390,169	14,383,766

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

Note 6: Income tax expense (continued)

		Consolidated 2016 US$	Consolidated 2015 US$
(c)	**Recognised deferred tax assets**		
	Temporary differences	3,959,803	286,693
		3,959,803	286,693
	Recognised deferred tax liabilities		
	Accelerated depreciation	(17,515,407)	(11,039,440)
	DTL arising on business combination	(30,046,205)	(32,319,759)
	Net deferred tax liabilities	(47,561,612)	(43,359,199)

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

Note 7: Auditors' remuneration

	Consolidated 2016 US$	Consolidated 2015 US$
Remuneration of the auditor of the Parent Entity for:		
Auditing or reviewing the financial report by BDO Audit (WA) Pty Ltd	84,726	216,866
Non-audit services provided by a related entity of BDO Audit (WA) Pty Ltd in respect to Parent Entity's tax compliance.	34,149	72,570
Total remuneration for the Parent Entity	118,875	289,436
Remuneration of the auditors of the subsidiaries:		
Auditing or reviewing the financial report by BDO UK	3,707	3,933
Auditing or reviewing the financial report by BDO Barbados	17,743	13,030
Auditing or reviewing the financial report by BDO Trinidad	25,188	40,530
Total remuneration for the subsidiaries	46,638	57,493

Note 8: Earnings per share

		Consolidated 2016 US cents	Consolidated 2015 US cents
(a)	**Basic loss per share**		
	(Loss) per share from continuing operations attributable to the ordinary equity holders of the company	(0.54)	(0.44)
	(Loss) per share attributable to the ordinary equity holders of the company	(0.60)	(0.59)
(b)	**Diluted loss per share**		
	(Loss) per share from continuing operations attributable to the ordinary equity holders of the company	n/a	n/a
	(Loss) per share attributable to the ordinary equity holders of the company	n/a	n/a
(c)	**Reconciliation of loss used in calculating earnings per share**		
	Basic/ Diluted loss per share		
	Loss from continuing operations attributable to the ordinary equity holders of the company	(38,994,885)	(22,581,895)
	Loss attributable to the ordinary equity holders of the company	(43,874,885)	(30,279,054)

		2016 No.	2015 No.
(d)	**Weighted average number of shares used as the denominator**		
	Weighted average number of ordinary shares used as the denominator in calculating basic EPS	7,266,100,594	5,095,406,444

Effect of dilutive securities

Options on issue at reporting date could potentially dilute earnings per share in the future. The effect in the current year is to reduce the loss per share hence they are considered anti-dilutive. Accordingly the diluted loss per share has not been disclosed.

Note 9: Cash and cash equivalents

	Consolidated 2016 US$	Consolidated 2015 US$
Cash at bank and on hand	13,001,252	10,530,104

Risk exposure

Information about the Group’s exposure to credit risk, foreign exchange risk and price risk is provided in Note 34.

Note 10: Restricted cash

	Consolidated 2016 US$	Consolidated 2015 US$
Cash held in secured account	8,000,000	-
Total	**8,000,000**	**-**

Restricted cash is held in a deposit account that is secured against a bank guarantee given in respect of the Group's work commitments on the St Mary's block in Trinidad. The funds are freely transferrable but alternative collateral acceptable to the bank, would need to be put in place to replace the cash security.

Note 11: Trade and Other Receivables

	Consolidated 2016 US$	Consolidated 2015 US$
Current		
Trade receivables (i)	375,348	672,331
Taxes receivable	3,960,541	3,820,265
Other debtors (ii)	3,373,820	3,145,825
Less provision for impairment	(3,089,443)	(2,489,443)
	4,620,266	5,148,978

Fair value approximates the carrying value of trade and other receivables at 30 June 2016 and 30 June 2015.

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

(ii) Other debtors are comprised primarily of advances to unrelated third parties. Given the uncertainty over the likelihood of repayment these advances have been included within the provision for impairment raised at 30 June 2016 and 30 June 2015.

Risk exposure

Information about the Group's exposure to credit risk, foreign exchange risk and price risk is provided in Note 34.

Note 12: Other current assets

	Consolidated 2016 US$	Consolidated 2015 US$
Current		
Prepayments	178,158	352,724
Other assets	-	430,661
	178,158	783,385

Note 13: Assets held-for-sale

Assets classified as held for sale are as follows:

	Consolidated	
	2016 US$	**2015 US$**
Strait Oil & Gas Limited – 45% equity interest	1,250,000	5,000,000
Latin American Resources – 20% equity interest	-	1,000,000
Total	1,250,000	6,000,000
Movements in assets classified as held for sale are as follows:		
Opening net book amount	6,000,000	11,000,000
Transfer from investment in associate	-	2,179,358
Sold in period	-	(1,000,000)
Impairment loss relating to discontinued operations	(4,750,000)	(6,179,358)
Closing net book amount	1,250,000	6,000,000

Impairment losses of US$4,750,000 for write-downs of the disposal group to the lower of its carrying amount and its recoverable amount have been included in 'loss on discontinued operations' (see note 5 and note 36). The impairment losses have been applied to reduce the carrying amount of the assets held-for-sale within the disposal group. There is no cumulative income or expenses included in other comprehensive income relating to the disposal group.

Note 14: Financial assets available-for-sale

	Consolidated	
	2016 US$	**2015 US$**
Interest in other corporations	45,238	446,000
Total available-for-sale financial assets	45,238	446,000

Movement in financial assets available-for-sale		
Opening balance	446,000	876,347
Shares received on settlement of loan receivable	-	171,254
Shares sold in period	-	(947,601)
Transferred from other current assets	-	1,000,000
Impairment recognised in profit and loss	(400,762)	(654,000)
Closing balance	45,238	446,000

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.

Risk exposure

Information about the Group's exposure to credit risk, foreign exchange risk and price risk is provided in Note 34.

Note 15: Controlled Entities

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

Controlled Entities Consolidated	Country of Incorporation	Percentage Owned (%)	
		30 June 2016	30 June 2015
Subsidiaries of Range Resources Limited:			
Range Resources (Barbados) Limited	Barbados	100	100
SOCA Petroleum Limited	Barbados	100	100
West Indies Exploration Company Limited	Trinidad	100	100
Range Resources Trinidad Limited	Trinidad	100	100
Range Resources (Barbados) GY Limited	Barbados	100	100
Range Resources St. Mary's Limited	Trinidad	-	100
Range Resources GY Shallow Limited	Trinidad	100	100
Range Resources GY Deep Limited	Trinidad	100	100
Range Resources (Cayman) Limited	Cayman Islands	-	100
Range Resources HK Limited	Hong Kong	100	-
Range Resources Upstream Services Limited	United Kingdom	100	100

Note 16: Goodwill

Goodwill is measured as described in note 1(v). Goodwill on acquisition of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

The Group reported goodwill of US$28,985,014, which was derived from the acquisition of SOCA Petroleum Limited through the parent's subsidiary Range Resources (Barbados) Ltd.

	Goodwill	
	2016 US$	2015 US$
At 1 July 2015		
Cost	46,198,974	46,198,974
Impairment write down	(17,213,960)	-
Net book amount	28,985,014	46,198,974
Year ended 30 June 2016		
Opening net book amount	46,198,974	46,198,974
Additions-acquisition	-	-
Impairment charge	(17,213,960)	-
Closing net book amount	28,985,014	46,198,974

(a) Impairment tests for goodwill

During the year ending 30 June 2016, the Group recorded an impairment of US$17,213,960 with respect to goodwill. The impairment principally arose due to the lower oil price environment.

Note 16: Goodwill (continued)

Goodwill has been allocated for impairment testing purposes to a single cash-generating unit (CGU), identified according to operating segments, being Trinidad.

Estimates of the recoverable amount is based on an asset's value in use using a discounted cash flow method and is most sensitive to the following key assumptions:

- Obtaining all required approvals and permissions to undertake waterflood development
- Obtaining lease extensions until 2030
- P1 and P2 Recoverable reserves
- Commodity price of between US$43 and US$81 per barrel dependent on the year.
- Operating costs at 12%-43% of revenue, depending on oil price and production at that time.
- Post-tax discount rate of 11.1%

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

The commodity price for oil was based on mean WTI forecast oil price data from a variety of different analysts and other sources. Estimates are US$43/bbl in 2016, US$57/bbl in 2017, US$66/bbl in 2018, US$66/bbl in 2019, US$67/bbl in 2020 and then escalating at 2% per annum for the remainder of the project.

Operating cost assumptions were based on FY17 budgets, actual costs incurred in FY16 and estimates of additional operating costs for waterflood activities received from LandOcean.

(b) Sensitivity to change of assumptions

An individual movement of 20% against any one key assumption would cause the carrying value of the cash generating unit to materially exceed its recoverable amount. An adverse movement of 20% in reserves and resources, commodity prices, operating costs, discount rate or capex would lead to an additional impairment of US$6.6million, US$34.4million, US$17.1million, US$8.3million and $10.1million respectively.

Any impairment charge in excess of the goodwill value would be applied against producing assets.

Note 17: Property, plant & equipment

Consolidated	Production equipment and access roads US$	Gathering station and field office US$	Leasehold improvement US$	Motor vehicle, furniture, fixtures & fittings US$	Total US$
Year ended 30 June 2015					
Opening net book amount	10,105,359	139,269	384,816	624,825	11,254,269
Foreign currency movement	143,202	(29,878)	(116,584)	2,167	(1,093)
Additions	1,413,411	23,543	24,181	115,163	1,576,298
Disposals	-			(3,100)	(3,100)
Disposal of subsidiary	(10,030,580)	-	-	(245,780)	(10,276,360)
Depreciation charge	(793,660)	(15,844)	(45,098)	(192,970)	(1,047,572)
Closing net book amount	837,732	117,090	247,315	300,305	1,502,442
At 30 June 2015					
Cost	5,206,843	529,326	556,333	1,235,929	7,528,431
Accumulated depreciation	(4,369,111)	(412,236)	(309,018)	(935,624)	(6,025,989)
Net book amount	837,732	117,090	247,315	300,305	1,502,442
Year ended 30 June 2016					
Opening net book amount	837,732	117,090	247,315	300,305	1,502,442
Foreign currency movement	(35,321)	(4,687)	(8,370)	(9,521)	(57,899)
Additions	1,140,919	-	-	68,887	1,209,806
Disposals	-	-	-	(11,799)	(11,799)
Depreciation charge	(173,165)	(14,284)	(24,645)	(101,228)	(313,322)
Closing net book amount	1,770,165	98,119	214,300	246,644	2,329,228
At 30 June 2016					
Cost	6,111,168	505,510	534,020	1,135,223	8,285,921
Accumulated depreciation	(4,341,003)	(407,391)	(319,720)	(888,579)	(5,956,693)
Net book amount	1,770,165	98,119	214,300	246,644	2,329,228

Note 18: Exploration and evaluation expenditure

	Consolidated 2016 US$	Consolidated 2015 US$
Opening net book amount	668,951	523,605
Additions	-	145,346
Foreign exchange	(23,150)	-
Closing net book amount	645,801	668,951

At 30 June 2016, the US$645,801 (30 June 2015 – US$668,951) capitalised exploration and evaluation expenditure relates to the interests of the Group in the Guayaguayare and St Mary's Blocks in Trinidad.

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

The recoverability of the carrying amount of exploration assets is dependent on the successful development and commercial exploitation or sale of the respective mining permits.

No capitalised costs (2015: US$145,346) have been included in the statement of cash flows from investing activities.

Note 19: Producing assets

	Consolidated 2016 US$	Consolidated 2015 US$
Cost	134,697,008	122,141,667
Accumulated amortisation	(39,619,926)	(31,791,175)
Net book value	95,077,082	90,350,492
Opening net book amount	90,350,492	82,517,820
Foreign currency movement	(1,747,957)	395
Additions	15,007,723	11,392,667
Impairment charge	(3,350,869)	-
Amortisation charge	(5,181,507)	(3,560,390)
Closing net book amount	95,077,882	90,350,492

Note 20: Trade and other payables

(a) Current

	Consolidated 2016 US$	Consolidated 2015 US$
Trade payables	1,048,601	4,991,035
Interest bearing trade payables	1,556,463	-
Sundry payables and accrued expenses	9,639,809	8,663,160
	12,244,873	13,654,195

(a) Non- current

	Consolidated 2016 US$	Consolidated 2015 US$
Interest bearing trade payables	13,998,006	-
Accrued expenses	9,765,999	-
	23,764,005	-

Risk exposure

Trade payables are non-interest bearing with the exception of debt due to LandOcean classed under interest bearing trade payables.
Information about the Group's exposure to credit risk, foreign exchange risk and price risk is provided in Note 34.

Note 21: Borrowings at fair value

(a) Borrowings at fair value

	Consolidated 2016 US$	Consolidated 2015 US$
Opening balance	7,518,077	-
Proceeds from borrowings	-	5,500,000
Face value premium	-	2,250,000
Interest due on outstanding balance	137,920	330,577
Cash repayment	(7,655,997)	-
Repayment via equity	-	(562,500)
Closing net book amount	-	7,518,077

All amounts due to Lind were repaid during the year.

Note 21: Borrowings at fair value (continued)

(b) Option liability

	Consolidated	
	2016 US$	2015 US$
Option liability at fair value through profit or loss	835,714	808,083
	835,714	808,083

During 2016, no options were exercised prior to year-end and 367,143,136 options with a fair value of US$1,661,430 were issued to Beijing Sibo Investment Management LP under the share placement (refer Note 25). These options are recognised as a financial liability given the exercise price is stated in GPB. Total fair value movement recognised in P&L was a gain of US$1,633,799 (2015: US$127,883).

During the prior year 49,051,468 options with a face value of US$1,426,883 were exercised prior to year-end and 31,000,000 options with a fair value of US$172,926 were issued.

Note 22: Provision for rehabilitation

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

	Consolidated	
	2016 US$	2015 US$
Provision for rehabilitation	740,268	734,858

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

Carrying amount at the start of the year	734,858	696,224
Additional provision recognised	5,410	38,634
Carrying amount at the end of the year	740,268	734,858

Note 23: Deferred tax liability

	Fair value uplift on business combination	Accelerated depreciation	Total
	US$	US$	US$
Movements			
Year ended 30 June 2015			
Opening balance	35,010,572	9,365,461	44,376,033
Foreign currency movement	(1,041)	(32,147)	(33,188)
Disposal of subsidiary	(723,359)	(1,189,198)	(1,912,557)
Charged/(credited)			
- to profit or loss	(1,966,411)	2,895,322	928,911
Closing net book amount	**32,319,761**	**11,039,438**	**43,359,199**
Year ended 30 June 2016			
Opening balance	32,319,761	11,039,438	43,359,199
Foreign currency movement	-	(669,950)	(669,950)
Charged/(credited)			
- to profit or loss	(2,273,556)	7,145,919	4,872,363
Closing net book amount	**30,046,205**	**17,515,407**	**47,561,612**

As a result of business combination, at the date of acquisition a deferred tax liability has been recognised in relation to the difference between the carrying amount of the deferred exploration and development costs for accounting purposes and the cost base of the asset for tax purposes in accordance with the requirements of Australian Accounting Standard AASB 112 *Income Taxes*. The Group does not have a tax payable in relation to the deferred tax liability at 30 June 2016 and it is anticipated that the deferred taxation liability will be reduced in the future as the deferred exploration and development costs are amortised in future periods.

Note 24: Other non-current liabilities

	Consolidated	
	2016 US$	2015 US$
Employee service benefits	422,315	521,257
	422,315	**521,257**

Risk exposure

Information about the Group's exposure to credit risk, foreign exchange risk and price risk is provided in Note 34.

Note 25: Contributed equity

	Consolidated 2016 US$	Consolidated 2015 US$
7,589,790,100 (2015: 5,767,169,188) fully paid ordinary shares	404,874,079	382,535,744
Share issue costs	(20,991,887)	(19,330,467)
	383,882,192	363,205,277

(a) Fully paid ordinary shares

	Consolidated 2016 No.	2016 US$	2015 No.	2015 US$
At the beginning of reporting period	5,767,169,188	382,535,744	4,521,201,870	364,567,692
Shares issued during year	1,822,620,912	22,338,335	1,245,967,318	17,968,052
Total contributed equity	7,589,790,100	404,874,079	5,767,169,188	382,535,744

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

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

(b) Unissued Fully Paid Ordinary Shares

	2016 No.	2015 No.
Opening balance (i)	30,000,000	386,188,780
Issued in year (ii)	-	(356,188,780)
Cancelled in year (i)	(30,000,000)	-
Total contributed equity	-	30,000,000

(i) Under the terms of an agreement between shareholders in Strait, the Company was required to issue 30,000,000 shares to other investors in Strait upon the completion of the next well in the Georgia drilling programme or upon disposal of Range's shareholding in Strait. The obligation to issue shares to Strait has expired.

(ii) During the 2013 financial year, the company entered into a US$12 million financing facility with a Hong Kong based private institutional investor, Abraham Ltd. Under the terms of the subscription agreement, Abraham was to subscribe for shares in the Company in two US$6 million tranches, with the first tranche issued during the year, whilst the second tranche was to be issued following shareholder approval. Shareholder approval for the issue of shares for the US$6 million second tranche was sought and obtained at the General Meeting of the Company on 11th July 2014.

Note 25: Contributed equity (continued)

c) Movements in fully paid ordinary share capital

	Details	Number of shares	Issue price US$	US$
1 July 2015	**Opening balance**	**5,767,169,188**		**382,535,744**
	(Tranche 2) Share placement to Beijing Sibo Investment Management LP (i)	1,797,620,912	0.012	22,033,080
	Share placement to directors and employees	25,000,000	0.012	305,255
30 June 2016	**Closing balance**	**7,589,790,100**		**404,874,079**
1 July 2014	**Opening balance**	**4,521,201,870**		**364,567,692**
	Transfer from unissued	356,188,780	0.017	6,000,000
	Shares issued as loan repayment	58,440,891	0.010	562,500
	Shares issued upon option conversion	49,051,468	0.010-0.024	923,880
	Shares issued as Collateral Shares	38,000,000	0.008	300,979
	Shares issued to employees	19,987,481	0.013-0.040	580,458
	Shares issued in lieu of corporate advisory/ capital raising and loan commencement fees	74,298,698	0.009-0.037	1,633,315
	Issued to Beijing Sibo Investment Management LP	650,000,000	0.012	7,966,920
30 June 2015	**Closing balance**	**5,767,169,188**		**382,535,744**

(i)Under the share placement, the following options were issued (refer Note 21):

	Date of Expiry	Exercise Price	Number Under Option
Tranche 1	3 Sept 2019	£0.01	194,585,862
Tranche 2	3 Sept 2019	£0.02	172,557,274

	Consolidated 2016 No.	Consolidated 2015 No.
(d) Options		
At the beginning of reporting period	788,998,289	453,203,084
Options issued during year (refer Notes 21 and 31)	406,143,136	394,701,840
Options expired	(312,085,678)	(9,855,166)
Options exercised during year	-	(49,051,469)
Total options	883,055,747	788,998,289

Note 25: Contributed equity (continued)

At 30 June 2016, the unissued ordinary shares of Range Resources Limited under option are as follows:

Date of Expiry	Exercise Price	Number Under Option
11 July 2016	£0.037	5,000,000
25 July 2016	£0.021	476,190
29 July 2016	£0.021	952,381
31 August 2016	£0.021	6,714,284
31 August 2016	£0.020	9,000,000
30 September 2016	£0.019	3,947,368
30 September 2016	£0.018	8,666,670
31 October 2016	£0.018	694,445
31 October 2016	£0.017	2,205,885
31 October 2016	£0.016	1,250,000
31 October 2016	£0.015	17,333,336
30 November 2016	£0.015	3,000,001
30 November 2016	£0.013	5,153,846
11 December 2016	A$0.0321	2,000,000
31 December 2016	£0.012	2,000,000
31 December 2016	£0.011	5,000,000
31 January 2017	£0.075	5,180,000
31 January 2017	£0.011	23,636,364
9 September 2017	£0.03	7,500,000
15 October 2017	£0.01203	31,000,000
31 January 2018	A$0.05	1,000,000
14 July 2018	£0.01	161,472,247
14 July 2018	£0.02	118,729,593
31 August 2018	£0.01	14,000,000
3 September 2019	£0.01	194,585,862
3 September 2019	£0.02	172,557,274
30 March 2020	£0.01	80,000,000
Total number under option		**883,055,746**

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

During the year ended 30 June 2016, no ordinary shares of Range Resources Limited were issued on the exercise of options (2015: 49,051,468).

Note 26: Reserves

		Consolidated	
		2016	**2015**
		US$	**US$**
(a)	**Share-based payment reserve**		
	Balance 1 July	14,231,578	14,226,861
	Share based payment expenses (refer note 31)	250,847	2,157,038
	Expired options reclassified to retained earnings	(5,933,401)	(2,152,321)
	Balance 30 June	**8,549,024**	**14,231,578**

The share based payment reserve records items recognised as expenses on the fair valuation of shares and options issued as remuneration to employees, directors and consultants.

(b)	**Option premium reserve**		
	Balance 1 July	12,057,363	10,630,513
	Fair value movement of exercised options that were originally classified as a derivative liability	-	1,426,850
	Balance 30 June	**12,057,363**	**12,057,363**

The option premium reserve is used to recognise the grant date fair value of options.

(c)	**Foreign currency translation reserve**		
	Balance 1 July	3,459,939	3,004,632
	Currency translation differences arising during the year	160,799	455,307
	Balance 30 June	**3,620,738**	**3,459,939**

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

	Balance 30 June	**24,227,125**	**29,748,880**

Note 27: Commitments

Expenditure and Capital commitments

	Consolidated	
	2016	**2015**
	US$	**US$**
Not later than 1 year	30,614,669	211,000
	30,614,669	211,000

Expenditure commitments for 2016 include the remaining expenditure due under Purchase Order 2.

Note 28: Contingent Liabilities and Contingent Assets

Colombian exploration licences

In January 2016, Range received notification from Agencia Nacional de Hidrocarburos ("ANH") in Colombia advising that the E&P licences over three exploration blocks (PUT-5, VSM-1 and VMM-7) had been revoked. The licences had been awarded to a Consortium of Optima Oil Corporation ("Optima") and the Company in December 2012. ANH alleges that various obligations and commitments agreed within the exploration licences have not been complied with and also that invalid letters of credit had been presented to ANH by Optima to support the minimum work obligations. The effect of revocation of the licences by ANH is: (i) expiry of the contracts, (ii) Range would be unable to enter into any further agreement with Colombian State for a period of 5 years, (iii) final settlement and liquidation of the licences, and (iv) joint and several liability of the Consortium partners to ANH for all sums due to ANH and for potential damages claim of up to the aggregate financial value of the work commitments of the Consortium for the three licences which totalled approximately US$53million. The value of the allegedly invalid letters of credit provided was approximately US$11million.

On 1 September 2016, Range received a demand notice from ANH addressed to the Consortium seeking payment of the full amount of the outstanding obligations due to ANH totalling up to approximately US$53million. The deadline for making the payment, or otherwise responding to ANH with a defence against the action, was 7 September 2016. A comprehensive response was subsequently submitted to ANH by the consortium on this date. This response addressed the numerous areas in which Range and the consortium object to the demand which was received from ANH.

A Joint Operating Agreement ("JOA") is in place amongst the Consortium partners. Under the terms of the JOA it was agreed between the Consortium that it was the sole responsibility of Optima to complete the minimum work obligations and to provide all necessary funding, including the provision of valid letters of credit in favour of ANH. Under the JOA, Range has an indemnity to recover from Optima any payment incurred by Range for any contractual obligations under the licences which were not paid by Optima. Range has engaged legal advisers in Colombia.

Range has no material assets in Colombia.

In addition to the ongoing work with legal advisers in Colombia, Range has sought advice from its Australian advisers regarding the ability of ANH to try and enforce a claim against Range in Australia (where Range is incorporated). The Company's legal advisers confirm that there is no provision in Australian law to enable either judgments of Colombian courts, or administrative orders of ANH to be recognised in Australia. If ANH did seek to make any claim in Australia it would be required to commence court proceedings in the Australian courts and to prove its entitlement to such claim. Range would have the right to defend such claim. Range has not received any claim from ANH in Australia and would defend itself against any such claim if ever received.

The Company continues to work with Optima and legal advisers to defend its position to the maximum extent possible and is considering what further action can be taken to challenge the actions taken by ANH. At this time Range cannot provide any indication of the likely timeline for any resolution to this matter, nor any likely financial impact.

Note 28. Contingent liabilities and contingent assets (continued)

Geeta Maharaj

Range has received an invoice from Geeta Maharaj, a Trinidad based attorney seeking payment of approximately US$1.9million. The invoice purports to relate to legal work undertaken during mid-2014 in the preparation of inter-company loan agreements. Range strongly refutes the amount of this purported invoice and intends to vigorously defend its position. Range has engaged Trinidad legal counsel to assist in this matter. Range considers that that the amount of the purported invoice is vastly excessive and is not payable.

Guayaguayare licence

On 21 May 2015, Range announced that it had signed an amendment agreement in respect of its interest in the Guayaguayare Block in Trinidad. As a result of the amended agreement, Range acquired the full interest of Niko Resources Ltd. (Niko), which is 32.5% in the Shallow and 40% in the Deep Production Sharing Contracts (PSCs). Following completion of the agreement, Range holds 80% interest in the Deep PSC and 65% interest in the Shallow PSC.

The consideration payable for the increased interest is contingent upon commercial discovery and subsequent production, whereby Range will pay Niko upon certain production milestones being achieved from the two PSCs, with the maximum payable of US$19 million based on production in excess of 10 million barrels. Range is currently unable to assess the likelihood of these milestones being met, and consequently, no provision has been raised.

The Directors are not aware of any further contingent liabilities or contingent assets as at 30 June 2016

Note 29: Segment reporting

30 June 2016	**Trinidad US$**	**Unallocated US$**	**Total US$**
Segment revenue			
Revenue from continuing operations	7,062,226	-	**7,062,226**
Revenue from discontinued operations	-	-	
Other income	5,983	45,210	**51,193**
Total revenue	7,068,209	45,210	**7,113,419**
Segment result			
Segment expenses	(43,323,546)	(6,580,238)	**(49,903,784)**
Loss before income tax	(36,255,337)	(6,535,028)	**(42,790,365)**
Income tax	(1,084,520)	-	(1,084,520)
Loss after income tax	(37,339,857)	(6,535,028)	**(43,874,885)**
Segment assets			
Segment assets(i)	144,249,237	13,843,405	**158,092,642**
Total assets	144,249,237	13,843,405	**158,092,642**
Segment liabilities			
Segment liabilities	81,191,617	4,663,893	**85,855,510**
Total liabilities	81,191,617	4,663,893	**85,855,510**

30 June 2015	**Trinidad US$**	**Unallocated US$**	**Total US$**
Segment revenue			
Revenue from continuing operations	13,152,954	-	**13,152,954**
Revenue from discontinued operations	-	238,194	**238,194**
Other income	-	428,588	**428,588**
Total revenue	13,152,954	666,782	**13,819,736**
Segment result			
Segment expenses	(23,162,985)	(19,467,998)	**(42,630,983)**
Loss before income tax	(10,010,031)	(18,801,216)	**(28,811,247)**
Income tax	(1,467,806)	-	**(1,467,806)**
Loss after income tax	(11,477,837)	(18,801,216)	**(30,279,053)**
Segment assets			
Segment assets(i)	144,457,523	17,458,496	**161,916,019**
Total assets	144,457,523	17,458,496	**161,916,019**
Segment liabilities			
Segment liabilities	49,846,696	17,045,866	**66,892,562**
Total liabilities	49,846,696	17,045,866	**66,892,562**

(i) Unallocated assets

Segment assets	**30 June 2016 US$**	**30 June 2015 US$**
Cash	12,189,822	9,868,592
Assets held for sale	1,250,000	6,000,000
Other	403,583	1,589,904
Total segment assets	13,843,405	17,458,496

Note 29: Segment reporting (continued)

(a) Other segment information

	Consolidated 2016 US$	Consolidated 2015 US$
Segment other revenue – all other segments		
Other income	45,210	428,588
	45,210	428,588
Segment result – all other segments		
Equity based payments	-	2,157,037
Directors' and officers' fees and benefits	500,229	999,571
Impairment of available for sale asset	400,762	496,958
Share based payments – employee and consultant shares	188,969	580,455
Discontinued operations	3,880,000	7,935,352
Other expenses	1,610,278	7,298,625
	6,580,238	19,467,998

Accounting policies

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

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

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

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

Revenue from discontinued operations from Texas of nil (2015: US$238,194) was derived from several customers who each account for greater than 10% of this amount. Revenue from Trinidad of US$7,062,226 (2015: US$13,152,954) is derived from the subsidiary's sole customer, which is Petroleum Company of Trinidad and Tobago Limited.

Intersegment transfers

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

Note 30: Cash flow information

	Consolidated 2016 US$	Consolidated 2015 US$
Reconciliation of cash flow from operations with loss after income tax		
Loss after income tax	(43,874,885)	(30,279,054)
Non-cash flows in profit		
Depreciation	5,490,676	4,766,581
Share based payment- consultants and employees	250,847	2,737,443
Impairment of non-current assets	20,564,829	-
Finance costs (non-cash)	(1,633,799)	2,107,281
Impairment of available for sale assets	400,762	654,000
Loss on sale of subsidiary	-	1,593,766
Loss on sale of PPE	-	3,100
Foreign exchange (gain)/loss	1,768,479	(124,789)
Impairments recognised on held for sale assets	4,750,000	6,779,476
Share of net loss of associate	-	-
Net loss on sale of available for sale financial assets	-	496,958
Other non-cash items		-
Decrease in other current assets	605,227	375,820
Decrease/(increase) in trade and other receivables	528,712	(608,228)
(Increase)/decrease in deferred tax asset	(3,673,112)	175,634
(Decrease)/increase in trade and other payables	(1,409,322)	162,554
Increase in accrued interest	-	2,830,577
Decrease in income tax payable	(10,170)	(13,442)
Increase in deferred tax liabilities	4,202,416	1,097,078
(Decrease)/increase in provisions	(93,532)	289,981
Increase in non-current operating payables	7,946,837	-
Net cash (outflow)/inflow from operations	(4,186,035)	(6,955,264)

Non-cash investing and financing activities

	Consolidated 2016 US$	Consolidated 2015 US$
Repayment of borrowings:		
Through issue of shares	-	562,500
Share issued as share based payments or finance or capital raising costs	1,661,430	4,844,724

Note 31: Share-based payments

The following share-based payment arrangements occurred during the financial year ended at 30 June 2016.

Quantity	Security	US$ Value	Purpose
81,500,000(i)	Unlisted options	106,278	Options issued to employees

(i) Includes 42,500,000 options to be granted once shareholder approval obtained

The value of options have been expensed to the profit and loss on a proportionate basis for each financial year from grant to vesting date.

Note 31: Share-based payments (continued)

The following share-based payment arrangements occurred during the financial year ended at 30 June 2015.

Quantity	Security	US$ Value	Purpose
19,987,481	Fully paid ordinary shares	580,406	Shares issued to employees and consultants
42,742,654	Unlisted options	1,176,524	Options issued in lieu of consulting fee
75,000,000	Unlisted options	85,464	Options issued to Directors in period
7,500,000	Unlisted options	895,049	Options issued in lieu of consulting fees

The fair value at grant date of unlisted options is independently determined using a Black Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

Employee option plan

Current year

The following options were issued to key management personnel, employees and consultants:

Name	Number of options	Grant date	Expiry Date
Key management personnel	25,000,000	1 September 2015	30 March 2020
Employees and consultants	14,000,000	1 September 2015	31 August 2018
Key management personnel (i)	42,500,000	25 May 2016	30 March 2020

(i) options to be granted once shareholder approval obtained

The options have an exercise price of £0.01 per share.

The vesting conditions of the options issued to key management personnel are as follows:

(a) 25% became exercisable on 31 March 2016
(b) 25% will become exercisable upon the Company reaching production of 1,500 barrels of oil per day for a continuous 15 day period in Trinidad
(c) 25% will become exercisable upon the Company reaching production of 2,500 barrels of oil per day for a continuous 15 day period in Trinidad
(d) 25% will become exercisable upon the Company reaching production of 4,000 barrels of oil per day for a continuous 15 day period in Trinidad

Note 31: share-based payments (continued)

The vesting conditions of the options issued to employees and consultants are as follows:

(a) 33% will become exercisable upon the Company reaching production of 1,500 barrels of oil per day for a continuous 15 day period in Trinidad
(b) 33% will become exercisable upon the Company reaching production of 2,500 barrels of oil per day for a continuous 15 day period in Trinidad
(c) 34% will become exercisable upon the Company reaching production of 4,000 barrels of oil per day for a continuous 15 day period in Trinidad

Options granted 1 September 2015

The value per option at the grant date was 0.56 cents for key management personnel options and 0.45 cents for employee options, determined using the Black Scholes option price model using the following key inputs:

Volatility: 100%	Probability of meeting vesting conditions: 100%
Risk free rate: 1.92%	Exercise price: £0.01
USD/GBP exchange rate: 0.6509	Share price on grant date £0.0057

Options granted 25 May 2016

The fair value of options to be granted have been estimated at 30 June 2016 at 0.30 cents using the Black Scholes options pricing model using the following key inputs:

Volatility: 100%	Probability of meeting vesting conditions: 100%
Risk free rate: 1.92%	Exercise price: £0.01
USD/GBP exchange rate: 0.7468	Share price on grant date £0.0037

Year ended 30 June 2015

During the previous year the following options were issued to Directors and employees:

Name	**Number of options**
Mr Yan Liu	30,000,000
Mr David Chen	30,000,000
Mr Zhiwei Gu	7,500,000
Ms Juan Wang	7,500,000

The vesting conditions of these options are as follows:

(a) 25% will become exercisable on the date that is one year from the issue date (27 March 2016)
(b) 25% will become exercisable upon the Company reaching production of 1,500 barrels of oil per day for a continuous 15 day period in Trinidad
(c) 25% will become exercisable upon the Company reaching production of 2,500 barrels of oil per day for a continuous 15 day period in Trinidad
(d) 25% will become exercisable upon the Company reaching production of 4,000 barrels of oil per day for a continuous 15 day period in Trinidad

During the year 20,000,000 options were cancelled following Yan Liu's change in position from executive to non-executive director. An amount of US$22,791 was reversed in the current year.

Note 31: share-based payments (continued)

Expenses recognised in the profit & loss
During the year, share-based payments recognised in profit and loss amounts to US$250,847 (2015: US$2,157,037)

	2016 Number	Average exercise price US$	2015 Number	Average exercise price US$
As at 1 July	788,998,289	0.047	453,203,083	0.060
Granted during year:				
Under employee option plan	39,000,000	0.013	75,000,000	0.016
Other options issued	367,143,136	0.019	319,701,840	0.019
Exercised	-	-	(49,051,468)	0.017
Forfeited	(312,085,678)	0.045	(9,855,166)	
As at 30 June	**883,055,747**	**0.019**	**788,998,289**	**0.023**
Vested and exercisable at 30 June	823,055,747	0.019	713,998,289	0.047
Weighted average remaining contractual life options outstanding at end of period	682 days		673 days	

Note 32: Related party transactions

(a) Parent entity
The ultimate Parent Entity and ultimate Australian Parent Entity within the Group is Range Resources Limited.

(b) Subsidiaries
Interests in subsidiaries are set out in Note 15.

(c) Transactions with Key Management Personnel

The following transactions occurred during the year with Key Management Personnel or their related parties:

	2016 US$	2015 US$
Consulting fees paid or payable to Soncer Limited, a company owned by Mr Graham Lyon, for the provision of corporate advisory and capital raising services (i)	-	12,794
Consulting fees paid or payable to DNR Consulting, a company owned by Mr David Rieke, for the provision of corporate advisory and services (ii)	-	13,486

Balances at year end to related parties:		
David Chen and related entities	12,267	-
Lubing Liu and related entities	10,375	-
Dr Yi Zeng	1,042	-
Kiki Wang and related entities	2,500	-
Kerry Gu and related entities	20,833	-
Sir Sam Jonah (i)	152,943	191,440
Marcus Edwards-Jones (i)	-	33,566
Soncer Limited (i)	1,519	18,442

(i) These were related parties throughout the prior financial year until 28 November 2014.
(ii) David Rieke was a related party throughout the prior financial year until 11 December 2014.

Note 32: Related party transactions (continued)

(d) Key Management Personnel compensation

	Consolidated	
	2016	**2015**
	US$	**US$**
Short–term benefits	561,467	778,338
One-off payment	15,700	-
Post-employment benefits	24,246	28,152
Termination benefits	-	150,253
Share based payments	234,424	85,464
Total	835,837	1,042,207

Note 33: Parent entity information

The following details information related to the Parent Entity Range Resources Limited, at 30 June 2016. The information presented here has been prepared in accordance using consistent accounting policies as presented in Note 1.

	2016	**2015**
	US$	**US$**
Current assets	17,142,499	15,290,123
Non-current assets	59,743,582	97,208,375
Total assets	76,886,081	112,498,498
Current liabilities	4,648,918	15,333,201
Total liabilities	4,648,918	15,333,201
Contributed equity	383,882,182	363,205,245
Accumulated losses	(335,088,153)	(295,165,636)
Reserves	23,443,134	29,125,688
Total equity	72,237,163	97,165,297
Loss for the year from continuing operations	(40,975,917)	(29,028,556)
Loss for the year from discontinued operations	(4,880,000)	(7,355,641)
Total loss for the year	(45,855,917)	(36,384,197)
Other comprehensive loss for the year	-	-
Total comprehensive loss for the year	(45,855,917)	(36,384,197)

The contingent liabilities of the parent are included within those of the Group as disclosed in Note 28.

The contractual commitments of the parent are included within those of the Group as disclosed in Note 27.

Note 34: Financial risk management

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

- Credit risk
- Liquidity risk
- Market risk

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

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

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

Credit risk

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

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

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

	Consolidated	
Cash at bank, restricted deposits and short-term bank deposits (S&P ratings)	**2016 US$**	**2015 US$**
AAA	155,801	-
AA-	4,635,076	9,868,592
A+	719,460	-
BBB+	95,205	661,512
BBB-	7,382,980	-
Not rated	8,012,730	-
	21,001,252	10,530,104

Exposure to credit risk

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

	Consolidated	
	2016 US$	**2015 US$**
Trade and other receivables [(i)]	4,620,266	5,148,978
Cash and cash equivalents	13,001,252	10,530,104
Restricted deposits	8,000,000	-
	25,621,518	15,679,082

(i) Counterparties without an external credit rating

Note 34: Financial risk management (continued)

Loans and receivables

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

Impairment losses

Impairment loss US$600,000 was recognised in relation to other receivables respectively in the year. During the prior year, an impairment of US$17,937 on trade and other receivables were recognised.

Liquidity risk

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

The Group uses activity-based costing to cost its activities, which assists in monitoring cash flow requirements and optimising its cash return on investments. Typically, the Group ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 12 months; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

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

Group 2016	**Carrying amount**	**Contractual cash flows**	**6 months or less**	**6 – 12 months**	**1-2 years**	**2-5 years**
Financial liabilities at amortised cost						
Trade and other payables	36,008,878	38,540,925	8,906,905	3,493,614	15,397,807	10,742,599
	36,008,878	38,540,925	8,906,905	3,493,614	15,397,807	10,742,599

Group 2015	**Carrying amount**	**Contractual cash flows**	**6 months or less**	**6 – 12 months**	**1-2 years**	**2-5 years**	**Over 5 years**
Financial liabilities at amortised cost							
Trade and other payables	11,998,340	11,998,340	11,998,340	-	-	-	-
Borrowings	7,518,077	7,518,077	7,518,077	-	-	-	-
	19,516,417	19,516,417	19,516,417	-	-	-	-

Note 34: Financial risk management (continued)

Market risk

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

Equity price risk

The Group is exposed to equity securities price risk. This arises from investments held by the Group and classified on the statement of financial position as available for sale as well as from the option liability held as a current liability.

A 10% increase in Range's share price would result in an increase to the option liability of US$190,323. A decrease would have had the equal but opposite effect.

Foreign exchange risk

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

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

The Group's treasury risk management policy is to closely monitor exchange rate fluctuations. To date, the Group has not sought to hedge its exposure to fluctuations in exchange rates, however this policy will be reviewed on an ongoing basis.

The Group's exposure to foreign currency risk at the reporting date was as follows:

	Consolidated		**Consolidated**	
	2016 AUD	**2015 AUD**	**2016 GBP**	**2015 GBP**
Cash	209,285	272,621	585,596	242,304
Amount payable to other entities	(119,549)	(1,159,133)	(44,725)	(362,135)
	89,736	(886,512)	540,871	(119,831)

Sensitivity

Based upon the amounts above, had the Australian dollar strengthened by 10% against the US dollar with all other variables held constant, the Group post-tax loss for the year on current amounts receivable/payable would have been US$35,798 higher (2015: US$67,885 higher), mainly as a result of foreign exchange gains/losses on translation of AUD denominated payables as detailed in the table above. A 10% weakening of the Australian dollar against the above currencies at 30 June would have had the equal but opposite effect, on the basis that all other variables remain constant.

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

Note 34: Financial risk management (continued)

Interest rate risk

The group's main interest rate risk arises from non-current receivables. Non-current receivables issued at fixed rates expose the group to fair value interest rate if the loans are carried at fair value. During 2016 and 2015, the group loan receivables were denominated in Australian Dollars, British Pounds and US Dollars.

Profile

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

	Weighted Average Effective Interest Rate		Floating Interest Rate		Fixed Interest Maturing		Non-interest bearing		Total	
	2016 %	2015 %	2016 US$	2015 US$	2016 US$	2015 US$	2016 US$	2015 US$	2016 US$	2015 US$
Financial Assets:										
Cash and cash equivalents	0.35%	0.10%	13,001,252	10,530,104	-	-	-	-	13,001,252	10,530,104
Restricted deposits	0.25%	-	8,000,000	-	-	-	-	-	8,000,000	-
Trade and other receivables	-	-	-	-	-	-	4,620,266	5,148,978	4,620,266	5,148,978
Available for sale financial assets	-	-	-	-	-	-	45,238	446,000	45,238	446,000
Non-current receivables	-	-	-	-	-	-	-	-		-
Total Financial Assets		**0.10%**	**21,001,252**	**10,530,104**	**-**	**-**	**4,665,504**	**5,594,978**	**25,666,756**	**16,125,082**
Financial Liabilities:										
Trade and other payables	10%	-		-	25,320,468		10,688,410	11,998,340	36,008,878	11,998,340
Borrowings	-	35%	-	-		7,518,077	-	-	-	7,518,077
Total Financial Liabilities		**35%**		**-**	**25,320,468**	**7,518,077**	**10,688,410**	**11,998,340**	**36,008,878**	**19,516,417**

Note 34: Financial risk management (continued)

Sensitivity analysis for variable rate instruments

The sensitivity on interest rates for 2016 and 2015 assumes a change of 100 basis points in the interest rates at the reporting date and would have increased / (decreased) profit and loss by the amounts shown. Both analyses for each year assume that all other variables, in particular foreign currency rates, remain constant.

Group	Weighted Average Interest Rate %	2016 +100 bps US$	2016 -100 bps US$	Weighted Average Interest Rate %	2015 +100 bps US$	2015 -100 bps US$
Variable rate instruments						
Financial assets (cash and cash equivalents)	0.31%	-	-	0.10%	-	-
Financial assets (loan and receivables)	-	-	-	-	-	-

Fair values versus carrying amounts

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

Group	30 June 2016 US$		30 June 2015 US$	
	Carrying amount	Fair value	Carrying amount	Fair value
Available-for-sale financial assets	45,238	45,238	446,000	446,000
Trade and other receivables	4,620,266	4,620,266	5,148,978	5,148,978
Cash and cash equivalents	13,001,252	13,001,252	10,530,104	10,530,104
Restricted deposits	8,000,000	8,000,000	-	-
Trade and other payables	(36,008,878)	(36,008,878)	(11,998,340)	(11,998,340)
Borrowings	-	-	(7,518,077)	(7,518,077)
	(10,342,122)	**(10,342,122)**	**(3,391,335)**	**(3,391,335)**

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

Other price risk

The Group is not exposed to any other price risks.

Capital management

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

The entity's overall strategy remains unchanged from 2015.

The capital structure of the group consists of cash and cash equivalents and equity attributable to equity holders of the Company, comprising issued capital, reserves and accumulated losses as disclosed in Notes 25 and 26 respectively. None of the entities within the group are subject to externally imposed capital requirements.

Note 34: Financial risk management (continued)

Gearing ratio

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

	Consolidated	
	2016 US$	**2015 US$**
Financial assets		
Cash and cash equivalents	13,001,252	10,530,104
Financial liabilities		
Trade and other payables	(36,008,878)	(11,998,340)
Borrowings	-	(7,518,077)
Net assets / (debt)	**(23,007,626)**	**(8,986,313)**
Equity	72,237,132	95,023,456
Net debt to equity ratio	**31.9%**	**9.5%**

Categories of financial instruments

	Consolidated	
	2016 US$	**2015 US$**
Financial assets		
Cash and cash equivalents	13,001,252	10,530,104
Trade and other receivables	4,620,266	5,148,978
Available-for-sale financial assets	45,238	446,000
	17,666,756	**16,125,082**
Financial liabilities		
Trade and other payables	36,008,878	11,998,340
Borrowings	-	7,518,077
Option liability	835,714	808,083
	36,844,592	**20,324,500**

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

Note 35: Fair value measurement of financial Instruments

(a) Fair value hierarchy

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

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

The following table presents the Group's financial assets and financial liabilities measured and recognised at fair value at 30 June 2016 and 30 June 2015 on a recurring basis:

At 30 June 2016	**Level 1 US$**	**Level 2 US$**	**Level 3 US$**	**Total**
Assets				
Available for sale financial assets				
Equity securities	-	-	45,238	45,238
Total assets	**-**	**-**	**45,238**	**45,238**
Liabilities				
Option liability at fair value through profit or loss	-	835,714	-	835,714
Total liabilities	**-**	**835,714**	**-**	**835,714**

At 30 June 2015	**Level 1 US$**	**Level 2 US$**	**Level 3 US$**	**Total**
Assets				
Available for sale financial assets				
Equity securities	-	-	446,000	446,000
Total assets	**-**	**-**	**446,000**	**446,000**
Liabilities				
Option liability at fair value through profit or loss	-	808,083	-	808,083
Borrowings	-	7,518,077	-	7,518,077
Total liabilities	**-**	**8,326,160**	**-**	**8,326,160**

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

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the end of the reporting period. There were no transfers between the levels of the fair value hierarchy during the year ended 30 June 2016.

(b) Fair values of other financial instruments

The Group has no financial instruments which are not measured at fair value in the consolidated statement of financial position.

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

Note 36: Fair value measurement of non-financial instruments

(a) Non-recurring fair value measurements

Assets classified as held for sale at 30 June 2016 were measured at fair value less costs to sell in accordance with the Group's accounting policy.

Fair value less costs to sell has been determined based upon offers received from independent third parties to acquire the assets. Due to the way the third party offers are structured, the fair values of assets held for sale has been assessed as a Level 3 measurement as per the fair value hierarchy set out above.

Significant estimates made in determining the fair value of held for sale assets are as follows:

<u>Strait Oil & Gas Limited</u>

The Group made the decision to divest its interest in Strait in June 2014 and the Group is in the process of marketing its equity interest in Strait. The Group is optimistic that a buyer will be found for this asset. In the absence of a fully executed sale agreement at the report date the Group has chosen to write down the value of its interest in Strait to US$1.25million which is considered by the Company to be a fair market value for the level of cash consideration which may be received upon closing of a sale. This valuation is based upon expressions of interest received and negotiations which have taken place with potential purchasers.

(b) Fair value hierarchy

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

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

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the end of the reporting period. There were no transfers between the levels of the fair value hierarchy during the year ended 30 June 2016.

The following table presents the Group's non-financial instruments measured and recognised at fair value at 30 June 2016 on a non-recurring basis:

At 30 June 2016	**Level 1 US$**	**Level 2 US$**	**Level 3 US$**	**Total**
Assets				
Assets classified as held for sale				
Strait Oil & Gas Limited	-	-	1,250,000	1,250,000
Total assets	**-**	**-**	1,250,000	1,250,000

At 30 June 2015	**Level 1 US$**	**Level 2 US$**	**Level 3 US$**	**Total**
Assets				
Assets classified as held for sale				
Strait Oil & Gas Limited	-	-	5,000,000	5,000,000
Latin American Resources			2,179,358	2,179,358
Total assets	**-**	**-**	7,179,358	7,179,358

Note 37: Events after the reporting date

On 1 September 2016, Range received a demand notice from ANH addressed to the Consortium of Optima Oil Corporation and Range Resources Limited seeking payment of the full amount of the outstanding obligations due to ANH in relation to Range's Colombian assets totalling up to approximately US$53million. For further details on this matter, please refer to Note 28.

Note 38: New accounting Standards and interpretations

Australian accounting Standards/amendments released but not yet effective: 30 June 2016 year end

Certain new accounting Standards and Interpretations have been published that are not mandatory for 30 June 2016 reporting periods and have not been early adopted by the Group. The Group's assessment of the impact of these new Standards and Interpretations is set out below. In all cases the Group intends to apply these standards from the application date as indicated in the table below.

Reference	Title	Standard application date	Group application date	Key Requirements	Impact
AASB 9	Financial Instruments	1 January 2018	1 July 2018	AASB 9 addresses the classification, measurement and derecognition of financial assets and financial liabilities and introduces new rules for hedge accounting. In December 2014, the AASB made further changes to the classification and measurement rules and also introduced a new impairment model. These latest amendments now complete the financial instruments standard.	There will be no significant impact on the Group on the adoption of this standard.
AASB 15	Revenue from Contracts with Customers	1 January 2018	1 July 2018	The AASB has issued a new standard for the recognition of revenue. This will replace AASB 118 which covers contracts for goods and services and AASB111 which covers construction contracts. The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer, so the notion of control	Management is currently assessing the impact of the new rules. At this stage, the Group is not able to estimate the impact of the new rules on the Group's financial statements. The Group will make more detailed

				replaces the existing notion of risks and rewards. The standard permits a modified retrospective approach for the adoption. Under this approach entities will recognise any applicable transitional adjustments in retained earnings on the date of the initial application without restating the comparative period. Entities will only need to apply the new rules to contracts that are not completed as of the date of initial application.	assessments of the impact over the next 12 months.
AASB 2015-2	Amendments to Australian Accounting Standards - Disclosure Initiative: Amendments to AASB 101	1 January 2016	1 July 2016	This standard makes amendments to AASB 101 Presentation of Financial Statements arising from the IASB's Disclosure Initiative Project. The amendments are designed to further encourage companies to apply professional judgment in determining what information to disclose in the financial statements. The amendments also clarify that companies should use professional judgment in determining where and in what order in formation is to be presented in the financial disclosures.	There will be no significant impact on the Group on the adoption of this standard. The Group is currently conducting an exercise of reviewing financial report disclosures.
AASB 16	Leases	1 January 2019	1 July 2019	The key features of AASB 16 are as follows: Lessee accounting • Lessees are required to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying	To the extent that the entity, as lessee, has significant operating leases outstanding at the date of

				asset is of a low value. • A lessee measures right-of-use assets similarly to other non-financial assets and lease liabilities similarly to other financial liabilities. • Assets and liabilities arising from a lease are initially measured on a present value basis. The measurement includes non-cancellable lease payments, and also includes payments to be made in optional periods if the lessee is reasonably certain to exercise an option to extend the lease, or not to exercise an option to terminate the lease. • AASB 16 contains disclosure requirements for leases. Lessor accounting • AASB 16 substantially carries forward the lessor accounting requirements in AASB 117. Accordingly, a lessor continues to classify its leases as operating leases or finance leases, and to account for those two types of leases differently. • AASB 16 also requires enhanced disclosures to be provided by lessors that will improve information disclosed about a lessor's risk exposure, particularly to residual value risk.	initial application, 1 July 2019, right-of-use assets will be recognised for the amount of the unamortised portion of the useful life, and lease liabilities will be recognised at the present value of the outstanding lease payments. Thereafter, earnings before interest, depreciation, amortisation and tax (EBITDA) will increase because operating lease expenses currently included in EBITDA will be recognised instead as amortisation of the right-of-use asset, and interest expense on the lease liability. However, there will be an overall reduction in net profit before tax in the early years of a lease because the amortisation and interest

					charges will exceed the current straight-line expense incurred under AASB 117 Leases. This trend will reverse in the later years. There will be no change to the accounting treatment for short-term leases less than 12 months and leases of low value items, which will continue to be expensed on a straight-line basis.
AASB 2016-1	Amendments to Australian Accounting Standards - Recognition of Deferred Tax Assets for Unrealised Losses (AASB 112)	1 January 2017	1 July 2017	This standard amends AASB 112 Income Taxes to clarify the requirements on recognition of deferred tax assets for unrealised losses on debt instruments measured at fair value.	There will be no significant impact on the Group's results on the adoption of this standard.
AASB 2016-2	Amendments to Australian Accounting Standards - Disclosure Initiative: Amendments to AASB 107	1 January 2017	1 July 2017	This standard amends AASB 107 Statement of Cash Flows to require entities preparing financial statements in accordance with Tier 1 reporting requirements to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.	There will be no significant impact on the Group's results on the adoption of this standard.

There are no other standards that are not yet effective and that would be expected to have a material impact on Range in the current or future period and on foreseeable future transactions.

Note 39: Company details

The registered office of the company is:

Ground Floor, BGC Centre
28 The Esplanade
Perth WA 6000
Australia
Telephone: +61 8 6205 3012
Facsimile: +61 8 6316 2211

The principal place of business is:

Ground Floor, BGC Centre
28 The Esplanade
Perth WA 6000
Australia
Telephone: +61 8 6205 3012
Facsimile: +61 8 6316 2211

DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements, comprising the consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position, consolidated statement of cash flows, consolidated statement of changes in equity, accompanying notes, are in accordance with the Corporations Act 2001 and:

    (a) comply with Accounting Standards and the Corporations Regulations 2001 and other mandatory professional reporting requirements; and

    (b) give a true and fair view of the Group's financial position as at 30 June 2016 and of its performance for the year ended on that date.

2. The company has included in the notes to the financial statements an explicit and unreserved statement of compliance with International Financial Reporting Standards.

3. In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

4. The directors have been given the declarations by the chief executive officer and chief financial officer required by section 295A.

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

Zhiwei Gu
Chairman
30 September 2016

Tel: +61 8 6382 4600
Fax: +61 8 6382 4601
www.bdo.com.au

38 Station Street
Subiaco, WA 6008
PO Box 700 West Perth WA 6872
Australia

INDEPENDENT AUDITOR'S REPORT

To the members of Range Resources Limited

Report on the Financial Report

We have audited the accompanying financial report of Range Resources Limited, which comprises the consolidated statement of financial position as at 30 June 2016, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards*.

Auditor's Responsibility

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

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

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

Independence

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

Opinion

In our opinion:

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

  (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2016 and of its performance for the year ended on that date; and

  (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

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

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 33 to 41 of the directors' report for the year ended 30 June 2016. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion, the Remuneration Report of Range Resources Limited for the year ended 30 June 2016 complies with section 300A of the *Corporations Act 2001*.

BDO Audit (WA) Pty Ltd

BDO

J Prue

Jarrad Prue

Director

Perth, 30 September 2016

ASX ADDITIONAL INFORMATION

Additional shareholder information

Additional information required by the Australian Securities Exchange Listing Rules and not disclosed elsewhere in this Annual Report is set out below. The information was current as at 31 August 2016.

Corporate Governance statement

ASX Listing Rule 4.10.3 requires ASX listed companies to report on the extent to which they have followed the Corporate Governance Principles and Recommendations ("ASX Principles") released by the ASX Corporate Governance Council. The ASX Principles require the Board to consider the development and adoption of appropriate corporate governance policies and practices founded on the ASX Principles. For the 2016 financial year, the Company followed and reports against the 3rd Edition of the ASX Principles.

The Company's 2016 Corporate Governance Statement is available from the Company's website at www.rangeresources.co.uk/governance.

Top 20 shareholders

The 20 largest shareholders of the Company as at 31 August 2016 are listed below:

Rank	Shareholder	Number of shares	Percentage held
1.	Computershare Clearing Pty Ltd	3,775,415,666	49.74
2.	Beijing Sibo Investment Management LP	2,447,620,912	32.25
3.	Abraham Limited	712,377,560	9.39
4.	Citicorp Nominees Pty Limited	47,981,495	0.63
5.	BNP Paribas Nominees Pty Ltd	36,559,604	0.48
6.	J P Morgan Nominees Australia Limited	33,953,598	0.45
7.	HSBC Custody Nominees (Australia) Limited	25,090,999	0.33
8.	BNP Paribas Noms Pty Ltd	23,461,354	0.31
9.	Mr David Scanlen	20,070,693	0.26
10.	Mr David Chen	18,288,070	0.24
11.	Mr Pieter Hoekstra + Mrs Ruth Hoekstra	17,362,488	0.23
12.	PTN Future Pty Ltd	13,000,000	0.17
13.	All Door Services Pty Ltd	10,192,258	0.13
14.	Immobiliare' Investments Pty Ltd	10,000,000	0.13
15.	Merrill Lynch (Australia) Nominees Pty Limited	6,978,575	0.09
16.	Mr Yan Liu	6,333,333	0.08
17.	ABN AMRO Clearing Sydney Nominees Pty Ltd	5,593,398	0.07
18.	Mr Mohamed Hersi	5,028,416	0.07
19.	G & D Finn Pty Ltd	5,000,870	0.07

20.	Mrs Lingling Wei	4,828,061	0.06
	Total	**7,225,137,350**	**95.20**

Substantial shareholders

An extract of the Company's register of substantial shareholders (being those shareholders who held 5% or more of the issued capital on 31 August 2016) is set out below:

Shareholder	Number of shares	Percentage held
Computershare Clearing Pty Ltd	3,775,415,666	49.74
Beijing Sibo Investment Management LP	2,447,620,912	32.25
Abraham Limited	712,377,560	9.39

Distribution of equity securities

There were 786 holders of less than a marketable parcel of ordinary shares (being 9,964,121 shares on 31 August 2016).

The number of shareholders by size of holding is set out below:

Size of holding	Number of holders	Number of shares
1 – 1,000	166	37,824
1,001 – 5,000	173	510,963
5,001 – 10,000	144	1,165,992
10,001 – 100,000	741	39,908,218
100,001 and over	623	7,548,167,103
Total	**1,847**	**7,589,790,100**

Tenement schedule

The tenement schedule for the Group as at 30 June 2016 is tabulated below:

Tenement Reference	Location	Working Interest	Operator
Morne Diablo	Trinidad	100%	Range
South Quarry	Trinidad	100%	Range
Beach Marcelle	Trinidad	100%	Range
Guayaguayare Shallow*	Trinidad	65%	Range
Guayaguayare Deep*	Trinidad	80%	Range
St Mary's Block	Trinidad	80%	Range
Block 1-2005, South Peten Basin	Guatemala	20%	Latin American Resources Ltd
Block Vla	Georgia	45%	Strait Oil & Gas

Notes:

*Subject to final government approvals.
**During the period, the Company received a notice from Agencia Nacional de Hidrocarburos, stating that the licences over the three exploration blocks, PUT-5, VMM-7, and VSM-1 in Colombia have been revoked.

Corporate Directory

DIRECTORS	**Zhiwei Gu** (Non-Executive Chairman) **Yan Liu** (Executive Director and CEO) **David Yu Chen** (Non-Executive Director) **Juan Wang** (Non-Executive Director) **Yu Wang** (Non-Executive Director) **Lubing Liu** (Non-Executive Director) **Yi Zeng** (Non-Executive Director)
COMPANY SECRETARY	**Nick Beattie** and **Sara Kelly**
REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS	Ground Floor, BGC Centre 28 The Esplanade Perth WA 6000 Australia Telephone: +61 8 6205 3012 Facsimile: +61 8 6316 2211
SHARE REGISTRY (AUSTRALIA)	**Computershare Investor Services Pty Ltd** Level 11, 172 St Georges Terrace Perth WA 6000 Telephone: +61 3 9415 4000
SHARE REGISTRY (UNITED KINGDOM)	**Computershare Investor Services plc** The Pavilions Bridgwater Road Bristol UK BS99 6ZZ Telephone: +44 370 702 0000
AUDITOR	**BDO Audit (WA) Pty Ltd** 38 Station Street Subiaco WA 6008 Australia
STOCK EXCHANGE LISTING	Range Resources Limited shares are listed on the Australian Securities Exchange (ASX code: RRS) and Alternative Investment Market (AIM) of the London Stock Exchange (AIM code: RRL)
COUNTRY OF INCORPORATION	Australia
WEBSITE	www.rangeresources.co.uk