

Range Energy Resources Inc.

Condensed Interim Financial Statements

For the three months ended March 31, 2021 and 2020

Expressed in Canadian Dollars

(Unaudited – Prepared by management)

Range Energy Resources Inc.
Condensed Interim Statements of Financial Position
(Unaudited - Expressed in Canadian Dollars)

	March 30, 2020	December 31, 2020
Current assets		
Cash	\$ 6,026	\$ 8,829
Prepaid expenses	3,507	3,659
Current assets	9,533	12,488
Non-current assets		
Equipment	57	62
Total assets	\$ 9,590	\$ 12,550
Current liabilities		
Accounts payable and accrued liabilities (note 8)	\$ 225,488	\$ 354,748
Loans payable (note 6)	25,000	89,415
Convertible loans payable (note 7)	-	24,494,421
Current Liabilities	250,488	24,938,584
Shareholders' deficiency		
Share capital (note 5(a) and (b))	49,791,768	49,791,768
Obligation to issue shares (note 5 and 13)	7,548,328	-
Reserves (note 5(c))	41,397,635	23,674,184
Deficit	(98,978,629)	(98,391,986)
Shareholders' deficiency	(240,898)	(24,926,034)
Total liabilities and shareholders' deficiency	\$ 9,590	\$ 12,550

Nature of operations and going concern (note 1)
Commitment (note 9)
Contingent liability (note 11)
Subsequent events (note 13)

Approved on Behalf of the Board of Directors:

(signed) *Rick W Pawluk*

(signed) *Allan Bezanson*

The accompanying notes are an integral part of these condensed interim financial statements.

Range Energy Resources Inc.
Condensed Interim Statements of Comprehensive Loss
(Unaudited - Expressed in Canadian Dollars)

	For the three months ended	
	March 31,	March 31,
	2021	2020
Expenses		
Audit and accounting fees (note 10)	\$ 30,750	\$ 35,750
Consulting fee	142,625	-
Depreciation	5	7
General and administrative	7,027	5,544
Interest (notes 8 and 9)	492,883	659,442
Professional fees	50,471	589
Management fees (note 10)	11,025	11,025
Transfer agent and filing fees	7,673	1,575
Loss before other items	(742,459)	(713,932)
Other items		
Foreign exchange gain (loss)	874	(6,621)
Gain on debt settlement (Note 5 and 13)	154,942	-
Other items	155,816	(6,621)
Net Loss and comprehensive loss for the period	\$ (586,643)	\$ (720,553)
Loss per share - basic and diluted	\$ (0.12)	\$ (0.17)
Weighted average number of common shares outstanding		
- basic and diluted	5,057,713	4,281,136

The accompanying notes are an integral part of these condensed interim financial statements.

Range Energy Resources Inc.
Condensed Interim Statements of Changes in Shareholders' Deficiency
(Unaudited - Expressed in Canadian Dollars)

	Share capital			Reserves			Total deficiency
	Number of shares	Amount	Obligation to Issue Shares	Contributed surplus	Equity component of convertible loans	Deficit	
Balance, December 31, 2019	4,281,136	\$ 49,791,768	\$ -	\$ 19,868,635	\$ 3,805,549	\$ (95,446,251)	\$ (21,980,299)
Net loss for the period	-	-	-	-	-	(720,553)	(720,553)
Balance, March 31, 2020	4,281,136	\$ 49,791,768	\$ -	\$ 19,868,635	\$ 3,805,549	\$ (96,166,804)	\$ (22,700,852)
Balance, December 31, 2020	4,281,136	\$ 49,791,768	\$ -	\$ 19,868,635	\$ 3,805,549	\$ (98,391,986)	\$ (24,926,034)
Net loss for the period	-	-	-	-	-	(586,643)	(586,643)
Debt settlement	-	-	7,548,328	21,529,000	(3,805,549)	-	25,271,779
Balance, March 31, 2021	4,281,136	\$ 49,791,768	\$ 7,548,328	\$ 41,397,635	\$ -	\$ (98,978,629)	\$ (240,898)

On February 26, 2021, the Company consolidated all of its issued and outstanding common shares on the basis of every 200 old common shares into 1 new common share. Unless otherwise noted, all share, option and warrant information have been retroactively adjusted to reflect this consolidation.

The accompanying notes are an integral part of these condensed interim financial statements.

Range Energy Resources Inc.
Condensed Interim Statements of Cash Flows
(Unaudited - Expressed in Canadian Dollars)

	Three months ended	
	March 31,	March 31,
	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	\$ (586,643)	\$ (720,553)
Depreciation	5	7
Accrued interest	492,883	659,442
Foreign exchange	874	-
Gain on debt settlement	(154,942)	-
	(247,823)	(61,104)
Changes in non-cash working capital items:		
Prepaid expenses	152	182
Accounts payable and accrued liabilities	219,868	56,503
Cash used in operating activities	(27,803)	(4,419)
CASH FLOWS FROM FINANCING ACTIVITIES		
Loan and interest paid	-	-
Proceeds from loans payable	25,000	20,000
Cash provided by financing activities	25,000	20,000
Increase (Decrease) in cash	(2,803)	15,581
Cash - beginning of period	8,829	3,941
Cash - end of period	\$ 6,026	\$ 19,522
Supplemental cash disclosures		
Debt settlement – obligation to issue shares	25,426,719	-
Income tax paid	\$ -	\$ -

The accompanying notes are an integral part of these condensed interim financial statements.

Range Energy Resources Inc.
Notes to the Condensed Interim Financial Statements
For the three months ended March 31, 2021 and 2020

(Expressed in Canadian Dollars)

1. Nature of operations and going concern

Range Energy Resources Inc. (the “Company”) was incorporated under the laws of British Columbia, Canada on March 1, 2005. On October 24, 2006, the Company's common shares were listed and called for trading on the Canadian Securities Exchange (“CSE”) and its current symbol is RGO. On February 12, 2007, the Company listed on the Frankfurt Stock Exchange. The Company’s corporate head office is located at Suite 810, 789 West Pender Street, Vancouver, BC V6C 1H2. The Company is currently a development stage company looking to invest potential growth projects, entities or other opportunities. See also subsequent event note 13. The parent of the Company is 2706791 Ontario Inc., a company incorporated in Ontario. The address of its registered office is 295 The West Mall, 6th Floor, Toronto, Ontario, M9C 4Z4.

These condensed interim financial statements are prepared on a going concern basis, which contemplates that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business and that management neither intends to liquidate the entity nor does it have any realistic alternative but to do so. During the three months period ended March 31, 2021, the Company incurred a net loss totalling \$586,643 and as at March 31, 2021, the Company has a working capital deficiency of \$240,955 (December 31, 2020 - \$24,926,096). These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern.

The Company’s ability to continue its operations is dependent upon its ability to restructure its debt and raise financing. Although the Company has been successful in obtaining the necessary financing to continue operations in the past, there can be no assurance that it will be able to continue to do so in the future and that such funds will be available on terms acceptable by the Company.

In March 2020, the World Health Organization declared a global pandemic known as COVID-19. The expected impacts on global commerce are expected to be far reaching. Material uncertainties may come into existence that could influence management’s going concern assumption. The duration and impact of the COVID-19 outbreak is unknown at this time and it is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company. The Company continues to closely evaluate the impact of the COVID-19 on its operations.

These condensed interim financial statements do not give effect to any adjustments required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying condensed interim financial statements.

2. Statement of compliance

These condensed interim consolidated financial statements are prepared in accordance with International Financial Standard 34, Interim Financial Reporting, of the International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and interpretations of the International Financial Reporting Committee (“IFRIC”). Accordingly, these condensed interim financial statements do not include all of the information and footnotes required by IFRS for complete financial statements for year-end reporting process.

These condensed interim financial statements follow the same accounting policies and methods of application as the Company’s audited financial statements for the year ended December 31, 2020. The policies applied in these condensed interim financial statements are based on IFRS issued as of the date the Board of Directors approved the financial statements. These condensed interim financial statements should be read in conjunction with the Company’s annual financial statements for the year ended December 31, 2020.

These condensed interim financial statements have been authorized for release by the Company’s Board of Directors on May 31, 2021.

Range Energy Resources Inc.
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(Expressed in Canadian Dollars)

3. Significant accounting policies

(a) Basis of presentation

The condensed interim financial statements have been prepared on an accrual basis and are on a historical cost basis, except for certain financial instruments, which are measured at fair value. The preparation of financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant are disclosed in note 4.

These condensed interim financial statements are prepared in Canadian dollars. The functional currency of the Company is the Canadian dollar.

(b) Earnings (loss) per share

The calculation of earnings (loss) per share is based on the weighted average number of common shares outstanding in the period. Diluted earnings (loss) per share is calculated whereby all "in the money" stock options and warrants are assumed to have been exercised at the beginning of the period and the proceeds from the exercise are assumed to have been used to purchase common shares at the average market price during the period. If the Company incurs net losses during the period, basic and diluted loss per share are the same as the exercise of options and warrants is considered to be anti-dilutive.

(c) Comparative figures

Certain comparative figures have been reclassified to conform to current year's presentation. Such reclassification is for presentation purpose only and has no effect on previously reported results.

(d) New standards adopted

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's condensed interim financial statements.

4. Significant accounting estimates and judgments

The preparation of the condensed interim financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the condensed interim financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods affected.

The Company has identified the following areas where significant judgments, estimates and assumptions are made, where actual results may differ from these estimates and this may materially affect the Company's financial results or statement of financial position in future periods.

Significant areas requiring the use of management estimates include the valuation of the Company's long-term investment and future income tax rates applied to deferred income tax assets and liabilities.

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4. Significant accounting estimates and judgments - continued

Significant areas requiring management judgment include:

Going concern

Assessment of the Company's ability to continue as a going concern requires estimates of future cash flows and includes the consideration of other factors, the outcomes of which are uncertain.

Utilization of deferred income tax assets

Deferred tax assets require management judgement in order to determine the amounts to be recognized and the probability that there will be sufficient future taxable income against which the deferred tax assets can be utilized. This includes assessing the timing of the reversal of temporary differences to which deferred income tax rates are applied.

Accounting for long-term investment

Management applies judgment in determining whether the Company has significant influence over an investee in which it holds, directly or indirectly, 20 per cent or more of the voting power of the investee. Management does not consider the Company to have significant influence over the entity underlying its long-term investment (note 6).

5. Equity

(a) Authorized

The authorized share capital of the Company consists of an unlimited number of common shares without par value and an unlimited number of preferred shares, issuable in series. The preferred share rights and restrictions may be set by the Company's directors upon issue.

On February 26, 2021, the Company consolidated all of its issued and outstanding common shares on the basis of every 200 old common shares into 1 new common share. Unless otherwise noted, all share, option and warrant information have been retroactively adjusted to reflect this consolidation.

(b) Private placements

There was no share capital activity for the three months period ended March 31, 2021 and for the year ended December 31, 2020. The Company has now entered into debt settlement agreements (the "Debt Settlement Agreements") with its major creditors. Under the terms of the Debt Settlement Agreements, the Company and certain creditors have agreed to settle an aggregate of \$25,426,720 in debt via the Company issuing Range Shares to such creditors on the basis of a deemed price of \$1.95 per share in respect of \$24,511,155 of the debt and a deemed price of \$0.65 per share in respect of \$915,565 of the debt (the "Range Debt Settlement"). The Range Debt Settlement agreements were entered into on March 26, 2021. See subsequent event Notes 12 and 13.

(c) Reserves

Reserves consist of share purchase warrants, the accumulated fair value of common share stock options recognized as share-based compensation and the equity component of convertible loans. An amount of \$17,723,451 were credited to contributed surplus as the settlement of certain debt above the fair value of shares were deemed a capital contribution to shareholders.

(d) Warrants

At March 31 2021 and December 31, 2020 there were no warrants outstanding.

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5. Equity

(e) Stock options

The Company adopted the 2015 Stock Option Incentive Plan (the "Plan") that was approved by the shareholders on July 3, 2015. The aggregate number of shares of the Company's share capital issuable pursuant to options granted under the Plan may not exceed 434,977 common shares. Options granted under the Plan may have a maximum term of 10 years. The exercise price of options granted under the Plan shall be determined by the Company's directors, provided that such price shall not be lower than the closing share price on the day before the grant date less the applicable discount permitted under CSE policies. Stock options granted under the Plan may be subject to vesting terms that are set at the discretion of the directors at the time of grant.

At March 31 2021 and December 31, 2020 there were no stock options outstanding.

6. Loans payable

On March 26, 2021 the Company entered into a debt settlement agreement with 2706791 Ontario Inc. to extinguish \$89,961 debt by issuing 138,401 shares at \$0.65 per share. (See subsequent event.)

On March 23, 2021 the Company entered into a loan agreement with 2706791 Ontario Inc. for the amount of \$15,000 payable on demand. The loan is unsecured and interest free.

On March 11, 2021 the Company entered into a loan agreement with 2706791 Ontario Inc. for the amount of \$10,000 payable on demand. The loan is unsecured and interest free.

		March 31, 2021		December 31, 2020
Opening Balance	\$	89,415	\$	51,254
Loan payable issued		25,000		35,000
Interest		546		3,161
Obligation to issue share – shares for debt		(89,961)		-
Closing Balance	\$	25,000	\$	89,415
Current Liabilities	\$	25,000	\$	89,415
Non-Current Liabilities	\$	-	\$	-

7. Convertible loans payable

On March 26, 2021 the Company entered into a debt settlement agreement to extinguish \$24,986,758 of convertible debt and by issuing 13,301,521 shares at prices ranging from \$0.65 to \$1.95 per share. (See subsequent event.)

The following table summarizes the continuity of the convertible loans and interest payable including the amounts recognized in the liability and equity components during the three months period ended March 31, 2021

	Liability Component	Equity Component
Balance, December 31, 2020	24,494,421	3,805,549
Interest	492,338	-
Debt settlement agreement – shares for debt	(24,986,759)	(3,805,549)
Balance, March 31, 2021	\$ Nil	\$ Nil

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8. Related party transactions and balances

Related parties are those persons that have the authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly. Related parties include the Company's directors and members of the senior management group.

The Company entered into a corporate management agreement for accounting services with a company controlled by the Chief Financial Officer of the Company (note 9).

The amounts payable to key related parties is included in accounts payable and accrued liabilities on the statements of financial position.

Details of related party compensation are as follows:

Three months ended March 31,	2021		2020	
Services provided:				
Accounting fees	\$	15,750	\$	15,750
Consulting fees		142,625		-
Corporate/Management fees		11,025		11,025
Rent and storage		3,150		3,150
Related parties' compensation	\$	172,550	\$	29,925

As at	March 31, 2021		December 31, 2020	
Balances payable to related parties	\$	114,980	\$	187,425

On March 26, 2021 the Company entered into a debt settlement agreement to extinguish \$24,986,759 debt by issuing 13,301,521 shares at prices ranging from \$0.65 to \$1.95 per share. (See subsequent event Note 13.)

On August 1, 2019, the Company entered into a loan agreement with 2706791 Ontario Inc. in the principal amount of up to \$50,000. The loan is interest bearing at a rate of 6% per annum compounded monthly and matures on August 1, 2021. Interest of \$546 accrued during the three months period ended March 31, 2021 (\$3,161 accrued for the year ended December 31, 2020) (note 6).

On March 26, 2021 the Company entered into a debt settlement agreement with 2706791 Ontario Inc. to extinguish \$89,961 debt by issuing 138,401 shares at \$0.65 per share. (See subsequent event.)

On March 23, 2021 the Company entered into a loan agreement with 2706791 Ontario Inc. for the amount of \$15,000 payable on demand. The loan is unsecured and interest free.

On March 26, 2021 the Company entered into a debt settlement agreement to extinguish \$350,000 debt from a related party, assigned to a third party, by issuing 538,461 shares at \$0.65 per share. (See subsequent event.)

On March 11, 2021 the Company entered into a loan agreement with 2706791 Ontario Inc. for the amount of \$10,000 payable on demand. The loan is unsecured and interest free.

Range Energy Resources Inc.
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9. Financial instruments

The Company's financial instruments include cash, accounts payable, loan payable and convertible loans. The carrying value of cash, accounts payable, loan payable and convertible loans payable as presented in these financial statements are reasonable estimates of fair values due to the relatively short periods to maturity and the terms of these instruments.

Financial instruments must be classified at one of three levels within a fair value hierarchy according to the relative reliability of the inputs used to estimate their values. The three levels of the hierarchy are as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets and liabilities;
Level 2: Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and,
Level 3: Inputs that are not based on observable market data.

The Company's financial instruments have been classified as follows:

Financial instrument	Classification	Fair value hierarchy
Cash	FVTPL	Level 1
Accounts payable	Amortized cost	n/a
Loans payable	Amortized cost	n/a
Convertible loans payable	Amortized cost	n/a

Risk exposure and management

The Company is exposed to various financial instrument risks and continuously assesses the impact and likelihood of this exposure. These risks include credit risk, commodity price risk, liquidity risk, interest rate risk and currency risk. Where material these risks are reviewed and monitored by the Board of Directors.

(a) Credit risk

Credit risk arises from the non-performance by counterparties of contractual financial obligations resulting in financial loss to the Company. The Company's credit risk is primarily attributable to its cash and loan receivable. Cash is held with an investment grade Canadian financial institution as assessed by external rating agencies. Management believes the risk of loss to be minimal. As at March 31, 2021, the Company's maximum credit risk is the carrying value of cash.

(b) Commodity price risk

The Company is subject to price risk from fluctuations in market prices of the commodities underlying its ability to raise capital with favorable terms. The Company does not currently hold any financial instruments that mitigate this risk.

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9. Financial instruments – continued

(c) Liquidity risk

Liquidity risk refers to the risk that the Company will not be able to meet its financial obligations when they become due or can only do so at excessive cost. As at March 31, 2021, the Company has a working capital deficiency of \$180,955 (December 31, 2020 - \$24,926,096) (see note 1). The Company manages liquidity risk by monitoring and reviewing both actual and forecasted cash flows and intends to match the maturity profile of financial assets and liabilities.

Contractual undiscounted cash flow requirements of financial liabilities at March 31, 2021 are as follows:

	Carrying value \$	Less than 1 year \$	Between 2 – 5 years \$	More than 5 years \$	Total
Accounts payable	225,448	225,448	-	-	225,448
Loan payable	25,000	25,000	-	-	25,000

(d) Interest rate risk

As at March 31, 2021 and December 31, 2020, the Company does not hold any variable rate term deposits. The Company's loan payable and convertible loans payable bear fixed rates of interest and therefore is not subject to any significant interest rate cash flow risk.

(e) Currency risk

As the Company operates in an international environment, some of the Company's transactions and balances are denominated in currencies other than the Canadian dollar. The Company's foreign exchange risk arises primarily with respect to the United States dollar. Fluctuations in the exchange rate between the United States dollar and the Canadian dollar could have a material effect on the Company's business, financial condition and results of operations. The Company does not engage in any hedging activity to mitigate this risk.

As at March 31, 2021, a strengthening (weakening) of the Canadian dollar against the United States dollar of 10% would have an insignificant impact on the Company's statements of comprehensive loss.

10. Management of capital

The Company manages its capital to ensure it will be able to continue as a going concern. The Company has no operations that generate cash flow and depends on financings to fund its administrative expenses. The success of each financing depends on numerous factors including positive stock market conditions, a company's track record and the experience of management. The capital structure of the Company consists of loan payable, convertible loans payable and shareholders' deficiency, which is comprised of share capital, reserves and deficit. The Board of Directors does not establish quantitative return on capital criteria for management due to the nature of the Company's business. The Company does not pay dividends and is not exposed to any externally imposed capital requirements.

11. Contingent liability

By way of Summons dated May 6, 2020, litigation proceedings were initiated against the Company in the Royal Court of Jersey in connection with fees for director services provided by Mr. Antony R. Gardner-Hillman who was appointed in 2016 as a non-executive director to an investee of the Corporation. The Summons was in respect of approximately £34,000 and required the Company's appearance in Court on May 22, 2020. The Company did not defend the matter and anticipated judgement against it for that amount.

Range Energy Resources Inc.
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11. Contingent liability (continued)

Mr. Gardner has indicated he intends to file the judgment in Canada. The Company has not accrued a provision for this amount in these condensed interim financial statements as management believes it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation.

12 Debt settlement agreement

The Company has now entered into debt settlement agreements (the “Debt Settlement Agreements”) with its major creditors. Under the terms of the Debt Settlement Agreements, the Company and certain creditors have agreed to settle an aggregate of \$25,426,720 in debt via the Company issuing Range Shares to such creditors on the basis of a deemed price of \$1.95 per share in respect of \$24,511,155 of the debt and a deemed price of \$0.65 per share in respect of \$915,565 of the debt (the “Range Debt Settlement”). The Range Debt Settlement agreements were entered into on March 26, 2021. As at March 31, 2021, there are currently 4,281,136 Range Shares issued and outstanding and 18,259,519 Range common shares were issued and outstanding subsequent to the quarter end. Note 13.

13. Subsequent events

The Range Debt Settlement agreements were entered into on March 26, 2021. As at March 31, 2021, there are currently 4,281,136 Range Shares issued and outstanding and 18,259,519 Range common shares were issued and outstanding subsequent to the quarter end.

The Company entered into a business combination agreement (the “Combination Agreement”) dated March 26, 2021 with EnviroGold Global (Can) Ltd. (“EnviroGold Global”) to complete a business combination by way of a transaction that will constitute a reverse takeover of the Company by EnviroGold Global (the “Transaction”).

Under the terms of the Combination Agreement, the Transaction will be completed by way of a “three-cornered amalgamation” under the laws of Ontario, whereby a wholly-owned Ontario subsidiary of the Company will amalgamate with EnviroGold Global, with the amalgamated company becoming a wholly-owned subsidiary of the Resulting Issuer. In connection with the Transaction, the Company will reconstitute its board of directors and senior management, and change its name to “EnviroGold Private Limited or such other similar name as may be accepted by the relevant regulatory authorities (the “Name Change”) and the Resulting Issuer will conduct its business under the new name.

The Combination Agreement includes a number of conditions, including but not limited to: requisite shareholder approvals, including the approval of the shareholders of the Company and EnviroGold Global as applicable; the completion of the Range Debt Settlement (as defined below); the completion of the EnviroGold Financing (as defined below) for gross proceeds of a minimum of \$500,000; the completion of the Name Change; the issuance of common shares of the Company (“Range Shares”) to holders of common shares in the capital of EnviroGold Global (the EnviroGold Shares”) on the basis of a share exchange ratio that results in the current holders of EnviroGold Shares holding 87.5% of the common shares of the resulting issuer (“Resulting Issuer Shares”) and the current holders of Range Shares holding 12.5% of the Resulting Issuer Shares, calculated on a basis that is inclusive of the Range Shares issued under the Range Debt Settlement (as defined below) but exclusive of the EnviroGold Shares issued under the EnviroGold Financing; and other closing conditions customary to transactions of the nature of the Transaction.

Concurrently with the execution of the Combination Agreement, the Company and 2706791 Ontario Inc. (“Holdco”), a company controlled by Mr. Allan Bezanson, a director and CEO of Range Energy, have entered into an investor rights agreement (the “Investor Rights Agreement”). Pursuant to the terms of the Investor Rights Agreement, the Company has agreed to provide Holdco, conditional and effective upon completion of the Transaction, with certain preemptive rights such that Holdco, together with its affiliates, including Mr. Bezanson, will be entitled to notice of and participation rights in respect of any equity financings the Resulting Issuer completes for a period of 18 months from the completion of the Transaction, such that Holdco and its affiliates will be able to maintain their proportional shareholdings in the Resulting Issuer.

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13. Subsequent events (continued)

EnviroGold Global is to complete a non-brokered private placement (the “EnviroGold Financing”) of EnviroGold Shares, units comprised of EnviroGold Shares and common share purchase warrants, and/or subscription receipts, on the basis of a pre-money valuation of EnviroGold Global equal to \$17,894,223.76 and for gross proceeds of a minimum of \$500,000.