

HIGHLIGHTS

INDEE GOLD MINE

- No lost time injuries.
- Camel pit dewatering was completed with minimum impact upon the local environment.
- 3,863 ounces of gold were sold at an average realised price of AUD\$878/oz.
- Mining of ore ceased as planned at the end of November.
- Crushing and stacking of ore to heaps ceased as planned in December.

CORPORATE

- Joint venture agreements were signed with Oroya Mining Limited for Range River Gold to earn equity in Ballarat North and Beaufort tenements.
- Review of Indee operations commenced.
- Indee review confirms the robustness of heap leaching of gold deposits.
- Range River Gold has commenced seeking opportunities to apply the Company's expertise in the development and operation of heap leach gold projects.
- Rick Watsford was appointed Managing Director and CEO.

1. OPERATIONS – INDEE GOLD MINE**Mine Wind Down**

As previously advised, the Board decided to begin winding down operations at the Indee Mine in anticipation of closure by June 2008. The wind down proceeded to plan with mining ceasing at the end of November and crushing and stacking of ore to heaps ceasing in December. The ore stacked to heaps will continue to be irrigated and produce gold during the coming quarter.

When the recovery of gold reduces to the point where the economics of recovery are no longer favourable, a close down of the gold production operations will commence. This is expected to occur late in the quarter.

Safety

There were no lost time injuries during the quarter.

Production

Ore mined during the quarter was from the Withnell South and North pits and the Camel pit. The Withnell pits were completed to the base of oxidation and rehabilitation of the pits commenced.

The Camel pit was completed to a depth based on the stage 1 cutback. This pit will remain on care and maintenance to enable resumption of operations.

Gold production from the heaps was consistent with planned recoveries based on the original test work.

4. CORPORATE**Indee Mine Future**

A review of the Indee Mine Operation was commenced. These studies are continuing with a view to determining the conditions and operating parameters required to restart operations.

The Indee review has confirmed the robustness of the development concept of applying heap leaching technology to medium volume, low grade deposits where the ore has favourable characteristics for leaching. The advantage of the development concept is the short lead time and low capital cost to achieve gold production.

In addition to reviewing the opportunity to recommence operations at Indee, the company is seeking suitable deposits to apply the expertise gained through the development and operation of Indee.

Strategic Options Review

The company has commissioned Gryphon Partners to assist the company in a strategic options review. The goal of that review is to build on the company's expertise in development and production to re-establish Range River Gold as a gold focused producer.

Production Results	Dec 2006 Quarter	Sep 2007 Quarter	Dec 2007 Quarter
Ore Treated (tonnes)	157,300	119,400	125,900
Gold g/t	1.3	1.5	1.8
Gold Produced (kg)	143.6	150.0	123.8
Gold Produced (oz)	4,617	4,824	3,979
Gold Sold (oz)	4,617	5,071	3,863
Realised Price AUD\$/oz	\$794	\$793	\$878

Management

Rick Watsford commenced as Managing Director and Chief Executive Officer on 26 October 2007.

2. EXPLORATION

2.1 Western Australia

Indee

Target generation continued this quarter at Indee, with further geological mapping at M33 and M76. Rock chip sampling at M33 returned a favourable 39ppb Au result, positioned 100m east of a historical soil geochemical sample of 470ppb Au. This is one of several gold anomalies in the M33 area proximal to significant quartz outcrop.

A review of the exploration potential at the Mallina prospect and surrounding area began this quarter. Mallina has an intermittent strike length of 4 to 5 kilometres trending in an east-west orientation. Key characteristics of this prospect are historical underground workings, gold and antimony production, multiple lode positions defined by several sub-parallel quartz reefs, a mix of reverse circulation, aircore and rotary air blast drilling with significant gold intersections of 19m @ 3.1g/t, 17m @ 2.5

g/t and 27m @ 1.3g/t. A program of mapping and sampling will be initiated upon completion of the review in 2008. These results will be used to better define the geological interpretation and drill targeting.

Pit wall and selected floor mapping at the Withnell pits was undertaken. This information is being compiled with mapping collected during production, to assist in the interpretation of mineralisation at Withnell below the oxide zone, probable strike positions, and deposits proximal to the mining centre.

2.2 Victoria

Beaufort

Following the signing of the joint venture agreement with Oroya, geological and geophysical data on the project area was assembled.

The data review included expert input on the historical production from the area and implications for targeting. In addition, expert review of regional geophysical data has been undertaken.

Detailed mapping of target areas is planned in the coming quarter to assist in finalising drill targets.

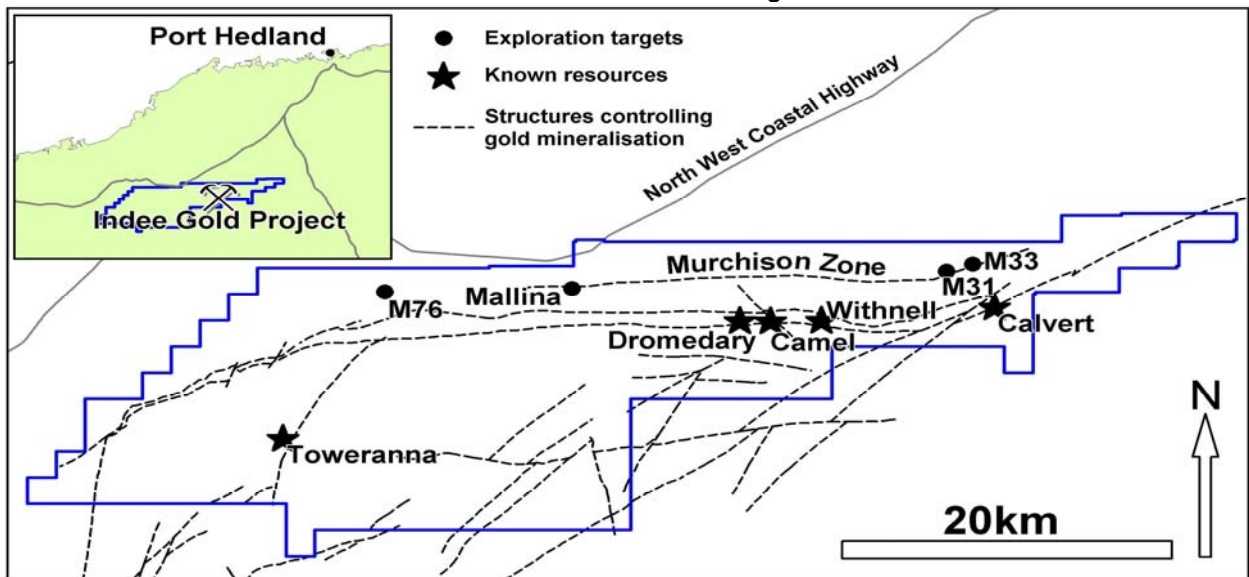


Figure 1 – Regional Map of Indee Tenements

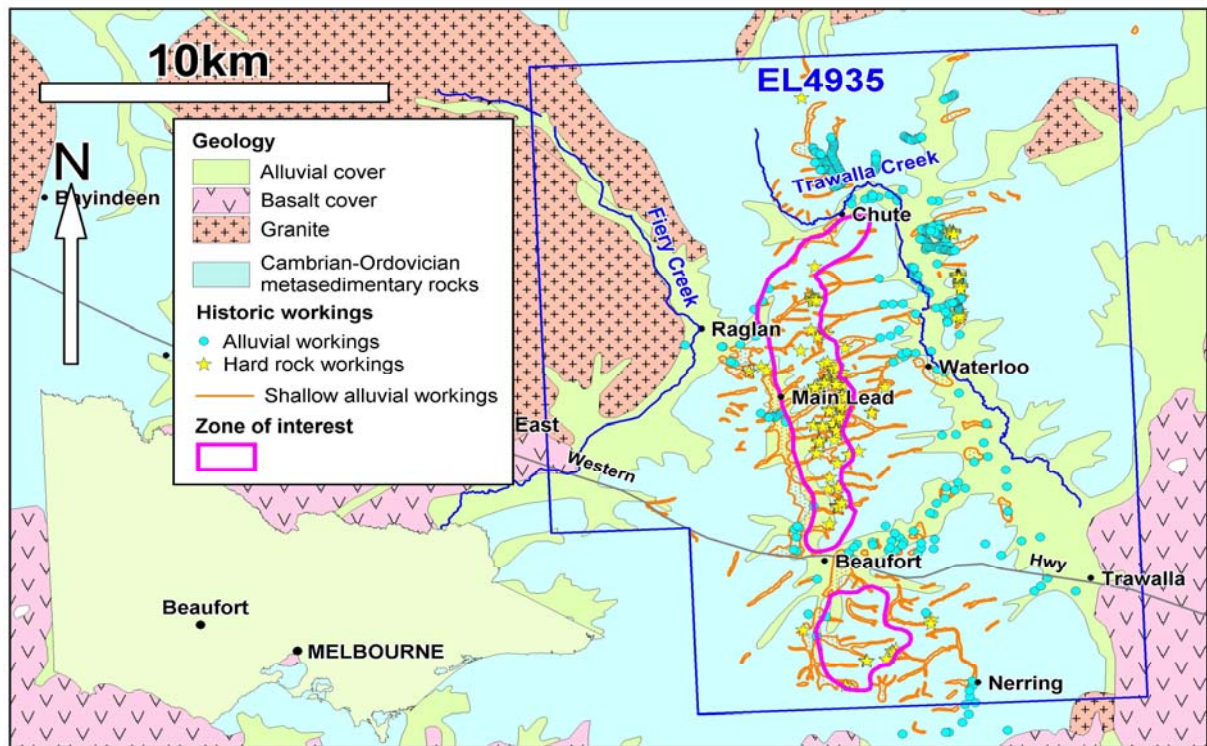


Figure 2 – Regional Map of the Beaufort Tenement

Kingston

A review of the structural and lithological environment at Kingston was completed this quarter. This has assisted in the development of an exploration strategy away from the historical mine workings to identifying high quality gold deposits within the tenement area. The target is structurally controlled mesothermal gold on and proximal to the 24 kilometres strike position of the Landsborough Fault Zone.

A regional mapping program across the tenement area was initiated along road side reserves. This was followed by localised geological and quartz mapping within the Morri Morri State Forest away from the historical mine workings. Mapping consisted of 26 north-south traverses (65.5 line kilometres) spaced 250 metres apart across the entire state forest. It is anticipated that once a review of this mapping data is completed, a grab sampling program will be undertaken.

Summerfield

Field targets in the Summerfield project area were reviewed and targets identified and the renewal submitted.

Ballarat

The drilling of the Ballarat North project is awaiting approval of the exploration licence.

Ararat

Field inspection of anomalies, identified from the VTEM recovery over a section of the tenement, was conducted during the quarter. No new drill targets of potential massive sulphide bodies have been identified as a result of using this technique.

Ararat West

A partial area reduction of Ararat West EL4758 tenement was submitted to the Victorian DPI via JV partners Range River Gold Ltd satisfying a compulsory area reduction to 40%(12 graticules).

Appendix 5B

Mining Exploration Entity Quarterly Cash Flows

Name of entity:

Range River Gold Ltd

ABN: 64 065 480 453

Quarter ended ("current quarter"):

31 December 2007

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (6 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	3,393	7,411
1.2 Payments for (a) exploration and evaluation	(67)	(93)
(b) development	(27)	(320)
(c) production	(5,313)	(12,151)
(d) administration	(117)	(710)
1.3 Dividends received	Nil	Nil
1.4 Interest and other items of a similar nature received	77	244
1.5 Interest and other costs of finance paid	(54)	(198)
1.6 Income taxes paid	Nil	Nil
1.7 Other (provide details if material)	Nil	Nil
Net Operating Cash Flows	(2,108)	(5,817)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects	Nil	Nil
(b) equity investments	Nil	Nil
(c) other fixed assets	Nil	Nil
1.9 Proceeds from sale of: (a) prospects	Nil	Nil
(b) equity investments	Nil	Nil
(c) other fixed assets	Nil	Nil
1.10 Loans to other entities	Nil	Nil
1.11 Loans repaid by other entities	Nil	Nil
1.12 Other	(325)	(325)
Net investing cash flows	(325)	(325)
1.13 Total operating and investing cash flows (carried forward)	(2,433)	(6,142)
1.13 Total operating and investing cash flows (brought forward)	(2,433)	(6,142)

	Cash flows related to financing activities	Current quarter \$A'000	Year to date (6 months) \$A'000
1.14	Proceeds from issues of shares, options, etc.	Nil	(23)
1.15	Proceeds from sale of forfeited shares	Nil	Nil
1.16	Proceeds from borrowings	Nil	Nil
1.17	Repayment of borrowings	(2,250)	(3,500)
1.18	Dividends paid	Nil	Nil
1.19	Other (provide details if material)	Nil	Nil
	Net financing cash flows	(2,250)	(3,523)
	Net increase (decrease) in cash held	(4,683)	(9,665)
1.20	Cash at beginning of quarter/year to date	6,214	11,196
1.21	Exchange rate adjustments to item 1.20	Nil	Nil
1.22	Cash at end of quarter	1,531	1,531

Payments to directors of the entity and associates of the directors**Payments to related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	75
1.24	Aggregate amount of loans to the parties included in item 1.10	Nil
1.25	Explanation necessary for an understanding of the transactions	
	Remuneration of Executive Chairman and non executive directors paid during the quarter.	

Non-cash financing and investing activities

2.1	Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows	None
2.2	Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest	None

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	Nil	Nil
3.2	Credit standby arrangements	Nil	Nil

Estimated cash outflows for next quarter

		\$A'000
4.1	Exploration and evaluation	250
	Total	250

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter \$A'000	Previous quarter \$A'000
5.1	Cash on hand and at bank	(578)	393
5.2	Deposits at call	2,109	5,821
5.3	Bank overdraft	Nil	Nil
5.4	Other (provide details)	Nil	Nil
	Total: cash at end of quarter (item 1.22)	1,531	6,214

Changes in interests in mining tenements

		Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenement relinquished, reduced or lapsed	Nil	Nil	Nil	Nil
6.2	Interests in mining tenements acquired or increased	Nil	Nil	Nil	Nil

Issued and quoted securities at end of current quarter

		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference securities	Nil	Nil	Nil	Nil
7.2	Changes during quarter	Nil	Nil	Nil	Nil
7.3	Ordinary securities	590,929,620	590,929,620	Various	Fully Paid
7.4	Changes during quarter				
	(a) Increases through issues	Nil	Nil	Nil	Nil
	(b) Decreases through returns of capital, buy-backs	Nil	Nil	Nil	Nil
7.5	Convertible debt securities	Nil	Nil	Nil	Nil
7.6	Changes during quarter				
	(a) Increases through issues	Nil	Nil	Nil	Nil
	(b) Decreases through securities matured, converted	Nil	Nil	Nil	Nil
7.7	Options <i>(on issue 30/09/2007)</i>	4,000,000 4,000,000 1,950,000 1,500,000 1,000,000 1,000,000 1,000,000 27,718,960 1,000,000 1,000,000 4,000,000 4,000,000	Nil Nil Nil Nil Nil Nil Nil 27,718,960 Nil Nil Nil Nil	13 cents 14 cents 20 cents 25 cents 22 cents 25 cents 30 cents 25 cents 20 cents 25 cents 20 cents 25 cents	15/1/2008 15/1/2008 31/5/2011 31/5/2011 31/5/2011 31/5/2011 31/12/2011 30/09/2008 30/11/2011 31/07/2011 30/11/2009 30/11/2009
7.8	Issued during quarter	Nil	Nil	Nil	Nil
7.9	Exercised during quarter	Nil	Nil	Nil	Nil
7.10	Forfeited during quarter Expired during quarter	Nil Nil	Nil Nil	Nil Nil	Nil Nil
7.11	Debentures	Nil	Nil		
7.12	Unsecured notes	Nil	Nil		

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Rick Watsford
Managing Director
Date: 31 December 2007

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

Board Members

Kevin Tuckwell
Executive Chairman

Rick Watsford
Managing Director/CEO

Owen Hegarty
Non executive Director

Ken Barassi
Non executive Director

John Andrews
Non executive Director

Company Secretaries

David Forsyth

Stan Zillwood

Issued Share Capital

At 31 December, 2007
\$58,381,407

Ordinary Shares
590,926,620

Unlisted Options
24,450,000

Listed options
27,718,960

Share Price Activity for the December Quarter

High 5.9 cents

Low 3.7 cents

Last 3.0 cents

Senior Management

Stan Zillwood
Chief Financial Officer

Neil Phillips
GM Exploration

Peter Johnston
GM Operations, Indee

Registered & Principal Office

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