

RANGE RIVER GOLD LIMITED
(to be renamed The Waterberg Coal Company Limited)
(ABN 64 065 480 453)

Supplementary Bidder's Statement

**in relation to a Takeover Offer by Range River Gold Limited to acquire ALL of your ordinary shares in
Firestone Energy Limited (ABN 71 058 436 794)**

1. IMPORTANT INFORMATION

This document is the first supplementary bidder's statement dated 19 March 2013 (**Supplementary Bidder's Statement**) made under section 643 of the *Corporations Act 2001* (Cth) (**Corporations Act**) by Range River Gold Limited (ABN 64 065 480 453) (**RNG**) in relation to its off-market takeover offer for all of the fully paid ordinary shares in the capital of Firestone Energy Limited (ABN 71 058 436 794) (**FSE**) which RNG does not own (**Takeover Offer**).

This Supplementary Bidder's Statement is supplementary to and should be read together with the bidder's statement dated and lodged with the Australian Securities and Investments Commission (**ASIC**) on 30 January 2013 (**Original Bidder's Statement**) issued by RNG.

This Supplementary Bidder's Statement was lodged with ASIC on 19 March 2013. Neither ASIC nor any of its officers takes any responsibility for the contents of this Supplementary Bidder's Statement.

This Supplementary Bidder's Statement must be read together with the Original Bidder's Statement. If there is a conflict between the Original Bidder's Statement and this Supplementary Bidder's Statement, this Supplementary Bidder's Statement will prevail. Terms defined in the Original Bidder's Statement have the same meaning in this Supplementary Bidder's Statement.

This document is important and should be read in its entirety. Please consult your legal, financial or other professional adviser if you do not fully understand the contents.

A copy of this Supplementary Bidder's Statement will be available on RNG's website (<http://www.rangerivergold.com.au>).

2. HEADS OF AGREEMENT

On 20 February 2013, RNG, Ariona and Haworth Finance Limited (company registration number 1446121), a company registered in the British Virgin Islands (**Haworth**), executed a variation to the Heads of Agreement (the original terms of which are set out in paragraph (a) of Annexure D to the Original Bidder's Statement) (**Variation**). As a result of the Variation, the conditions precedent which currently remain unsatisfied are as follows:

- (a) a consolidation of all RNG Shares and RNG Options on a 1 for 10 basis (**Consolidation**);
 - (b) RNG successfully completing a capital raising by equity or debt of at least \$12 million;
 - (c) both First Completion and Second Completion under the Investment Agreement having occurred;
 - (d) RNG entering into binding agreements with third parties pursuant to which RNG agrees to issue, and the third parties agree to subscribe for, convertible notes in
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RNG valuing A\$35 million in total, which are convertible into RNG Shares and otherwise on terms satisfactory to RNG (**RNG Convertible Note Agreements**);

- (e) RNG receiving the full subscription sum under each RNG Convertible Note Agreement to raise A\$35 million;
- (f) both RNG and Ariona seeking and obtaining all relevant approvals (including shareholder approvals as required); and
- (g) RNG re-complying with Chapters 1 and 2 of the ASX Listing Rules.

3. TERMS SHEET – CONVERTIBLE FACILITY AGREEMENT

As set out in Annexure D of the Original Bidder's Statement, in November 2012, Ariona entered into the Terms Sheet (Convertible Notes) and the Investment Bank Mandate. These agreements have now both terminated and replaced with fresh agreements as outlined below.

In place of the arrangements under the Terms Sheet (Convertible Notes) and the Investment Bank Mandate, on or about 15 February 2013, RNG entered into a non-binding terms sheet (**Terms Sheet**) with SBSA pursuant to which SBSA agreed to procure that an investment consortium led by SBSA would enter into a secured debt facility with RNG for an amount of \$35,000,000 (**Facility**).

Pursuant to the Terms Sheet, RNG and SBSA intend to enter into a convertible secured facility agreement (**Convertible Facility Agreement**). Under the Convertible Facility Agreement, SBSA would act as arranger, facility agent, lender, security trustee and security agent with Ariona acting as guarantor. The Facility was originally to be structured as an issue of convertible notes by RNG. However, the parties have now agreed that it would be structured as a convertible loan.

Under the proposed Convertible Facility Agreement, RNG may borrow A\$35 million (**Facility Amount**) from a consortium led by SBSA (together, the **Lenders**).

The material terms of the proposed Convertible Facility Agreement are as follows:

- (a) (**Abbreviated List of Initial Conditions Precedent**): RNG may not request the Facility Amount unless and until SBSA has received all documents contemplated by the Convertible Facility Agreement, including but not limited to:
 - (i) a copy of a resolution of the board of directors of RNG and Ariona approving the terms, and the transactions contemplated by the Convertible Facility Agreement;
 - (ii) a certificate from each of RNG and Ariona (signed by a director) confirming that borrowing or guaranteeing, as appropriate, the Facility Amount would not cause any limit binding on it to be exceeded;
 - (iii) all security documents required to be entered into under the Convertible Facility Agreement (**Security Documents**) to be executed and properly perfected;
 - (iv) all shareholder resolutions from RNG and Ariona necessary to complete the transactions contemplated by the Convertible Facility Agreement;
 - (v) the document entitled "The Waterberg Coal Project Transaction Summary" to be agreed and initialled by each of the parties to the Convertible Facility Agreement (**Transaction Steps Document**);
 - (vi) the Company has acquired 100% of the issued share capital of Ariona; and

- (vii) confirmation from legal advisers to RNG and Ariona that all regulatory authorisations have been received as required for the Waterberg Coal Project and all transactions set out in the Transaction Steps Document in a form acceptable to the Lenders.
- (b) **(Further Conditions Precedent):** the Lenders will only be obliged to lend the Facility Amount provided:
 - (i) there is no default which would result from the proposed loan;
 - (ii) representations made by RNG are true in all material respects;
 - (iii) RNG has provided SBSA with an executed compliance certificate; and
 - (iv) there has been no material adverse change in the international debt or equity markets;
- (c) **(Utilisation):** in order for RNG to utilise the Facility Amount, it must deliver a written request to SBSA in accordance with the timetables set out in the Convertible Facility Agreement **(Utilisation Date)**. The entire Facility Amount must be drawn on the Utilisation Date and in accordance with the proposed completion process set out in the Transaction Steps Document;
- (d) **(Purpose):** RNG may only apply the Facility Amount towards providing a shareholder loan to Ariona who will utilise the funds to:
 - (i) provide a temporary loan to Sekoko Resources which will be converted to 10% of the Waterberg Coal Project;
 - (ii) acquire up to 800,000,000 ordinary shares in FSE from Sekoko and Sekoko Resources; and
 - (iii) to pay fees in relation to transaction expenses (including legal fees) incurred in relation to the Facility;
- (e) **(Repayment):** RNG will repay the loan under the Convertible Facility Agreement **(Loan)** in full on the date which is 18 months after the Utilisation Date **(Repayment Date)**;
- (f) **(Mandatory Prepayment):** Should RNG fail to list on the JSE within 6 months of the Utilisation Date, the Lenders, acting unanimously, shall be entitled to cancel the Facility together with interest and any amounts due under the Facility which shall be settled in cash by no later than 5 business days after receipt of the last notice from the Lenders;
- (g) **(Conversion):** at any time between the Utilisation Date and Repayment Date, each of the Lenders may independently elect to convert all or part of its portion of the Loan into Shares **(Conversion Right)** based on the following formula:

$$\begin{array}{l} \text{Number of} \\ \text{Shares to be} \\ \text{issued to the} \\ \text{Lender} \end{array} = \frac{\text{the portion of the converting Lender's commitment to be converted} \times 2.1}{\text{Discount Price Per Share}}$$

where:

Discount Price per Share is equal to 80% of the average trading price of Shares traded on the Selected Exchange for the five (5) most recent trading days immediately prior to issue of the Shares on conversion (as conclusively determined by SBSA), provided that in determining such average trades which

- (i) are effected other than through the normal trading systems of the relevant exchange, but
- (ii) are nevertheless settled through the settlement systems of the exchange, shall be disregarded.

A Lender who elects to have part of their portion of the Loan converted will only be permitted to convert in multiples of A\$1,000,000.

Commitment means

- (i) in respect of an Original Lender, the original commitment and the amount of any other commitment transferred to it under the Convertible Facility Agreement, and
- (ii) in relation to any other Lender, the amount of any commitment transferred to it under the Convertible Facility Agreement, in each case to the extent not cancelled, reduced or transferred by it under the Convertible Facility Agreement.

Selected Exchange means either the ASX or the JSE as selected by the exercising Lender in the applicable conversion notice(s).

A Lender may elect to exercise its Conversion Rights during the term of the Convertible Facility Agreement as many times as it chooses by the delivery of multiple conversion notices.

- (h) **(Conversion Right Warranty and Indemnity):** The Company warrants and undertakes to the Lenders that all required shareholder approvals and authorisations will be obtained to allow each Lender to exercise their Conversion Rights timeously. Any breach of this warranty, including
 - (i) RNG failing to obtain approval from its shareholders for the purposes of item 7 of section 611 of the Corporations Act (if required);
 - (ii) a Lender fails to obtain approval under Australia foreign investment laws or policy; or
 - (iii) if RNG is otherwise prevented by law or the ASX Listing Rules from issuing the Shares required to be issued on exercise by a Lender of its Conversion Right),

will be an **Indemnity Event**.

On the occurrence of an Indemnity Event, SBSA as a facility agent, may issue a written notice to RNG (**Indemnity Event Notice**) and RNG must pay to each Lender who has been prevented from exercising its Conversion Right in full (**Affected Lender**) a cash indemnity amount in respect of the breach of warranty equal to the value of the Shares that the affected Lender would have been entitled to receive but did not receive on exercise of its Conversion Rights, calculated as the portion of the affected Lender's Commitment that has been prevented from being converted x 2.1.

The Company must pay, in immediately available funds, the cash indemnity amount without set-off or deductions within 20 days of the date of the Indemnity Event Notice. Such payment will settle the capital and interest in respect of such portion of the Lender's Commitment that would have been converted.

- (i) **(Interest):** interest will accrue at a rate of LIBOR plus 12% per annum for each interest period from the Utilisation Date and will be paid on the Repayment Date.

Interest accrued on the Loan during a calendar month (**Interest Period**) shall be capitalised on the last day of that Interest Period and consolidated with the outstanding principal amount of the Loan in the same proportion as each Lender's participation in the Loan;

- (j) (**Security**): RNG will enter into a general security deed with SBSA in respect of the Facility Amount, pursuant to which RNG will grant a security interest over all of its assets to SBSA. Ariona will provide the Lenders with security over its shares in FSE, its interests in the Waterberg Coal Project and its secured convertible notes in FSE;
- (k) (**Tag Along**): where one or more Lenders have exercised their Conversion Rights (**Converted Lenders**) and have received Shares (**Conversion Shares**), the Converted Lenders will have an independent right to "tag along" any future equity capital raising initiatives undertaken by RNG (**Capital Raising**). The Converted Lenders may elect to exercise their "tag along" right in respect of all of their Conversion Shares, or a portion of their Conversion Shares (in value no less than A\$1,000,000 or ZAR1,000,000).

Under the "tag along", RNG must either procure the offer for sale to other purchasers or buy-back from the Converted Lenders such number of Conversion Shares that are held by the participating Converted Lenders as is equal to the lesser of:

- (i) the aggregate number of Conversion Shares for sale that would enable each participating Converted Lender to receive proceeds equal to the converted portion of its Commitment under the Facility; and
- (ii) 35% of the number of new Shares that will be issued under the Capital Raising,

at the same price as the offer price for new Shares that will be issued under the Capital Raising.

The Company warrants and undertakes to the Lenders that, where one or more Converted Lenders have elected to have their Conversion Shares bought-back, all required Shareholder approvals and authorisations necessary for such buy-back will be obtained within three months of RNG notifying the Converted Lenders of the proposed Capital Raising. The Company must pay a cash indemnity amount to the Converted Lenders on any breach of that warranty.

The tag-along rights of a Converted Lender expire once it has received aggregate proceeds from the sale or buy-back of its Conversion Shares equal to its Commitment.

- (l) (**Guarantee**): Ariona will guarantee the performance of RNG's obligations under the Convertible Facility Agreement, which guarantee shall be a continuing guarantee and will extend to the ultimate balance of sums payable by RNG and the guarantor under the Convertible Facility Agreement;
- (m) (**Restrictions on Activities**) RNG, and its subsidiaries, may only engage in activities that are not related to the Waterberg Project with the approval of SBSA;
- (n) (**Positive Undertakings**): RNG and its subsidiaries are subject to a number of positive undertakings including an undertaking to notify SBSA of various future matters concerning RNG and each of its subsidiaries, including new material transactions, matters requiring special resolutions and transactions with related parties;
- (o) (**Negative Undertakings**): RNG and its subsidiaries are subject to a number of negative undertakings including no amendment to its share capital, restrictions on mergers, no change of business and restrictions on joint ventures; and

- (p) **(Representations and Warranties)**: the Convertible Facility Agreement contains other representations and warranties customary for an agreement of this nature.

RNG will seek RNG Shareholder approval for the issue of Shares upon conversion of the Loan at the General Meeting referred to in Section 3.6.6 of the Original Bidder's Statement.

The updated pro-forma capital structure for RNG is set out in Annexure A to this Supplementary Bidder's Statement.

The updated pro-forma statement of financial position for RNG to replace the pro-forma statement of financial position in section 3.9 of the Original Bidder's Statement is set out in Annexure B to this Supplementary Bidder's Statement. Please also refer to Section 10.3 of this Supplementary Bidder's Statement for an update on the use of funds raised by RNG.

4. **SECOND PLACEMENT**

In addition to the Placement referred to in Section 3.6.4 of the Original Bidder's Statement, RNG intends to undertake a placement of 50,000,000 RNG Shares (post-Consolidation) at an issue price of \$0.20 each with 1 free attaching RNG Option for every 2 RNG Shares subscribed for, to raise up to \$10,000,000 (**Second Placement**).

RNG will seek RNG Shareholder approval at the General Meeting referred to in Section 3.6.6 of the Original Bidder's Statement.

The updated pro-forma capital structure for RNG is set out in Annexure A to this Supplementary Bidder's Statement.

The updated pro-forma statement of financial position for RNG to replace the pro-forma statement of financial position in section 3.9 of the Original Bidder's Statement is set out in Annexure B to this Supplementary Bidder's Statement. Please also refer to Section 9.3 of this Supplementary Bidder's Statement for an update on the use of funds raised by RNG.

5. **JOHANNESBURG STOCK EXCHANGE LISTING**

5.1 **Listing**

Subsequent to the date of the Original Bidder's Statement, RNG has appointed South African advisers to commence steps necessary for RNG to obtain a secondary listing on the Alternate Exchange (**AltX**) division of JSE Limited (**JSE**). This will enable South African FSE Shareholders to accept RNG Shares as consideration for their FSE Shares if they accept the Takeover Offer.

RNG intends to time the secondary listing on the AltX on or about the date that RNG's securities are re-instated to trading on ASX following RNG's re-compliance with Chapters 1 and 2 of the ASX Listing Rules.

In this regard, on 14 March 2013, RNG received a letter confirming that the AltX Advisory Committee recommended to the Issuer Regulation Division of the JSE that RNG be allowed to apply to list on AltX. A formal application must be made by RNG within 6 months of the date of that letter.

RNG does not currently intend to issue any further Securities in connection with its proposed listing on AltX.

5.2 **ASIC Modification**

In the event that a bidder's statement states or implies that a company's securities are to be quoted on any financial market (in Australia or otherwise), pursuant to Section 625(3)(c)(i) of the Corporations Act, that company is required to apply for admission to quotation on any relevant financial markets within 7 days of the start of the bid period.

As RNG did not initially contemplate listing on AltX, an application was not required for quotation on AltX in accordance with Section 625(3)(c)(i) of the Corporations Act. However, as a result of RNG subsequently applying for admission to AltX and the disclosures set out in this Supplementary Bidder's Statement, it was not possible for RNG to comply with Section 625(3)(c)(i) in accordance with its terms.

Accordingly, RNG made an application to ASIC for a modification to Section 625(3)(c)(i) of the Corporations Act to allow RNG to apply to list on the AltX during the bid period. In this regard, on 19 March 2013, ASIC issued an instrument (**Instrument**) to RNG which limited the requirement set out in Section 625(3)(c)(i) of the Corporations Act to the ASX and included an additional provision upon the following terms:

"the process for an application for admission to quotation on the Alternative Exchange, a division of the Johannesburg Stock Exchange, will be made within 7 days after lodgement of the supplementary bidder's statement"

The Instrument also allowed RNG to vary the Offer by including an additional Offer condition on the terms set out in Section 5.3 below.

A copy of the Instrument forms part of this Supplementary Bidder's Statement and forms Annexure "C".

5.3 New Offer Condition

As a result of the proposed listing on AltX, the Bidder's Statement is modified to include a new Takeover Offer condition in 1.13A to Annexure A to the Original Bidder's Statement, effective as at the date of this Supplementary Bidder's Statement as follows:

"1.13A Quotation on AltX

Pursuant to the Corporations Act, this Takeover Offer and any contract that results from your acceptance of it are subject to a condition that permission for quotation by AltX (as the circumstances require) of the RNG Shares to be issued pursuant to the Takeover Offer being granted no later than 7 days after the end of the Bid Period. If this condition is not fulfilled, all contracts resulting from the acceptance of the Takeover Offer will be automatically void."

5.4 South African Shareholders

This Supplementary Bidder's Statement, when sent to South African FSE Shareholders, will be sent with a personalised and revised application form for use by those South African FSE Shareholders who wish to accept the Takeover Offer in consideration for RNG Shares, subject to the JSE approving the secondary listing of RNG on AltX (**New Application Form**). South African FSE Shareholders who have already submitted an Application Form will be entitled to submit the new and revised application in substitution of any existing Application Form already submitted to RNG so as to be afforded the right to receive AltX listed RNG Shares (subject to RNG's proposed listing on the AltX of FSE) under the Takeover Offer.

6. INVESTMENT AGREEMENT

6.1 First Completion – Convertible Notes

RNG confirms that First Completion under the Investment Agreement (as set out in paragraph (c)(ii) of Annexure D to the Original Bidder's Statement) occurred on 31 January 2013.

6.2 Second Completion

The Original Bidder's Statement provided that a \$1,000,000 loan to FSE by Ariona would be set off against the moneys payable at Second Completion by Ariona. This amount was set

off against the monies payable at First Completion and, as such, the set off will not be available at Second Completion. Accordingly, this has been accounted for in the table provided in Section 9.3 of this Supplementary Bidder's Statement.

6.3 Additional FSE Share issue

Contemporaneously with but separate to First Completion, FSE issued BBY a further 194,674,462 FSE Shares in satisfaction of a debt owed to BBY of \$1,457,006 pursuant to a finance facility provided to FSE by BBY. Further details in respect of this issue are set out in Section 10 below.

7. TAKEOVER OFFER CONSIDERATION

As a result of the issue of FSE Shares set out in Section 2 above, the total number of FSE Shares has increased to 3,549,698,723. The result of this is that the number of RNG Shares to be issued to FSE Shareholders in aggregate as consideration under the Takeover Offer has increased. Details of the RNG Shares to be issued as consideration under the Takeover Offer are set out in the updated capital structure for RNG set out in Annexure A.

8. ARIONA LOAN AGREEMENTS

Subsequent to the date of the Original Bidder's Statement, Ariona and third parties have entered into two loan agreements on or about 13 January 2013 with Celtic Capital Pty Ltd and Parimont Global Ltd respectively pursuant to which Ariona borrowed a total of \$3,000,000 (**Ariona Loan Agreements**). The loan amounts are repayable within 60 days of each advance. Interest will be payable on the loans which will be satisfied by the transfer by Haworth to the third parties of 1.25 post-Consolidation RNG Shares per \$1 loaned.

An updated pro-forma statement of financial position for RNG is set out in Annexure B to this Supplementary Bidder's Statement. Please also refer to Section 9 of this Supplementary Bidder's Statement for an update on the use of funds raised by RNG.

9. FUNDING AND USE OF FUNDS BY RNG

9.1 Funding

Pursuant to the matters set out elsewhere in this Supplementary Bidder's Statement, this Section 9.1 replaces Section 3.6.8 of the Original Bidder's Statement.

RNG intends to raise a total of \$66,800,000 in funding as follows (assuming each of the raisings are completed):

Raising type	Amount
Placement	\$1,800,000
Second Placement	\$10,000,000
Converting Loan Agreements	\$10,000,000
Capital Raising	\$10,000,000
Convertible Facility Agreement	\$35,000,000
Total	\$66,800,000

9.2 Material Liabilities

Pursuant to the matters set out elsewhere in this Supplementary Bidder's Statement, this Section 9.2 replaces Section 3.6.7 of the Original Bidder's Statement.

Ariona has various financial liabilities. Set out below is a table of the material financial liabilities of Ariona that the RNG company group will be responsible for, as a result of RNG's acquisition of Ariona.

	Amount
Purchase of 800,000,000 FSE Shares under the Share Purchase Agreement	\$7,000,000 ¹
Purchase of 10% interest in the Waterberg Project under the Share Purchase Agreement	\$18,250,000 ²
Subscription of second tranche of Convertible Notes under the Investment Agreement	\$12,500,000
Purchase of Convertible Notes from BBY under the Investment Agreement	\$16,000,000
Loan payable to Third Parties (Celtic Capital Pty Ltd and Parimont Global Limited)	\$3,000,000
Total	\$56,750,000

Notes

¹ The total is \$8,000,000. However, Ariona has already provided funds of \$1,000,000 to Sekoko Resources and Sekoko in relation to its purchase of 800,000,000 FSE Shares under the Share Purchase Agreement.

² The total is \$20,500,000. However, Ariona and Sekoko entered into a loan agreement on or about 7 May 2012 pursuant to which Ariona has provided Sekoko a loan of \$2,185,000 (\$2,250,000 is the total including interest). The parties have agreed repayment of the loan will be offset against the consideration payable by Ariona to Sekoko at completion under the Share Sale Agreement. For more information please refer to the summary of the Share Purchase Agreement set out in Annexure D of the Original Bidder's Statement.

9.3 Use of Funds

Pursuant to the matters set out elsewhere in this Supplementary Bidder's Statement, this Section 9.3 replaces Section 3.6.8 and 5.11 of the Original Bidder's Statement.

The Company intends to apply funds raised from the offer under the Prospectus, the Placement, the Second Placement, the issue of the RNG Convertible Notes and the Converting Loan Agreements as follows:

Use of Funds	Amount
Purchase of 800,000,000 FSE Shares under the Share Purchase Agreement	\$7,000,000 ¹
Purchase of 10% interest in the Waterberg Project under the Share Purchase Agreement	\$18,250,000 ²
Subscription of second tranche of Convertible Notes under the Investment Agreement	\$12,500,000
Purchase of Convertible Notes from BBY under the Investment Agreement	\$16,000,000
Feasibility studies and development	\$5,111,329
Tenement & tenement administration	\$300,000
Repayment of loans under the Ariona Loan Agreements	\$3,000,000
Salaries and Wages of RNG in the 2 years following the offer under the Prospectus	\$1,000,000
Administration Costs of RNG in the 2 years following the offer under the Prospectus	\$250,000
Expenses related to the Acquisitions	\$1,588,671
Working Capital	\$1,800,000
TOTAL	\$66,800,000

Notes

- ¹ The total is \$8,000,000. However, Ariona has already provided funds of \$1,000,000 to Sekoko Resources and Sekoko in relation to its purchase of 800,000,000 FSE Shares under the Share Purchase Agreement.
- ² The total is \$20,500,000. However, Ariona and Sekoko entered into a loan agreement on or about 7 May 2012 pursuant to which Ariona has provided Sekoko a loan of \$2,185,000 (\$2,250,000 is the total including interest). The parties have agreed repayment of the loan will be offset against the consideration payable by Ariona to Sekoko at completion under the Share Purchase Agreement.

10. DEFEATING CONDITIONS

The Takeover Offer is subject to a number of defeating conditions (refer to Section 1.9 of Annexure A of the Original Bidder's Statement).

Since the Bidder's Statement was lodged, RNG have become aware that a defeating condition under the Takeover Offer may have been triggered. As set out in Section 6.3 above, on 5 February 2013, FSE released an ASX announcement in relation to the issue of 435,820,082 ordinary fully paid shares in FSE to BBY Nominees (**BBY**) for the purpose of extinguishing an outstanding amount payable on a \$2.2 million finance facility held with BBY (**\$2.2 Million Finance Facility**) and in lieu of interest repayments to BBY on their existing convertible notes (**Interest Payment**).

The relevant defeating condition which RNG believes may have been triggered is section 1.19(a)(viii)(E) of Annexure A to the Takeover Offer which states that on or during the period commencing on the date of announcement of the Takeover Offer (being 17 December 2013) and ending at the end of the Offer Period, FSE is prevented from issuing FSE shares (except shares issued as a result of the exercise of options or conversion of convertible notes).

RNG reserves its rights in relation to the defeating condition referred to above. As at the date of this Supplementary Bidder's Statement, RNG has not formed a view as to whether or not it intends to waive the breach of the defeating condition (that has been so triggered). Any decision will be made in accordance with the requirements of the Corporations Act and all FSE Shareholders will be notified of the outcome of the decision by way of further supplementary disclosure to be issued by RNG.

11. APPROVAL OF SUPPLEMENTARY BIDDER'S STATEMENT

This Supplementary Bidder's Statement has been approved unanimously by a resolution passed by all of the directors of RNG on 19 March 2013.

Signed for and on behalf of
Range River Gold Limited



Mr Jonathan Hart
Director and Company Secretary

ANNEXURE A – PROPOSED RNG CAPITAL STRUCTURE

The revised proposed capital structure of RNG which takes into account those matters set out in this Supplementary Prospectus is set out below:

Shares	Number
Current Shares (assuming no options are exercised or other shares issued)	326,301,222
Shares to be issued pursuant to the first tranche of the Placement (pre Consolidation) ²	<u>81,575,305</u>
Sub-Total	<u>407,876,527</u>
<i>Post 1:10 Consolidation¹</i>	40,787,652
Shares issued pursuant to the second tranche of the Placement (post Consolidation)	842,470
Issue Shares pursuant to Second Placement (post-Consolidation)	50,000,000
Issue Shares to Haworth (post Consolidation)	125,000,000
Issue Shares pursuant to the Prospectus (post Consolidation)	50,000,000
Issue Shares pursuant to the Converting Loans (post Consolidation)	50,000,000
Issue Shares under the Takeover Offer (post Consolidation) ²	177,484,936
Sub-Total	<u>494,115,058</u>
Issue of Shares pursuant to the Convertible Facility Agreement (post-Consolidation)	459,375,000 ³
TOTAL	<u>953,490,058⁴</u>

Notes

- ¹ These numbers are approximations and will be subject to rounding of holdings.
- ² As at the date of Original Bidder's Statement, FSE had 3,113,878,641 FSE shares on issue and the consideration to be issued by RNG at that time to acquire 100% of the FSE shares on issue was 155,693,932. However, between the date of the Original Bidder's Statement and the date of this Supplementary Bidder's Statement, FSE has issued an additional 435,820,082 shares and, as such, the consideration to be issued by RNG under the Takeover Offer currently is 177,484,936 post-Consolidation Shares. Please note that:
 - (a) this figure will increase if any further shares are issued by FSE, or any FSE options are exercised, between the date of this Notice of Meeting and the date the Takeover Offer closes; and
 - (b) this figure will decrease upon RNG acquiring Ariona (assuming Ariona has completed its acquisition of 800,000,000 FSE Shares under the Share Purchase Agreement).
- ³ Assuming all of the Loan under the Convertible Facility Agreement is converted based on a 20% discount to a 5 day average price of Shares at \$0.20. The Company guarantees the SBSA Consortium a minimum conversion value of \$73,500,000 and this value includes the LIBOR plus 12% to be converted into Shares. Please refer to the summary of the Convertible Facility Agreement set out in Section 3 for further details. The total amount of RNG Shares to be issued will depend on the VWAP at the time of any conversion and as such the amount above may increase or decrease accordingly. Below sets out a worked example of the total number of RNG Shares that can be issued upon conversion of the Loan based on different 5 day average prices.

Average Price	20% discount to average price	Shares issued upon conversion of Loan
\$0.01	\$0.008	9,187,500,000
\$0.03	\$0.024	3,062,500,000
\$0.05	\$0.04	1,837,500,000
\$0.10	\$0.08	918,750,000
\$0.20	\$0.16	459,375,000
\$0.30	\$0.24	306,250,000

\$0.45	\$0.36	204,166,667
\$0.60	\$0.48	153,125,000
\$0.75	\$0.60	122,500,000
\$0.90	\$0.72	102,083,333

- ⁴ This amount may vary depending on the total number of Shares to be issued upon conversion of the RNG Convertible Notes plus interest.

Options	
Current Unlisted Options on issue exercisable at \$1.20 expiring 31 March 2014	687,119
<i>Post 1:10 Consolidation¹</i>	<i>68,712</i>
<u>Unlisted Options</u>	
Unlisted Options exercisable at \$12 expiring 31 March 2014	68,712
Unlisted Options exercisable at \$0.20 expiring 31 December 2014 to be issued pursuant to the Placement	18,000,000
Unlisted Options exercisable at \$0.20 expiring 31 December 2014 to be issued pursuant to the Second Placement	25,000,000
Unlisted Options exercisable at \$0.20 expiring 28 February 2015 to be issued pursuant to the Converting Loans (post Consolidation)	25,000,000
Unlisted Options exercisable at \$0.20 expiring 31 December 2016 for corporate advisory services in relation to the Takeover Offer pursuant to the Corporate Advisory Mandate (post-Consolidation)	25,000,000
<u>Listed Options</u>	
Listed Options to be issued pursuant to the Prospectus	25,000,000
Listed Investbridge Options to be issued pursuant to the Investbridge Mandate Agreement	1,000,000
TOTAL²	119,068,712

Notes

- ¹ These numbers are approximations and will be subject to rounding of holdings.
- ² The total number of options may increase by a further 10 million pursuant to the Investbridge Mandate Agreement to allow for the raising of a further A\$100 million.

Convertible Notes	Value
Current RNG Convertible Notes on issue	Nil
Sub-Total	Nil
RNG Convertible Notes to be issued pursuant to the RNG Terms Sheet	\$35,000,000

ANNEXURE B – PRO – FORMA STATEMENT OF FINANCIAL POSITION

	Unaudited 31 December 2012	Unaudited Pro-forma Balance Sheet 31 December 2012
	\$	\$
CURRENT ASSETS		
Cash and cash equivalents	691,225	17,957,030
Trade and other receivables	800,084	213,414
Other assets	-	112,250
Total Current Assets	1,491,309	18,282,694
NON-CURRENT ASSETS		
Deferred exploration and evaluation expenditure	5,838	-
Trade and other receivables	-	849,475
Exploration and evaluation asset	-	126,250,081
Property, plant & equipment	-	4,662,712
Total Non-Current Assets	5,838	131,762,268
TOTAL ASSETS	1,497,147	150,044,962
CURRENT LIABILITIES		
Trade and other payables	406,095	2,517,686
Borrowings	-	4,690,858
Loan - Related parties	-	5,011,519
FSE convertible note	-	850,000
Total Current Liabilities	406,095	13,070,063
NON-CURRENT LIABILITIES		
Borrowings	-	65,117,231
Total Non-Current Liabilities	-	65,117,231
TOTAL LIABILITIES	406,095	78,187,294
NET ASSETS	1,091,052	71,857,668
EQUITY		
Issued Capital	3,429,207	93,947,339
Reserves	1,264,000	4,825,448
Accumulated Losses	(3,602,155)	(37,490,648)
Transactions with NCI reserve	-	10,575,529
TOTAL EQUITY	1,091,052	71,857,668



13-0339

**Australian Securities and Investments Commission
Corporations Act 2001 — Paragraph 655A(1)(b) — Declaration**

Enabling legislation

1. The Australian Securities and Investments Commission (**ASIC**) makes this declaration under paragraph 655A(1)(b) of the *Corporations Act 2001* (the *Act*).

Title

2. This instrument is ASIC Instrument 13-0339.

Commencement

3. This instrument commences on 19 March 2013.

Declaration

4. Chapter 6 of the Act applies to Range River Gold Limited ACN 065 480 453 (**Bidder**) as if:
 - (a) paragraph 625(3)(c)(i) of the Act were modified by inserting “in Australia” after the word “quotation”; and
 - (b) after paragraph 625(3)(c)(i) of the Act, a new paragraph 625(3)(c)(ia) be inserted as follows:

“the process for an application for admission to quotation on the Alternative Exchange, a division of the Johannesburg Stock Exchange, will be made within 7 days after lodgement of the supplementary bidder’s statement;”

and
 - (c) subsection 650A of the Act were modified by omitting “section 650B, 650C” (twice occurring) and substituting “section 650B, 650BA, 650C”; and
 - (d) after section 650B inserting:

“650BA Off-market bids – addition of condition
The Bidder may vary the offers made under the bid by including an additional condition that the offers are to be subject to the granting of quotation of its shares on the Alternative Exchange, a division of the Johannesburg Stock Exchange.”

Where this declaration applies

5. This declaration applies to an off-market takeover bid made by Bidder for all of the ordinary shares in Firestone Energy Limited ACN 058 436 794 in respect of which a bidder’s statement was lodged with ASIC on 30 January 2013 where,

- (a) within one day of the commencement of this instrument, the Bidder makes an announcement to the Australian Stock Exchange about the effect of these modifications, and
- (b) a supplementary bidder's statement is lodged with ASIC which reproduces a copy of this instrument and provides an explanation of the need for and effect of the relief contained in this instrument.

Dated this 19th day of March 2013



Signed by Fiona Ng
As a delegate of the Australian Securities and Investments Commission