

**RANGE RIVER GOLD LIMITED  
AND ITS CONTROLLED ENTITY**

ABN 64 065 480 453

**FINANCIAL REPORT**

**FOR THE HALF YEAR ENDED  
31 DECEMBER 2006**

## DIRECTORS' REPORT

The directors of Range River Gold Ltd submit their report for the half year ended 31 December 2006.

### Directors

The names of the Company's directors in office during the half year until the date of this report are set out below:

Kevin Tuckwell (Executive chairman)\* appointed 12 July 2006  
Michael Beer (Managing director) resigned 1 February 2007  
Owen Hegarty (Non executive director)  
Kenneth Barassi (Non executive director)  
John Andrews (Non executive director)  
Arnold Offenberg (Non executive director) resigned 25 January 2007

\* Mr Tuckwell assumed the role of executive chairman on 1 February 2007. Prior to that date he was non-executive chairman, having being appointed to that position on 12 November 2006.

### Review of operations

#### Indee Gold Project

Construction of the Indee gold mine and infrastructure located near Port Hedland in Western Australia was completed and gold production commenced in August 2006.

Leach pad No. 1 was fully loaded with ore and elution is well established. Loading of ore to leach pad No.2 commenced and elution has begun.

Ore was sourced from the Withnell East, Withnell South, Withnell North and Camel pits. Withnell East is now mined out having produced 144,038 bcm of ore.

To the end of the period and since mining commenced, 276,266 tonnes of ore at an average grade of 1.44 g/t gold have been added to heaps 1 and 2. At these grades and tonnages, the heaps contained more than 8,850 recoverable oz of gold. To the end of December 2006, 7,142 oz of gold were produced and sold as bullion. Gold sales totalled \$5.3 million at an average selling price of \$746.80 per ounce.

Ore processing and gold production are continuous. To ensure ore feed is matched to the capacity of the plant, mining is conducted on a 14 days on 7 days off roster. Planned maintenance is carried out on the off shift.

### Exploration

#### Indee

A reverse circulation drilling program of eight holes tested sulphide mineralisation to a depth of 300m beneath the Withnell pits. Best intersections were:

- 9 m @ 3.21 g/t including 1 m @ 13.3 g/t
- 3 m @ 4.7 g/t
- 2 m @ 5.5 g/t
- 2 m @ 5.4 g/t

A reconnaissance air core drilling program was conducted 10 km west, and along trend from the Withnell mineralisation. Anomalous gold in the range of 10 -100 parts per billion was detected over an area more than 600 m long. Follow up drilling is required.

#### South Australia

Minotaur Exploration Ltd and Toro Energy Limited (Toro) are carrying out exploration activities to earn equity in the Company's tenements on the prospective Gawler Craton. Toro plan to commence drilling the Warrior channel on Ranges' tenements in late February to test for the continuation of uranium mineralisation previously recognised.

**DIRECTORS' REPORT (Continued)**

**Auditor's Independence Declaration**

Section 307C of the Corporations Act 2001 requires our auditors, HLB Mann Judd, to provide the directors of the Company with an Independence Declaration in relation to the review of the half-year financial report. This Independence Declaration is set out on page 4 and forms part of this directors' report for the half-year ended 31 December 2006.

This report is signed in accordance with a resolution of the Board of Directors made pursuant to s.306(3) of the Corporations Act 2001.

A handwritten signature in black ink, appearing to read 'Kevin Tuckwell', is written in a cursive style.

Kevin Tuckwell  
Director

Dated 28 February 2007

28 February 2007

Board of Directors  
Range River Gold Limited  
Ground Floor  
15 Queen Street  
MELBOURNE VIC 3000

Dear Directors,

**Re: Auditor's Independence declaration**

In relation to our review of the financial report of Range River Gold Limited ("Range River") for the half-year ended 31 December 2006 ("the review"), we make the following declarations to the Board of Directors of Range River:

- 1) To the best of our knowledge and belief, there have been no contraventions of:
  - the auditor's independence requirements of the *Corporation Act 2001* in relation to the review; and
  - any applicable codes of professional conduct in relation to the review.
- 2) We have maintained our independence in accordance with the provisions of Professional Statement F1, and with the provisions of the *Corporations Act 2001* in performing the review.

Yours faithfully

A handwritten signature in black ink that reads 'HLB Mann Judd'.

**HLB Mann Judd**

A handwritten signature in black ink that reads 'David Nairn'.

**DAVID NAIRN**

Partner

**CONSOLIDATED INCOME STATEMENT  
FOR THE HALF YEAR ENDED 31 DECEMBER 2006**

	2006 \$	2005 \$
<b>Continuing operations</b>		
Revenue	5,333,701	-
Other income	86,970	123,511
<b>Total revenue</b>	<u>5,420,671</u>	<u>123,511</u>
Change in inventories of gold and work in progress	2,300,685	-
Administration expense	(699,082)	(771,269)
Depreciation and amortisation expense	(2,446,775)	(9,998)
Employee benefit expense	(1,446,184)	(375,712)
Exploration expenditure written off	-	(567,147)
Mining costs	(10,826,257)	-
Royalties	(168,808)	-
Finance costs	(255,747)	(15,174)
Share based employee benefits	(539,760)	-
Tenement costs	-	(419,881)
<b>Total expenses</b>	<u>(14,081,928)</u>	<u>(2,159,181)</u>
<b>(Loss) before income tax from continuing operations</b>	(8,661,257)	(2,035,670)
Income tax expense	-	-
<b>Net (loss) attributable to members of parent</b>	<u>(8,661,257)</u>	<u>(2,035,670)</u>
Basic earnings per share (cents per share)	(3.2 cents)	(1.8 cents)
Diluted earnings per share (cents per share)	(3.2 cents)	(1.8 cents)

The above consolidated income statement should be read in conjunction with the accompanying notes.

**CONSOLIDATED BALANCE SHEET  
 AS AT 31 DECEMBER 2006**

	As at 31 December 2006 \$	As at 30 June 2006 \$
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	1,658,988	3,197,460
Trade and other receivables	411,933	883,415
Inventories	2,300,685	-
Other	224,150	383,320
<b>Total current assets</b>	<b>4,595,756</b>	<b>4,464,195</b>
<b>Non-current assets</b>		
Plant and equipment	15,617,959	14,952,144
Exploration and evaluation expenditure	4,868,542	4,161,344
Intangible assets	668,253	776,625
<b>Total non-current assets</b>	<b>21,154,754</b>	<b>19,890,113</b>
<b>TOTAL ASSETS</b>	<b>25,750,510</b>	<b>24,354,308</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Trade and other payables	5,360,724	5,429,819
Interest bearing liabilities	168,926	-
Provisions	135,970	123,032
<b>Total current liabilities</b>	<b>5,665,620</b>	<b>5,552,851</b>
<b>Non-current liabilities</b>		
Interest bearing loans & borrowings	2,353,415	2,047,901
Provisions	796,310	-
<b>Total non-current liabilities</b>	<b>3,149,725</b>	<b>2,047,901</b>
<b>TOTAL LIABILITIES</b>	<b>8,815,345</b>	<b>7,600,752</b>
<b>NET ASSETS</b>	<b>16,935,165</b>	<b>16,753,556</b>
<b>EQUITY</b>		
Contributed equity	3 40,334,535	32,031,429
Reserves	1,322,550	782,790
Accumulated (losses)	(24,721,920)	(16,060,663)
<b>TOTAL EQUITY</b>	<b>16,935,165</b>	<b>16,753,556</b>

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
 FOR THE HALF YEAR ENDED 31 DECEMBER 2006**

	Contributed Capital \$	Accumulated Losses \$	Reserves \$	Total Equity \$
<b>Balance at 1 July 2005</b>	19,344,275	(8,108,511)	296,207	11,531,971
Shares issued during the period, net of transaction costs	7,372,551	-	-	7,372,551
(Loss) for the period	-	(2,035,670)	-	(2,035,670)
<b>Balance at 31 December 2005</b>	<u>26,716,826</u>	<u>(10,144,181)</u>	<u>296,207</u>	<u>16,868,852</u>
<b>Balance at 1 July 2006</b>	32,031,429	(16,060,663)	782,790	16,753,556
Shares issued during the period, net of transaction costs	8,303,106	-	-	8,303,106
(Loss) for the period	-	(8,661,257)	-	(8,661,257)
Equity benefits issued during the period	-	-	539,760	539,760
<b>Balance at 31 December 2006</b>	<u>40,334,535</u>	<u>(24,721,920)</u>	<u>1,322,550</u>	<u>16,935,165</u>

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

**CONSOLIDATED CASH FLOW STATEMENT  
 FOR THE HALF YEAR ENDED 31 DECEMBER 2006**

	2006 \$	2005 \$
<b>Cash flows from operating activities</b>		
Receipts from customers	5,855,967	-
Payments to suppliers and employees (including GST)	(12,113,653)	(1,745,124)
Interest received	36,186	113,435
Interest paid	(169,830)	-
<b>Net cash provided by / (used in) operating activities</b>	<u>(6,391,330)</u>	<u>(1,631,689)</u>
<b>Cash flows from investing activities</b>		
Purchase of non-current assets	(2,282,899)	(9,513)
Payment for intangible assets	(7,953)	-
Payment for exploration and mine development	(707,196)	(2,505,028)
<b>Net cash provided by / (used in) investing activities</b>	<u>(2,998,048)</u>	<u>(2,514,541)</u>
<b>Cash flows from financing activities</b>		
Proceeds from issue of shares (net of costs)	7,100,906	7,372,551
Proceeds from borrowings (net of costs)	750,000	687,185
<b>Net cash provided by / (used in) financing activities</b>	<u>7,850,906</u>	<u>8,059,736</u>
Net increase/(decrease) in cash and cash equivalents held	(1,538,472)	3,913,506
Cash and cash equivalents at 1 July	3,197,460	2,190,846
<b>Cash and cash equivalents at 31 December</b>	<u>1,658,988</u>	<u>6,104,352</u>

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

## NOTES TO THE HALF YEAR CONSOLIDATED FINANCIAL STATEMENTS

### 1. Corporate information

The half year consolidated financial report of Range River Gold Ltd ("the company") for the period ended 31 December 2006 was authorised for issue in accordance with a resolution of the directors on 28 February 2007.

Range River Gold Ltd is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Stock Exchange.

### 2. Summary of significant accounting policies

The half year financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing activities of the consolidated entity as the full financial report.

Accordingly, this report is to be read in conjunction with the Annual Financial Report of Range River Gold Limited for the year ended 30 June 2006. The annual financial report of Range River Gold Ltd and its controlled entity was prepared in accordance with Australian Accounting Standards, and other authoritative pronouncements of the Australian Accounting Standards Board and the *Corporations Act 2001*.

It is also recommended that the half year financial report be considered together with any public announcements made by Range River Gold Ltd and its controlled entity during the half year ended 31 December 2006 and up to the date of this report in accordance with the continuous disclosure obligations of the *Corporations Act 2001*.

#### a. Funding ongoing operations

The operations of the Company have not yet reached a stage where profitable operations can provide a cashflow to support the expenditure of the Company. Accordingly the Company must rely on the continued support of its shareholders and the investment community generally to fund future activities. The ability of the Company to continue as a going concern is dependant upon its capacity to raise funds through future capital raisings until the Company's operating cash flows are sufficient for it to fund ongoing operations.

#### b. Basis of preparation

The half year consolidated financial report is a general purpose financial report which has been prepared in accordance with the requirements of the *Corporations Act 2001*, applicable Accounting Standards, including AASB 134: Interim Financial Reporting, and other mandatory professional reporting requirements.

The half year financial report has been prepared on an accruals basis and is based on historical costs modified where applicable by the revaluation of financial assets and liabilities for which the fair value basis of accounting has been applied and by the revaluation of certain classes non-current assets.

The consolidated financial report is presented in Australian dollars.

For the purpose of preparing the half year consolidated financial report, the half year has been treated as a discrete reporting period.

## NOTES TO THE HALF YEAR CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### c. Significant accounting policies

Significant accounting policies adopted by Range River Gold Ltd and its controlled entity are consistent with those in the financial report of Range River Gold Ltd and its controlled entity dated 30 June 2006 with the exception of the adoption of the following standards due to the commencement of production as referred to in the Directors Report:

#### Revenue

Sales are recognised as revenue only when there has been a passing of title and risk to the customer, and:

- (a) the product is in a form suitable for delivery and no further processing is required by, or on behalf of, the Company;
  - (b) the quantity and quality (grade) of the product can be determined with reasonable accuracy;
  - (c) the product has been dispatched to the customer and is no longer under the physical control of the Company (or property in the product has earlier passed to the customer);
  - (d) the selling price can be measured reliably;
  - (e) it is probable that the economic benefits associated with the transaction will flow to the Company; and
  - (f) the costs incurred or to be incurred in respect of the transaction can be measured reliably.
- Sales revenue represents the gross proceeds receivable from the customer.

Interest income is recognised on a time proportion basis using the effective interest rate method.

#### Stripping costs

In mining operations, it is necessary to remove overburden and other barren waste materials to access the ore from which minerals can economically be extracted. The process of mining overburden and waste materials is referred to as stripping. Stripping costs incurred before production are included within capitalised mine development expenditure and subsequently amortised over the life of the mine. Stripping costs incurred subsequent to the commencement of production are accounted for as variable production costs and included in the cost of inventory.

#### Provisions for decommissioning and restoration costs

Range River Gold Ltd and its controlled entity are required to decommission and rehabilitate mines and processing sites at the end of their producing lives to a condition acceptable to the relevant authorities.

The expected cost of any approved decommissioning or rehabilitation program, discounted to its net present value, is provided when the related environmental disturbance occurs. The cost is capitalised when it gives rise to future benefits, whether the rehabilitation activity is expected to occur over the life of the operation or at the time of closure. The capitalised cost is amortised over the life of the operation and the increase in the net present value of the provision for the expected cost is included in financing expenses. Expected decommissioning and rehabilitation costs are based on the discounted value of the estimated future cost of detailed plans prepared for each site. Where there is a change in the expected decommissioning and restoration costs, the value of the provision and any related assets are adjusted and the effect is recognised in the income statement on a prospective basis over the remaining life of the operation.

The provision is recognised as a non-current liability with a corresponding assets included in Mining Property and Development Assets. The provision above does not include any amounts related to remediation costs associated with unforeseen circumstances.

## NOTES TO THE HALF YEAR CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### c. Significant accounting policies (continued)

#### Inventories

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value. Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Costs are assigned to individual items of inventory on the basis of weighted average costs. Cost includes direct material, overburden removal, mining, processing, labour, related transportation cost to the point of sale, mine rehabilitation costs incurred in the extraction process and other fixed and variable costs directly related to mining activities.

#### Plant and equipment

Plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses. Such costs include the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred. Similarly, when each major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement only if its eligible for capitalisation.

Depreciation is calculated using the diminishing value method over the estimated useful life of the asset over 3-5 years, after taking into account any residual value.

The assets residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end.

#### Impairment

The carrying values of property, plant and equipment are reviewed for impairment at each reporting date, with the recoverable amount being estimated when events or changes in circumstances indicate that the carrying value may be impaired.

For an asset that does not generate largely independent cash flows, the recoverable amount is determined for the cash-generating unit to which the asset belongs, unless the assets value in use can be estimated to be close to its fair value.

If any such indication exists and where carrying value exceed the estimated recoverable amount, the assets or cash-generating units are written down to their recoverable amount.

The recoverable amount of plant and equipment is the greater of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

#### De-recognition and disposal

An item of plant and equipment is de-recognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is de-recognised.

## NOTES TO THE HALF YEAR CONSOLIDATED FINANCIAL STATEMENTS (Continued)

### c. Significant accounting policies (continued)

#### Plant and equipment (continued)

##### Mining property and development

Mining property and development assets include costs transferred from exploration and evaluation assets once technical feasibility and commercial viability of an area of interest are demonstrable and subsequent costs to develop the mine to the production phase.

The depreciation of mining assets (being mining property and development, mining plant and equipment, and mine rehabilitation) commences when the mine starts commercial production. Depreciation of mining property and development assets and mine rehabilitation assets are calculated on the basis of units of mine production. Depreciation is based on assessments of proven and probable reserves and a proportion of resources available to be mined by the current production equipment to the extent that such resources are considered to be economically recoverable.

#### Significant accounting estimates and assumptions

##### *Mine decommissioning and restoration*

Provision for decommissioning and restoration costs are a normal consequence of mining, and the majority of this expenditure is incurred at the end of a mines life. In determining an appropriate level of provision consideration is given to the expected future costs to be incurred. The timing of these expected future costs (largely dependant on the life of the mine), and the estimated future level of inflation.

The ultimate cost of decommissioning and restoration is uncertain and costs can vary in response to many factors including changes to the relevant legal requirements, the emergence of new restoration techniques or experience at other mine sites. The expected timing of expenditure can also change, for example in response to changes to reserves or to production rates.

Changes to any of the estimates could result in significant changes to the level of provisioning required, which would in turn impact future financial results.

##### *Units of production method of depreciation*

The consolidated entity applies the units of production method for depreciation of its mine assets. These calculations require the use of estimates and assumptions. Significant judgement is required in assessing the available reserves and proportion of resources and the production capacity of the plants to be depreciated under this method. Factors that must be considered in determining reserves and resources and production capacity are the Company's history of converting resources to reserves and the relevant time frames, the complexity of metallurgy, markets and future developments.

When these factors change or become known in the future, such differences will impact pre-tax profit and asset carrying values.

##### *Ore reserve estimates*

The estimated quantities of economically recoverable reserves are based upon interpretations of geological and geophysical models and require assumptions to be made requiring factors such as estimates of future operating performance, future capital requirements, of short and long term commodity prices, and short and long term exchange rates. Changes in reported reserves estimates can impact the carrying value of property plant and equipment, provisions for rehabilitation obligations, the recognition of deferred tax assets, as well as the amount of depreciation and amortisation charged to the income statement.

**NOTES TO THE HALF YEAR CONSOLIDATED FINANCIAL STATEMENTS (Continued)**

**c. Significant accounting policies (continued)**

**New accounting standards and UIG interpretations**

Certain new accounting standards and UIG interpretations have been published that are not mandatory for 31 December 2006 reporting periods but contain an option for early adoption.

The Company has reviewed each of these new standards and interpretations and is satisfied that they have no impact on the reported financial position or performance of the Company for the period ended 31 December 2006.

**3. Contributed equity**

	<b>31 December 2006 \$</b>	<b>30 June 2006 \$</b>
<i>Ordinary Shares</i>		
Issued and fully paid	40,334,535	32,031,429
<i>Movement in ordinary shares on issue</i>		
	Issue Price	No of shares \$
As at 1 July 2006		243,586,714
Conversion of Notes 7 July 2006	12 cents	3,750,000
Shares issued 4 August 2006	16 cents	1,370,000
Placement 8 August 2006	14 cents	8,428,000
Placement 29 August 2006	14 cents	3,572,000
Placement 25 October 2006	14 cents	43,451,119
Shares issued 28 November 2006	13 cents	4,100,000
		308,257,833
Less: transaction costs on share issues	-	(662,251)
Total issued and paid up capital	308,257,833	40,334,535

**4. Events subsequent to reporting date**

Since 31 December 2006, the Company has undertaken a capital raising of up to 75.5 million fully paid shares at a price of 6.5 cents per share to raise gross funds of approximately \$4.9 million for capital works and working capital requirements for the further development of the Indee Gold project in the Pilbara region of Western Australia.

Up to 41.6 million shares are being allotted in accordance with ASX listing rules, the balance will require approval at a general meeting of shareholders that is expected to be held on 10 April 2007.

Mr Tuckwell assumed the role of executive chairman following the resignation of Michael Beer as managing director on 1 February 2007.

No other event has arisen that would be likely to materially affect the operations of the economic entity or the state of affairs of the economic entity not otherwise disclosed in the financial report.

**5. Segment information**

The principal activity of the Company is the mining of gold within Australia.

**DIRECTORS' DECLARATION  
FOR THE HALF YEAR ENDED 31 DECEMBER 2006**

The Directors of the Company declare that:

The accompanying financial statements and notes

- Comply with AASB 134 *Interim Financial Reporting*, the *Corporations Regulations 2001* and other mandatory professional reporting requirements and;
- Give a true and fair view of the consolidated entity's financial position as at 31 December 2006 and of its performance, as represented by the results of its operations and its cash flows, for the half year ended on that date.

In the Directors' opinion:

- The financial statements and notes of the consolidated entity are in accordance with the *Corporations Act 2001*; and
- There are reasonable grounds to believe that the Company and its controlled entity will be able to pay its debts as and when they become due and payable taking into account the matters noted in Note 2(a) of the Financial Report.

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



Kevin Tuckwell  
Director  
Dated 28 February 2006

**INDEPENDENT AUDITOR'S REVIEW REPORT  
TO THE MEMBERS OF RANGE RIVER GOLD LIMITED****Report on the Interim Financial Report**

We have reviewed the accompanying interim financial report of Range River Gold Limited, which comprises the consolidated interim balance sheet as at 31 December 2006, income statement, statement of changes in equity and cash flow statement for the half-year ended on that date, a statement of accounting policies, other selected explanatory notes and the directors' declaration of the consolidated entity comprising the company and the entity it controlled at the half-year's end or from time to time during the half-year.

*Directors' Responsibility for the Interim Financial Report*

The directors of the company are responsible for the preparation and fair presentation of the interim financial report in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the interim financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

*Auditor's Responsibility*

Our responsibility is to express a conclusion on the interim financial report based on our review. We conducted our review in accordance with Australian Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the interim financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the company's financial position as at 31 December 2006 and its performance for the half-year ended on that date; and complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As auditor of Range River Gold Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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HLB Mann Judd (MCPartnership)

HLB Mann Judd (MCPartnership) is a member of  International. A world-wide organisation of accounting firms and business advisers.

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

### **Independence**

In conducting our review, we have complied with the independence requirements of the Australian professional ethical pronouncements and the *Corporations Act 2001*.

### **Conclusion**

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim financial report of Range River Gold Limited is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2006 and of its performance for the half-year ended on that date; and
- (b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001.

### **Inherent Uncertainty Regarding Continuation as a Going Concern**

Without qualification to the opinion expressed above, we draw attention to Note 2(a) in the interim financial report. The company is reliant on the assumptions of future revenue from its current activities, accessing additional capital and successfully reducing the cost of operations. Should these assumptions not be realised, there is uncertainty regarding the ability of the company to continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the interim financial report.

*HLB Mann Judd*

**HLB Mann Judd**

A handwritten signature in black ink, appearing to read 'D Nairn'.

**David Nairn**  
Partner

28 February 2007  
Melbourne