

ASX Release

12 December 2012

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LIMITED**
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Issued Capital

326,301,222 Shares
687,119 Options

ASX Symbol

RNG

RANGE RIVER TO ACQUIRE ARIONA COMPANY SA

The Board of Range River Gold Limited ("Range River") is pleased to announce that Range River has entered into a conditional heads of agreement to acquire the entire issued share capital in Ariona Company SA ("Ariona").

Ariona is currently a party to several agreements pursuant to which Ariona has agreed to acquire up to 800,000,000 shares in Firestone Energy Limited (ASX:FSE) ("Firestone") from Sekoko Coal (Proprietary) Limited ("Sekoko") and Ariona has agreed to acquire a 10% interest in the Waterberg Joint Venture (summarised below) from Sekoko, either directly or through the subscription for a 25% interest in Sekoko (Sekoko currently holds a 40% interest in the Waterberg Joint Venture);

As a result of the proposed acquisition of Ariona, Range River intends to consolidate all Range River shares ("Range River Shares") and Range River options to acquire Range River Shares ("Range River Options") on a 1 for 10 basis subject to shareholder approval ("Consolidation").

About the Waterberg Joint Venture

The Waterberg Joint Venture comprises eight titles in the Waterberg coalfield (see Figure 1 below) totalling some 7,979 hectares. Sekoko currently holds a 40% interest in the Waterberg Joint Venture and Firestone holds a 60% interest in the Waterberg Joint Venture. Exploration of the Waterberg Joint Venture is ongoing. For more information on the exploration of the Waterberg Joint Venture, please refer to Firestone's notice of general meeting dated 31 August 2012 for the general meeting of Firestone's shareholders that was held on 5 October 2012.

The parties involved in the Waterberg Joint Venture propose the construction of an open cut coal mine on the Smitspan title together with infrastructure linking the mine to the Transnet rail system which is approximately seven km from the proposed mine site. The parties to the Waterberg Joint Venture have commissioned a formal Bankable Feasibility Study ("BFS") in relation to the proposed development and operation of the project. The BFS, and the results thereof, are expected to be completed and delivered to the market in February 2013.

Sekoko recently signed a memorandum of understanding in relation to a coal supply agreement with Africa's largest power utility, Eskom Holdings Limited, to supply 10 million tonnes per annum of thermal coal from its Waterberg Joint Venture to Eskom for an initial period of thirty years with options to extend.

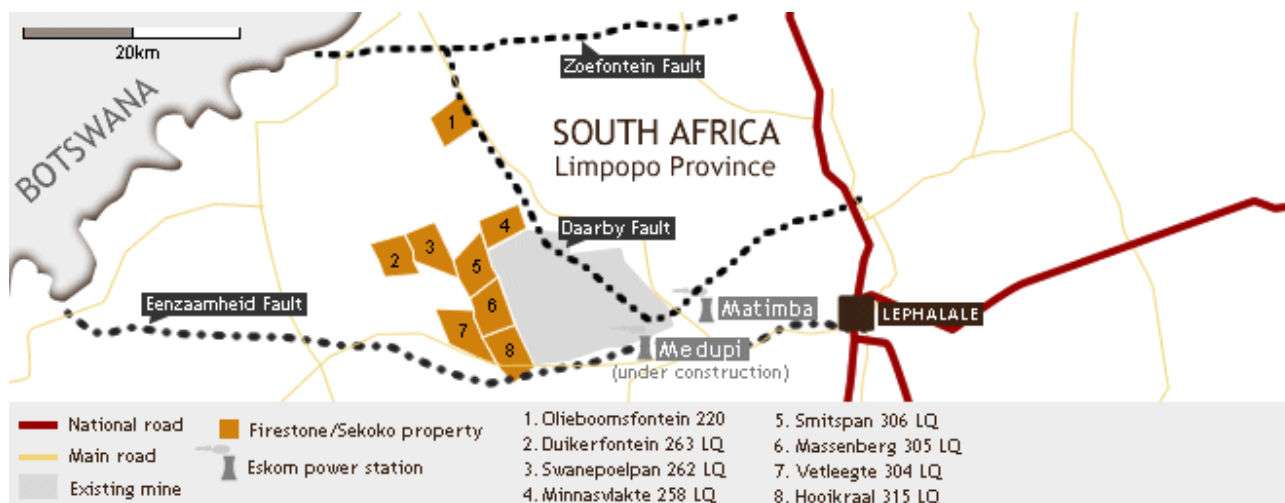


Figure 1: Waterberg Joint Venture Farms

Ariona acquisition

Range River proposes to acquire 100% of the fully paid ordinary shares in the capital of Ariona in consideration of 125,000,000 post-Consolidation Range River Shares ("Acquisition").

Range River's acquisition of Ariona is subject to and conditional upon a number of conditions precedent occurring on or before 31 March 2013 (or such other date as agreed to by the parties in writing), including:

- completion of due diligence by Range River on Ariona and its assets and Range River being satisfied with the results of that due diligence on or before 15 January 2013;
- a consolidation of all Range River Shares and Range River Options on a 1 for 10 basis in accordance with the ASX Listing Rules;
- Range River successfully completing a capital raising of at least A\$12 million;
- both Range River and Ariona seeking and obtaining all relevant approvals;
- Firestone obtaining shareholder approval for the acquisition of a relevant interest by Range River in Firestone as a result of Range River acquiring Ariona; and
- Range River re-complying with Chapters 1 and 2 of the ASX Listing Rules.

In addition to the proposed acquisition of Ariona, Range River has agreed to provide Ariona an unsecured loan valuing A\$250,000 for working capital purposes and repayable on or before 30 June 2013.

Re-compliance with Chapters 1 and 2 of the ASX Listing Rules

Range River will re-comply with Chapters 1 and 2 of the ASX Listing Rules as the proposed acquisition of Ariona constitutes a significant change to the activities of Range River. As such, Range River will, amongst other matters, prepare a prospectus to be lodged with the ASIC and released to the ASX. Range River's securities will be suspended from trading on the ASX upon Range River shareholders approving a change to the activities of Range River. Upon successful re-compliance with Chapters 1 and 2 of the ASX Listing Rules, Range River will apply for its securities to be re-instated to trading on the ASX.

General meeting of Range River shareholders

Range River will convene a general meeting of shareholders to approve, amongst other matters:

- a change in activities of Range River as a result of the proposed acquisition of Ariona;
- a consolidation of all Range River Shares on a 1 for 10 basis in accordance with the ASX Listing Rules;



- proceeding with a general offer to the public under a prospectus to issue Range River Shares (“Prospectus”) at a price of \$0.20 each with one free attaching Option for every two Range River Shares subscribed for, to raise \$12,000,000 (in accordance with ASX Listing Rule 7.1) (“Capital Raising”); and
- any necessary resolutions to give effect to the acquisition of Ariona.

(“Shareholders’ Meeting”).

Range River will begin preparing the notice of meeting for the Shareholders’ Meeting and will dispatch it to shareholders after receiving the necessary regulatory approvals. At this stage Range River anticipates that the Shareholder Meeting will be held in February 2013.

Capital Structure of Range River as at Settlement Date

The pro-forma capital structure of Range River upon completing the Consolidation, the Capital Raising and the Acquisition is set out below:

SHARES

Range River Shares on issue at the date of agreement	326,301,222
Range River Shares after 1:10 consolidation	32,630,122
Consideration shares issued to Ariona Company SA	125,000,000
Range River Shares issued pursuant to the Capital Raising Prospectus	60,000,000
TOTAL SHARES	<u>217,630,122</u>

OPTIONS

Current unlisted Range River Options exercisable at \$1.20 expiring 31 March 2014	687,135
Unlisted Range River Options after 1:10 consolidation exercisable at \$0.20 expiring 31 March 2014	68,713
Options issued under the Capital Raising Prospectus ¹	30,000,000
TOTAL OPTIONS	<u>30,068,713</u>

Note: 1 Options exercisable at \$0.20 on or before 31 December 2014.

Balance Sheet and Proforma Balance Sheet

The unaudited Balance Sheet and the pro-forma Balance Sheet for Range River as at 30 November 2012 have been prepared on the accounting policies normally adopted by Range River and reflect the changes to its financial position. The historical and pro forma financial information is presented in abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements. They have been prepared on the assumption that all shares proposed to be issued as part of the Acquisition are issued.

	Unaudited Balance Sheet	Unaudited pro forma Balance Sheet
	As at 30 November 2012	As at 30 November 2012
Current Assets		
Cash	1,182,962	12,477,862
Receivables	44,294	44,294
Non-Current Assets		
Exploration properties	5,838	24,955,838
TOTAL ASSETS	1,233,094	37,477,994
Current Liabilities		
Creditors	44,272	44,272
TOTAL LIABILITIES	44,272	44,272
NET ASSETS	1,188,822	37,433,722
Share Capital	3,505,658	39,750,558
Reserves	1,264,000	1,264,000
Retained Loss	(3,580,836)	(3,580,836)
TOTAL SHAREHOLDER EQUITY	1,188,822	37,433,722

Timing and next steps

The anticipated timetable for completion of the Acquisition of and the balance of the matters referred to above is set out below:

Event	Date*
Announcement of Acquisition	12 December 2012
Dispatch Notice of Meeting seeking approval for Acquisition	10 January 2013
Lodgement of Prospectus with the ASIC for Capital Raising	24 January 2013
Suspension of Range River's securities from trading on ASX at the opening of trading	11 February 2013
General Meeting to approve Acquisition and Change in Nature and Scale of Activities	11 February 2013
Closing Date of Offer for Capital Raising under the Prospectus	25 February 2013
Settlement of Acquisition of Ariona	28 February 2013
Anticipated date the suspension of trading is lifted and Range River's securities commence trading again on ASX	4 March 2013

*The above dates are indicative only and represent the current intentions of Range River. The above dates are subject to change.

The proposed acquisition of Ariona is a company changing transaction for Range River and, upon announcing successful completion, will position the company for significant growth in the future.

Brian McMaster
Chairman