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Companies Announcement Office
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By E-Lodgement

TFG and PUNTLAND GOVERNMENT UNITE IN SUPPORT

Further to the Company's announcement last week in relation to recent communications from the Transitional Federal Government of Somalia ("**TFG**"), the Company is pleased to advise that following key meetings of representatives of the TFG and Puntland Government in Bosaso this week, both governments have agreed to work together in allowing Puntland to explore and develop its natural resources.

Importantly for Range, the agreement recognises the existing Contract of Work in place and, in the Board's opinion, now allows Range to fast track its planned exploration and joint venture / farm out program for Puntland's mineral and hydrocarbon assets. Key terms of the mou signed by His Excellency President Hersi of Puntland and Acting President and Speaker of the Parliament of the TFG, Mr Sherif Hassan Sh. Adan include:

- a) the continuation of exploration and production of minerals and oil in Puntland while respecting prior agreements. The parties will also look at using a block system to encourage other third parties to enter into Puntland (*note that this is consistent with Range's current strategy of retaining identified mineral and hydrocarbon areas and returning residual land holdings.*);
- b) the governments to start discussions regarding how to divide royalty and other interests before the production stage of the minerals and oil in Puntland state are reached;
- c) the formulation of laws regarding exploration, production, administration and shares of the resources in the sup soil such as minerals, oil etc. The formulation of such laws will be subject to collaboration between the governments;
- d) Both governments to create an environment of cooperation and communication through official channels; and
- e) The parties to work together to prevent all that could jeopardise their cooperation which could lead to mistrust.

RECENT INTERNET ARTICLES

The Company has been aware for some time of websites posting false and misleading information regarding, the Company, the Company's activities in Puntland and the actions of the Puntland Government. These postings and false reports are not supported by the vast majority of people in Puntland and, in fact, do not emanate from within the country but from a small minority outside the country. These postings have increased recently culminating in false reports attributed to the BBC's Somalia Service. The Company has not only informed the BBC of the false reports attributed to them but also appointed information security consultants to track down the hosts of these sites with a view to commencing legal action.

It is the Company's view that the increase in these negative, misleading and/or false reports is as a result of Range's success and credibility in actually commencing exploration activities in Puntland and demonstrating the vast mineral and hydrocarbon potential that the region holds. The negativity is an attempt to destabilise the agreements currently in place in the hope that if successful these individuals may subsequently benefit themselves from other parties who are seeking to exploit opportunities in Puntland.

The self-interest shown from a small minority with possible vested interests whilst irritating, does indicate that the individuals involved are fully aware of the enormous potential referred to above and the flow on benefits for the social and economic infrastructure of Puntland. We urge our shareholders to be wary of information posted outside of official Puntland and Company sources.

The Company looks forward to updating shareholders shortly on further key developments.

Yours sincerely



MIKE POVEY
Executive Chairman

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