

FORM 2A
LISTING STATEMENT

**in connection with a fundamental change of
Range Energy Resources Inc. as a result of its acquisition of
EnviroGold Global (CAN) Ltd.**

Dated as at July 14, 2021

Neither the Canadian Securities Exchange nor any securities regulatory authority has in any way passed upon the merits of the Business Combination described in this Listing Statement.

TABLE OF CONTENTS

| | |
|--|-----------|
| 1. GLOSSARY OF TERMS | 1 |
| 2. CORPORATE STRUCTURE | 8 |
| 2.1 Corporate Name..... | 8 |
| 2.2 Incorporation | 8 |
| 2.3 Inter-corporate Relationships | 8 |
| 8 | |
| 2.4 Requalification following a Fundamental Change | 9 |
| 2.5 Non-Corporate Resulting Issuers and Resulting Issuers Outside of Canada..... | 9 |
| 3. GENERAL DEVELOPMENT OF THE BUSINESS | 9 |
| 3.1 General Development | 9 |
| 3.2 Business Combination | 13 |
| 3.3 Trends, Commitments, Events or Uncertainties | 16 |
| 4. NARRATIVE DESCRIPTION OF THE BUSINESS | 16 |
| 4.1 General Business of the Resulting Issuer | 16 |
| 4.2 Asset Backed Securities..... | 29 |
| 4.3 Companies with Mineral Projects..... | 30 |
| 4.4 Companies with Oil and Gas Operations..... | 30 |
| 5. SELECTED CONSOLIDATED FINANCIAL INFORMATION | 30 |
| 5.1 Consolidated Financial Information | 30 |
| 5.2 Quarterly Information..... | 31 |
| 5.3 Dividends..... | 32 |
| 5.4 Foreign GAAP..... | 32 |
| 6. MANAGEMENT'S DISCUSSION AND ANALYSIS | 32 |
| 7. MARKET FOR SECURITIES | 33 |
| 8. CONSOLIDATED CAPITALIZATION | 33 |
| 9. OPTIONS TO PURCHASE SECURITIES | 33 |
| 9.1 Outstanding Options | 33 |
| 9.2 Incentive Plans..... | 34 |
| 10. DESCRIPTION OF SECURITIES | 35 |
| 10.1 General | 35 |
| 10.7 Prior Sales..... | 36 |
| 10.8 Stock Exchange Price | 38 |
| 11. ESCROWED SECURITIES | 38 |
| 12. PRINCIPAL SHAREHOLDERS | 40 |
| 13. DIRECTORS AND OFFICERS | 40 |
| 13.1 to 13.5. Directors, Officers and Management of the Resulting Issuer..... | 40 |
| 13.6 Corporate Cease Trade Orders or Bankruptcies | 44 |
| 13.7 Penalties or Sanctions | 44 |
| 13.9 Bankruptcies | 44 |
| 13.10 Conflicts of Interest | 45 |
| 13.11 Management | 45 |

| | | |
|------------|---|------------|
| 13.12 | Other Reporting Resulting Issuer Experience | 48 |
| 14. | CAPITALIZATION | 49 |
| 14.1 | Pro Forma Capitalization..... | 49 |
| 14.2 | Securities Convertible or Exchangeable for Resulting Issuer Shares..... | 51 |
| 15. | EXECUTIVE COMPENSATION..... | 51 |
| 15.1 | Compensation Discussion and Analysis..... | 51 |
| 15.2 | Stock Option Plan Awards | 52 |
| 15.3 | Stock Option Plans and Other Incentive Plans | 53 |
| 15.4 | Employment, Consulting and Management Agreements | 53 |
| 15.5 | Oversight and Description of Director and Named Executive Officer Compensation..... | 53 |
| 15.6 | Pension Disclosure | 57 |
| 16. | INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS..... | 57 |
| 17. | RISK FACTORS..... | 57 |
| 18. | PROMOTERS..... | 63 |
| 19. | LEGAL PROCEEDINGS | 63 |
| 20. | INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS | 63 |
| 21. | AUDITORS, TRANSFER AGENT AND REGISTRAR | 63 |
| 21.1 | Auditors | 63 |
| 21.2 | Transfer Agent and Registrar..... | 63 |
| 22. | MATERIAL CONTRACTS | 64 |
| 23. | INTEREST OF EXPERTS | 64 |
| 24. | OTHER MATERIAL FACTS | 64 |
| 25. | FINANCIAL STATEMENTS..... | 64 |
| | APPENDIX “A” THE BUSINESS COMBINATION AGREEMENT | A-1 |
| | APPENDIX “B” RANGE CONSOLIDATED FINANCIAL STATEMENTS..... | B-1 |
| | APPENDIX “C” EGGL CONSOLIDATED FINANCIAL STATEMENTS | C-1 |
| | APPENDIX “D” PRO FORMA FINANCIAL STATEMENTS OF THE RESULTING ISSUER.D-1 | |
| | APPENDIX “E” RANGE MANAGEMENT’S DISCUSSION & ANALYSIS | E-1 |
| | APPENDIX “F” EGGL CONSOLIDATED MANAGEMENT’S DISCUSSION & ANALYSIS ... | F-1 |

1. GLOSSARY OF TERMS

Unless otherwise indicated, the following terms used in this Listing Statement and the Appendices hereto shall have the meanings ascribed to them as set forth below:

“**Amalco**” means the corporation resulting and continuing from the Amalgamation, to be named “EnviroGold Private Limited”.

“**Amalco Shares**” means the common shares in the capital of Amalco.

“**Amalgamation**” means the amalgamation of EGGL and Range Subco by way of a “three-cornered amalgamation” with Range under the provisions of Section 174 of the OBCA and in accordance with the terms of the Business Combination Agreement, which shall result in the business combination of Range and EGGL, all as further described in this Listing Statement.

“**Amalgamation Agreement**” means the agreement among EGGL, Range and Range Subco in respect of the Amalgamation in accordance with the terms of the Business Combination agreement.

“**ADEQ**” means the Arizona Department of Environmental Quality.

“**Articles of Amalgamation**” means the articles of amalgamation giving effect to the Amalgamation required under the OBCA to be filed with the Director.

“**BCBCA**” means the *Business Corporations Act* (British Columbia), as amended, including all regulations promulgated thereunder.

“**Business Combination**” means the series of transactions detailed in the Business Combination Agreement, through which the business of EGGL and Range will be combined including the EGGL 2021 Financing, the Name Change, the Amalgamation, and the Range Director and Officer Appointments.

“**Business Combination Agreement**” means the business combination agreement dated as of March 26, 2021, between Range and EGGL and the First Amending Agreement governing the terms of the Business Combination, attached as Appendix “A” to this Listing Statement.

“**Business Day**” means a day, other than a Saturday or Sunday, on which the commercial banks in the City of Toronto are open for the regular transaction of business.

“**Certificate of Amalgamation**” means the certificate of amalgamation to be issued by the Director in respect of the Amalgamation.

“**CDS**” means the CDS Clearing and Depository Services Inc.

“**CSE**” means the Canadian Securities Exchange.

“**Director**” means the director appointed under Section 278 of the OBCA.

“**EGGL**” means EnviroGold Global (CAN) Ltd., a corporation incorporated under the OBCA on December 10, 2020, prior to the Business Combination.

“**EGGL AUS**” means EnviroGold Global PTY Ltd, a subsidiary of EGGL. From the date of

incorporation, January 14, 2020 to July 29, 2020 registered under the name “EcoGold Pty Ltd.”

“**EGGL US**” means EnviroGold Global-US, Inc., a subsidiary of EGGL. From the date of incorporation, May 19, 2020 to July 24, 2020 registered under the name “EcoGold US, Inc.”

“**EGGL 2021 Financing**” means a non-brokered private placement of 8,000,977 EGGL Financing Units at a price of \$0.56 per EGGL Financing Unit for gross proceeds of \$4,480,547.12.

“**EGGL Approval**” means the special meeting of the shareholders of EGGL to approve, among other matters, the Business Combination.

“**EGGL Financing Units**” mean units each comprised of one (1) EGGL Share and three (3) EGGL Subscription Receipts.

“**EGGL Option Plan**” means the stock option plan which was adopted on May 4, 2021.

“**EGGL Options**” means outstanding options to purchase EGGL Shares issued pursuant to and governed by the EGGL Option Plan.

“**EGGL RSU Plan**” means restrictive share unit plan adopted by the EGGL Board on May 4, 2021.

“**EGGL RSUs**” means outstanding restricted share units granted under the EGGL RSU Plan.

“**EGGL Shareholder**” means a holder of EGGL Shares.

“**EGGL Shares**” mean common shares in the capital of EGGL.

“**EGGL Solutions**” means a suite of comprehensive technical systems, inventions, and information, patentable and otherwise and includes, but are not limited to, any information submitted in patents and other intellectual property filings.

“**EGGL Subsidiaries**” mean EGGL AUS and EGGL US.

“**EGGL Subscription Receipts**” mean subscription receipts of EGGL, each of which will be automatically converted, without any further action or formality, for no additional consideration by the holder, into one (1) Underlying Share upon satisfaction of certain conditions.

“**Electrochemical Separation Technologies**” means a suite of technical solutions including:

- (i) Specialized equipment that facilitates high intensity oxidative leaching and extractive processes using a combination of anode chemistries and cell conditions, thereby allowing the comparison of advanced oxidation processes during recovery optimization studies;
- (ii) Systems for the application of controlled electric currents and specialized reagents to resource bearing solutions flowing through an optimized reaction chamber, designed to facilitate concentration of targeted suspended materials and separation from the aqueous solution due to changes in the particle surface charge;
- (iii) The application of advanced technologies such as scanning electron microscopy and mineral liberation analysis to recovery optimization studies.

“**Escrow Agent**” means National Securities Administrators Ltd.

“Escrow Agreement” means the escrow agreement dated July 14, 2021 among the Escrow Agent, David Cam, EG Holdings Limited, R. Sean Foley, Ian Hodgkinson Pty Ltd., D and J Buckley PTY Ltd., Harold M. Wolkin, Roger Bethell, Australian Process Engineering, John Walsh, and the Resulting Issuer.

“ESG Scorecard” means an EGGL’s proprietary system for assessing the social and environmental burdens associated with historical mine sites and related mining and industrial waste and for quantifying the reduction in these burdens resulting from the EGGL’s remediation activities.

“Exchange Ratio” means one (1) Resulting Issuer Share for each one (1) EGGL Share.

“Feed Material” means mine tailings, ores, and other resource bearing materials.

“Finders” those certain individuals or entities that have introduced investors to EGGL in respect of the EGGL 2021 Financing and in respect of which EGGL is obligated to pay Finder’s Fees and issue Finder Warrants.

“Finder’s Fee” means a cash finder’s fee of up to 7% of the gross proceeds sold by each finder and Finder Warrants.

“Finder Warrants” mean compensation warrants issued to eligible finders in connection with the EGGL 2021 Financing, and each entitling the holder thereof to purchase four (4) Resulting Issuer Shares at a price of \$0.14 per share for a period of two (2) years following the completion of the Business Combination.

“First Amending Agreement” means the amending agreement dated as of April 13, 2021, between Range and EGGL to amend certain terms of the Business Combination Agreement.

“Fundamental Change” means a “fundamental change” within the meaning of CSE Policy 8.

“Holdco” means 2706791 Ontario Inc. a corporation incorporated under the OBCA on July 17, 2019, a company controlled by Mr. Allan Bezanson, a director and the Chief Executive Officer of Range.

“Investor Rights Agreement” means an investor rights agreement dated March 26, 2021 between Range and Holdco.

“Lead Assessment” refers to a detailed written description of a prospective project including information related to property ownership, historical mine production, geology, metallurgy, waste volumes and other site-specific information.

“Letter of Intent” means the letter of intent dated January 8, 2021, including any amendments thereto, between Range and EGGL, whereby the parties agreed that Range will acquire all of the issued and outstanding EGGL Shares, resulting in a Fundamental Change of Range.

“Lock-Up Agreement” has the meaning ascribed thereto in Section 11 “*Escrowed Securities*”.

“Listing” means the listing of the Resulting Issuer Shares on the CSE.

“Listing Date” means the date the Resulting Issuer Shares are listed for trading on the CSE.

“Listing Statement” means this Listing Statement including the Appendices hereto.

“Material Projects” means NVRO-AU-2, NVRO-CAN-1, NVRO-US-1, and NVRO-CAN-2.

“Name Change” means, subject to the completion of the Amalgamation, a change in the name of Range to “EnviroGold Global Limited”.

“NI 51-102” means National Instrument 51-102 – *Continuous Disclosure Obligations*.

“NI 52-110” means National Instrument 52-110 — *Audit Committees*.

“NI 58-101” means National Instrument 58-101 — *Disclosure of Corporate Governance Practices*.

“NP 46-201” means National Policy 46-201 — *Escrow for Initial Public Offerings*.

“NP 58-201” means National Policy 58-201 — *Corporate Governance Guidelines*.

“OBCA” means the *Business Corporations Act* (Ontario), as amended, including all regulations promulgated thereunder.

“NVRO-AU-2” means a reclamation project in Northern Tasmania, Australia.

“NVRO-CAN-1” means a reclamation project near Rossland, British Columbia, Canada.

“NVRO-CAN-2” means a reclamation project in Ontario, Canada.

“NVRO-US-1” means a reclamation project in Yuma County, Arizona.

“Project Economic and Feasibility Review” refers to the preparation of a preliminary project economic model using initial assumptions about the value of the *in situ* metals and minerals contained in the resource bearing materials, costs and throughput related to potential processing solutions, permitting costs and timelines.

“Range” means Range Energy Resources Inc., a company incorporated on March 1, 2005 pursuant to the Business Corporations Act (British Columbia). Range refers to the legal entity prior to the Business Combination.

“Range Board” means Board of Directors of Range prior to the Business Combination.

“Range Director and Officer Appointments” means, subject to the completion of the Amalgamation, the reconstitution of the board of directors and the officers of Range, to consist of the nominees of EGGL, as described in the Business Combination Agreement and as described thereto under Section 13.1 to 13.5 “Directors, Officers and Management of the Resulting Issuer” to this Listing Statement.

“Range Option Plan” means a 10% rolling stock option plan of Range.

“Range Options” mean incentive stock options to purchase Range Shares granted to directors, officer, key employees, and consultants of Range.

“Range Shares” means the common shares in the capital of Range prior to the Business Combination.

“Range Subco” means 2826847 Ontario Inc., a corporation incorporated under the OBCA on March 25, 2021 as a wholly-owned subsidiary of Range for the sole purpose of effecting the Amalgamation.

“Range Subco Shares” means the common shares in the capital of Range Subco prior to the Business Combination.

“Remediation and Resource Recovery Rights” refers to any commercially negotiated contractual agreements between EGGL and counterparties granting EGGL with access to a mine site or other physical location containing mine tailings, ores and other resource bearing materials for the purpose of conducting EGGL’s business activities including studying, developing, reprocessing and recovering metal and mineral resources.

“Resulting Issuer” means “EnviroGold Global Limited” after giving effect to the Business Combination and the Listing.

“Resulting Issuer Board” means the board of directors of the Resulting Issuer.

“Resulting Issuer RSU” means restrictive share units of the Resulting Issuer.

“Resulting Issuer Shares” mean the common shares in the capital of the Resulting Issuer following the completion of the Business Combination.

“SEDAR” means the System for Electronic Document Analysis and Retrieval.

“Tailings Remediation and Resource Recovery” means certain characteristics of EGGL’s operating model including, but not limited to, the identification, qualification, study, acquisition and reprocessing of mine tailings, waste, ores and other resource bearing materials for the purposes of recovering residual metals and minerals and removing and remediating waste.

“Tax Act” means the *Income Tax Act* (Canada).

“Underlying Share” means an EGGL Share issuable upon the conversion of the EGGL Subscription Receipts upon satisfaction of certain conditions. Holders of Underlying Shares will receive one (1) Resulting Issuer Share in exchange for each Underlying Share, subject to any necessary adjustments.

“United States” means the United States of America, its territories and possessions, any State of the United States and the District of Columbia.

Words importing the singular, where the context requires, include the plural and vice versa and words importing any gender include all genders.

Unless otherwise specified, all dollar amounts in this Listing Statement and the Appendices, including the symbol “\$”, are expressed in Canadian dollars.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This Listing Statement may contain “forward-looking information” within the meaning of applicable Canadian securities legislation. Generally, forward-looking information can be identified by the use of forward-looking terminology such as “may”, “will,” “should”, “could”, “anticipate”, “believe”, “expect”, “intend”, “plan”, “potential”, “continue” and similar expressions. The forward-looking information contained in this Listing Statement is based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made, but which may prove to be incorrect. Although the management believes that the assumptions and expectations reflected in such forward-looking information are reasonable, undue reliance should not be placed on forward-looking information because the management can give no assurance that such expectations will prove to be correct. Forward-looking information involves significant risks and uncertainties. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking information including, but not limited to, limited operating history and history of no earnings; competition, project risks, industry conditions, changes to government laws and regulations, dependence on key personnel, general economic conditions, political and foreign exchange risks in the jurisdictions in which EGGL conducts its business activities, commodity prices, actual results of current projects, interest rates, availability of financing, insurance limitations, and risks and uncertainties including those discussed within Section 17 “*Risk Factors*” and elsewhere in this Listing Statement. Although the forward-looking information contained herein is based upon what management believes to be reasonable assumptions, management cannot assure that actual results will be consistent with such forward looking information. Investors should not place undue reliance on forward-looking information.

Forward-looking information included in this Listing Statement include, but is not limited to:

- expectations for the effects of the Business Combination;
- the potential benefits of the Business Combination;
- statements relating to the business and future activities of, and developments related to, the Resulting Issuer, its predecessors or any of their subsidiaries after the date of this Listing Statement, including such things as future business strategy, competitive strengths, goals, expansion and growth of the Resulting Issuer’s business, operations and plans;
- the use of proceeds of the EGGL 2021 Financing;
- the future price of gold and other metals;
- government regulations;
- the maintenance or renewal of any permits or licenses;
- requirements for additional capital;
- environmental risks;
- general business and economic conditions;
- the focus of capital expenditures;
- EGGL’s acquisition strategy, the criteria to be considered in connection therewith and the benefits to be derived therefrom;
- EGGL’s ability to identify new opportunities;
- treatment under governmental regulatory regimes and tax laws; and
- realization of the anticipated benefits of interest acquisition.

Some of the risks and other factors, which could cause results to differ materially from those expressed in the forward-looking information contained in this Listing Statement include, but are not limited to:

- market price of Resulting Issuer Shares;
- dilution to Resulting Issuer Shares;
- risks associated with development operations such as environmental risks and economic factors as they affect the cost and success of EGGL's capital expenditures;
- risks associated with licensing matters;
- risks associated with emerging, technology and precious metals focused companies
- uninsured risks;
- environmental risks and hazards;
- environmental regulation;
- general economic conditions in Canada, Australia, the United States, and globally;
- uncertainty and reliability in the estimation of resources in current or future projects;
- the ability of EGGL to obtain and maintain required permits and approvals;
- competition for, among other things, capital, acquisition of resources, and skilled personnel;
- discretion in the use of proceeds;
- the ability of EGGL to obtain additional capital;
- no operating cash flow;
- fluctuation in foreign exchange or interest rates;
- Coronavirus (COVID-19) and health crises;
- dividend policy;
- future sales of Resulting Issuer Shares by existing shareholders;
- dependence on key executives, management and other highly skilled personnel;
- conflicts of interest;
- threat of legal proceedings; and
- the other factors outlined in Section 17 "*Risk Factors*" to this Listing Statement.

Readers are cautioned that the foregoing lists of factors are not exhaustive. The forward-looking statements contained in this Listing Statement are expressly qualified by this cautionary statement.

The forward-looking information contained in this Listing Statement is made as of the date of this Listing Statement, and Range disclaims any intent or obligation to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise, other than as required under applicable securities laws.

Market and Industry Data

Any market data or industry forecasts used in this Listing Statement, unless otherwise specified, were obtained from publicly available sources. Although Range and EGGL believe these sources to be generally reliable, the accuracy and completeness of such information is not guaranteed and has not been independently verified.

Statistical information included in this Listing Statement and other data relating to the industry in which the Resulting Issuer intends to operate is derived from recognized industry reports published by industry analysts, industry associations and independent consulting and data compilation organizations. Although Range and EGGL believe these sources to be generally reliable, the accuracy and completeness of such information is not guaranteed and has not been independently verified.

2. CORPORATE STRUCTURE

2.1 Corporate Name

Upon completion of the Business Combination, the full corporate name of the Resulting Issuer will be “EnviroGold Global Limited”. The head and registered office will continue to be located at 789 West Pender Street, Suite 810, Vancouver, British Columbia, V6C 1H2.

2.2 Incorporation

Range was incorporated pursuant to the provisions of the BCBCA on March 1, 2005, under the name “0717873 B.C. Ltd.”. On December 31, 2009, Range amalgamated with Range Oil & Gas Inc. On May 10, 2005, Range changed its name to “Range Metals Inc.”. Effective January 12, 2010, Range changed its name to “Range Energy Resources Inc.” On August 31, 2011, Range changed its name to “Hawkstone Energy Corp.” Effective November 17, 2011, Range changed its name to “Range Energy Resources Inc.”

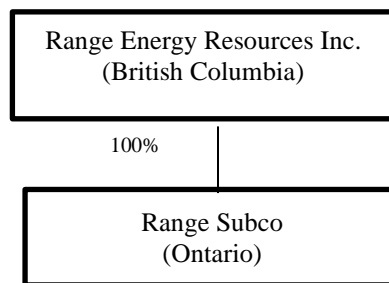
The year end of Range is December 31st, and this will remain the year of the Resulting Issuer upon completion of the Business Combination.

EGGL was incorporated pursuant to the provisions of the OBCA on December 10, 2020. The year end of EGGL is December 31st. As of the date of this Listing Statement, EGGL has two wholly-owned subsidiaries, EGGL US and EGGL AUS.

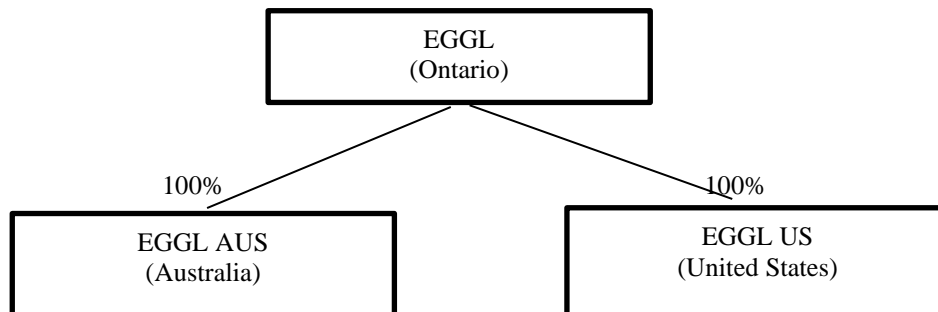
2.3 Inter-corporate Relationships

Set forth below are the organization charts of Range and EGGL immediately prior to the Business Combination and the Resulting Issuer following the completion of the Business Combination. The material subsidiaries of EGGL will not be changed in connection with the Business Combination.

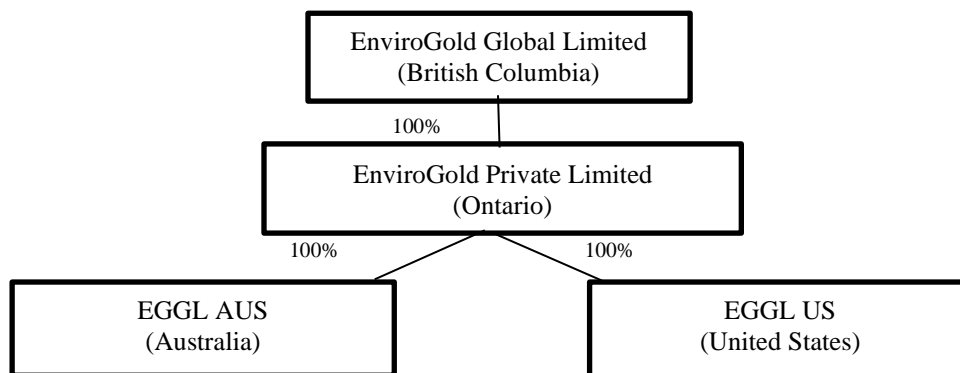
2.3.1 Organization Chart of Range Prior to the Business Combination



2.3.2 Organization Chart of EGGL Prior to the Business Combination



2.3.3 Organization Chart of the Resulting Issuer upon Completion of the Business Combination



2.4 Requalification following a Fundamental Change

A summary of the Business Combination is set out in Section 3.2 “*General Development of the Business – Business Combination*” to this Listing Statement.

2.5 Non-Corporate Resulting Issuers and Resulting Issuers Outside of Canada

This is not applicable to Range.

3. GENERAL DEVELOPMENT OF THE BUSINESS

3.1 General Development

3.1.1 Range

Corporate Developments

Range was incorporated pursuant to the provisions of the BCBCA on March 1, 2005. Range is currently an inactive company with no revenue, listed on the CSE under the symbol “RGO.X”, that is looking to invest in potential growth projects, entities or other opportunities.

Range is a Vancouver-based, development-stage company focused on investing in entities involved in the acquisition, exploration, and development of extractive industries.

On January 19, 2016, Range announced that it reached an agreement with Gas Plus Khalakan Limited (“GPK”), Black Gold Khalakan Limited (“**Black Gold**”) and New Age Alzarooni 2 Limited (“**NAAZ2**”) to settle all litigation over Range’s right to receive and disclose certain material information on petroleum operations at the Khalakan Block in the Kurdistan Region of Iraq (“**Khalakan Block**”). Under the agreement, the parties agreed to permanently settle and release all actions, claims and demands related to litigation regarding the release of information to Range. In turn, GPK agreed to make periodic press releases regarding on-going petroleum operations at the Khalakan Block. Since Range, GPK, Black Gold, and NAAZ2 entered into this settlement agreement, GPK has made public disclosures regarding petroleum

operations on the Khalakan Block. Range in turn issued a press release following each such public disclosure in an effort to report these events to its shareholders.

On March 7, 2019, Range announced that GPK has filed for a court ordered winding up at the Royal Court of Jersey. Since Range's shareholding rights in NAAZ2 were reduced or restricted, Range concluded that it would not protest the winding-up of GPK.

On April 11, 2019, Range entered into a loan agreement with Gulf LNG America, LLC ("**Gulf**") in the principal amount of USD\$25,000. The loan was interest bearing at a rate of 13% per annum matured on January 13, 2020.

On June 5, 2019, Range was advised by the joint liquidators that they are continuing to discharge the assets and liabilities of GPK, so that GPK will be in a position to be dissolved.

On July 31, 2019, Range cancelled 326,256,411 warrants at an exercise price of \$0.05 pursuant to a share and loan purchase agreement between Gulf and Holdco.

July 31, 2019, Holdco entered into a purchase agreement with Gulf (the "**Gulf Agreement**") whereby Holdco acquired 609,351,075 Range Shares from Gulf and certain secured convertible promissory notes of Range in the aggregate principal amount of \$15,982,472 plus accrued interest. Under the terms of the Gulf Agreement, Holdco became the administrative agent for all of Range's secured loans. Upon completion of the Gulf Agreement, Holdco became the parent of Range.

On July 31, 2019, Range appointed Mr. Allan Bezanson as CEO in place of Mr. Toufic Chahine, who resigned as director and CEO of Range. In addition, Range appointed Mr. Peter McRae, Mr. Rick Pawluk and Mr. Harold Wolkin to fill the vacancies on the board of directors following the resignations of Mr. Eric Stoerr and Ms. Michelle Upton. The resignations of the aforementioned Gulf nominees coincided with Gulf's exiting from its investment in Range.

On August 1, 2019, Range entered into a loan agreement with Holdco in the principal amount of up to \$50,000. The loan is interest bearing at a rate of 6% per annum calculated monthly and matures in two years. This loan was partially used to repay the USD\$25,000 loan from Gulf.

During the year ended December 31, 2019, 74,791,726 warrants at a weighted average exercise price of \$0.07 expired unexercised.

During the year ended December 31, 2019, 6,000,000 options at an exercise price of \$0.10 were cancelled.

On January 9, 2020, Range entered into a loan agreement with Holdco for the amount of \$20,000 payable on demand. The loan was interest free.

On April 22, 2020, Range entered into a loan agreement with Holdco for the for the amount of \$15,000 payable on demand.

During the year ended December 30, 2020, Range exited its previous Kurdistan interests, an indirect investment in an oil and gas resource property referred to as the Khalakan Block which was domiciled in the Kurdistan Region of Iraq was relinquished.

On January 8, 2021, Range entered into the Letter of Intent contemplating the Business Combination. The Business Combination will constitute a Fundamental Change for Range.

On February 26, 2021, Range completed a share consolidation on the basis of one (1) post-consolidation Range Shares for each two hundred (200) pre-consolidation Range Shares.

On March 26, 2021, Range entered into the Business Combination Agreement, the announcement of which led to a halt in the trading of Range Shares before the start of the next trading day on March 29, 2021, in accordance with CSE policies. The Business Combination will constitute a Fundamental Change for Range.

On March 26, 2021, Range entered into the Investor Rights Agreement with Holdco pursuant to which Range agreed to grant Holdco pre-emptive rights to co-subscribe to any future equity issuance by Range for the period of eighteen (18) months following the Business Combination.

On April 9, 2021, Range completed debt settlements with its major creditors (the “**Range Debt Settlement**”) by settling an aggregate of \$25,426,720.62 in debt via the issuance of Range Shares to the creditors on the basis of a deemed price of \$1.95 per Range Share in respect of \$24,511,155.29 of the debt and a deemed price of \$0.65 per Range Share in respect of \$915,565.33 of the debt. Before closing the Range Debt Settlement, Holdco owned 71% of Range Shares. Upon closing the Range Debt Settlement, Holdco owns 86% of Range Shares.

On April 13, 2021, Range entered into the First Amending Agreement with EGGL amending certain terms of the Business Combination.

Range currently has no material subsidiaries other than Range Subco, which is wholly-owned by Range, and was incorporated to amalgamate with EGGL pursuant to the Amalgamation.

As of the date of this Listing Statement, Range has no business operations.

3.1.2 EGGL

EGGL was incorporated pursuant to the provisions of the OBCA on December 10, 2020. Headquartered in Toronto, Canada, EGGL is a clean technology company committed to capitalizing environmental stewardship and accelerating the world’s transition to a circular resource economy. EGGL was incorporated for the purpose of commercializing, marketing, developing, operating, and licensing a suite of environmentally friendly technical solutions for the recovery of precious, critical and strategic metals and minerals from mine tailings, ores, resource development waste streams and other resource bearing materials. EGGL’s business model, operations, technology and solutions are described in detail in Section 4 “*Narrative Description of the Business*”. EGGL has not generated any revenue except through its subsidiary, EGGL AUS.

The registered office of EGGL is located at 1 Adelaide Street East, Suite 801, Toronto, Ontario, M5C 2V9.

Corporate Developments

On August 17, 2020, EGGL AUS entered into a commercial agreement (the “**Australia Agreement**”) with its strategic partner (the “**AU Partner**”) acquiring the rights to conduct a Project Economic and Feasibility Review.

On December 1, 2020, EGGL US entered into a commercial agreement (the “**BC Waste Rock Agreement**”) with its strategic partner (the “**BC Partner**”) acquiring rights to process precious metal bearing material located on privately held gold mines near Rossland, British Columbia.

On December 15, 2020, EGGL US entered into a tailings feasibility grant and subsequently into a commercial agreement (the “**Arizona Agreement**”) with its strategic partner acquiring exclusive rights to reprocess significant quantities of mineralized material on privately held gold claims in Yuma County, Arizona.

On January 8, 2021, EGGL entered into the Letter of Intent contemplating the Business Combination.

On March 11, 2021, EGGL entered into a commercial agreement (the “**Ontario Agreement**”) with its strategic partner (the “**Ontario Partner**”) acquiring to process its precious mineral tailings pile located in Ontario, Canada.

In March 2021, EGGL, as part of its corporate reorganization (the “**EGGL Reorganization**”), completed the following transactions:

- A non-brokered private placement offering of 36,518,824 EGGL Shares at a price of \$0.005 per EGGL Share, for aggregate gross proceeds of \$182,594.12;
- A non-brokered private placement offering of 37,739,090 EGGL Shares at a price of \$0.02 per EGGL Share, for aggregate gross proceeds of \$754,781.80;
- The roll-in of EGGL AUS through a share purchase agreement between EGGL and Global Water Solutions SEZC (“**GWS**”), pursuant to which EGGL purchased all of the issued and outstanding shares of EGGL AUS from GWS for a consideration of 17,978,756 EGGL Shares at a deemed price of \$0.020 per share for the total consideration of \$ 359,575.13. These EGGL Shares were issued on January 15, 2021;
- The roll-in of EGGL US through a share purchase agreement between EGGL and EG Holdings Limited (“**EGH**”), pursuant to which EGGL purchased all of the issued and outstanding shares of EGGL US from EGH for a consideration of 17,978,756 EGGL Shares at a deemed price of \$0.020 per share for the total consideration of \$359,575.13;
- Debt settlement agreements between EGGL AUS and certain creditors pursuant to royalty agreements dated between June 2020 and December 2020. Pursuant to this transaction, EGGL issued to the creditors an aggregate of 13,622,352 EGGL Shares at a deemed price of \$0.06627 in settlement of an aggregate of \$902,753.27 of indebtedness;
- A non-brokered private placement offering of 3,713,257 EGGL Shares at a price of \$0.0848 per EGGL Share for aggregate gross proceeds of \$315,000; and
- A non-brokered private placement offering pursuant to which it issued to certain investors an aggregate of 264,849 EGGL Shares at a deemed price of \$0.0848 for aggregate gross proceeds of \$22,467.

On March 26, 2021, EGGL entered into the Business Combination Agreement.

On April 13, 2021, EGGL entered into the First Amending Agreement with Range amending certain terms of the Business Combination.

On April 30, 2021, EGGL entered into the settlement agreement (the “**Settlement Agreement**”) among EGGL AUS, EGGL and an arm’s-length third party consultant (the “**Settling Consultant**”) to settle certain debt incurred by EGGL AUS. Pursuant to this Settlement Agreement, EGGL agreed to (i) pay the total sum of \$35,000, inclusive of all interests and costs (the “**Total Sum**”) to the Settling Consultant; and (ii) issue 250,000 stock options (“**EGGL Options**”) to the Settling Consultant whereas each EGGL Option is exercisable at a price of \$0.20 per one (1) EGGL Share for a period of two (2) years. The Total Sum was advanced and EGGL Options were granted to the Settling Consultant on May 4, 2021.

On May 7, 2021, EGGL completed a non-brokered private placement of 8,000,977 EGGL Financing Units (“**EGGL 2021 Financing**”) in accordance with which EGGL raised \$4,480,547.12. Each EGGL Financing Unit is comprised of one (1) EGGL Share and three (3) EGGL Subscription Receipts at a price of \$0.56 per EGGL Unit. The net proceeds raised by way of EGGL 2021 Financing will be used to finance EGGL’s first site operations targeted for September 2021. On June 4, 2021, as part of the EGGL 2021 Financing, EGGL also settled debt by issuing 200,436 EGGL Units to its creditors on the same terms as the EGGL 2021 Financing for the gross proceeds of \$112,244.16.

3.1.3 Range Subco

Range Subco was incorporated pursuant to the provisions of the OBCA on March 25, 2021, with its head office and registered office located at 295 the West Mall, 6th Floor, Toronto, Ontario, M9C 4Z4. Range Subco has not carried on any business since incorporation and has no assets and no liabilities. Range Subco was incorporated solely for the purposes of participating in the Business Combination pursuant to the Business Combination Agreement.

3.2 Business Combination

3.2.1 Business Combination Summary

In December 2020, representatives of Range and EGGL discussed the merits of a potential business combination. Recognizing the potential benefit such a transaction would bring to their respective shareholders, Range and EGGL entered into the Business Combination Agreement.

Under the Business Combination Agreement, a copy of which is attached as Appendix “A” to this Listing Statement and is also available on Range’s profile on SEDAR at www.sedar.com, Range agreed to acquire EGGL via the Amalgamation of Range Subco and EGGL, as set out below:

- (a) EGGL will complete the Amalgamation with Range Subco, forming Amalco, with Range as the sole shareholder of Amalco;
- (b) holders of EGGL Shares (other than dissenting shareholders who do not exchange their EGGL Shares for Range Shares) will receive a number of Resulting Issuer Shares equal to the Exchange Ratio, following which all such EGGL Shares are to be cancelled;
- (c) following the issuance of Certificate of Amalgamation, the Underlying Shares and Finder Warrants will automatically adjust in accordance with their terms that the holders of the Underlying Shares and Finder Warrants will be entitled to acquire, upon exercise, for the same aggregate consideration the number of Resulting Issuer Shares that the holder would have been entitled to acquire pursuant to the Business Combination had the holder exercised its Underlying Shares and Finder Warrants prior to the Business Combination;
- (d) the outstanding Range Subco Shares will be exchanged for Amalco Shares on the basis of one (1) Amalco Share for each one (1) Range Subco Share;
- (e) as consideration for the issuance of the Resulting Issuer Shares to the former EGGL Shareholders to effect the Amalgamation, Amalco will issue to Range one (1) fully paid Amalco Share for each one (1) Resulting Issuer Share so issued;

- (f) all of the property and assets of each of EGGL and Range Subco shall be the property and assets of Amalco and Amalco shall be liable for all of the liabilities and obligations of each of EGGL and Range Subco; and
- (g) Amalco will be a wholly-owned subsidiary of Range.

Following the completion of the Business Combination, Amalco will be a wholly-owned subsidiary of the Resulting Issuer. Amalco will be an amalgamated corporation existing under the OBCA and will be named “EnviroGold Private Limited”.

Upon the completion of the Business Combination in accordance with the terms of the Business Combination Agreement:

- (a) 160,621,633 EGGL Shares will be exchanged for 160,621,633 Resulting Issuer Shares;
- (b) 448,550 Finder Warrants will be exercisable for 1,794,200 Resulting Issuer Shares;
- (c) 14,683,252 EGGL Options will be exchanged for 14,683,252 Resulting Issuer Options;
- (d) 14,000,000 EGGL RSUs will be exchanged for 14,000,000 Resulting Issuer RSUs; and
- (e) the Resulting Issuer will begin carrying on the business of EGGL as described herein.

3.2.2 Business Combination Terms

In the Business Combination Agreement, Range and EGGL provide representations and warranties to one another regarding certain customary commercial matters, including corporate, legal and other matters, relating to their respective affairs.

Under the Business Combination Agreement, Range and EGGL have each agreed to seek the approval of their respective shareholders for the applicable aspects of the Business Combination required to be approved by such shareholders. Range and EGGL have each also agreed to use their respective commercially reasonable efforts to satisfy the conditions to the Business Combination set forth in the Business Combination Agreement, all in accordance with the terms thereof.

Representations, Warranties and Covenants

The Business Combination Agreement contains customary representations and warranties made by each of the parties in respect of the respective assets, liabilities, financial position, business and operations of Range, Range Subco, and EGGL. Both Range and EGGL also provided covenants in favour of each other in the Business Combination Agreement which govern the conduct of the operations and affairs of each respective party prior to the Business Combination.

The Business Combination Agreement contains mutual non-solicitation provisions in favour of both Range and EGGL. Neither Range nor EGGL will (i) solicit, initiate, knowingly encourage or facilitate the submission, initiation or continuation of any expression of interest regarding any transaction in opposition to or in competition with the Business Combination; (ii) induce or attempt to induce any other person to initiate any shareholder proposal or “take-over bid” for their respective securities or assets; or (iii) undertake any transaction or negotiate any transaction which would be or potentially could be in conflict with the Business Combination.

Conditions to the Business Combination Becoming Effective

The Business Combination Agreement contains certain conditions precedent to the obligations of Range, Range Subco and EGGL to complete the Business Combination. Unless all of such conditions are satisfied or waived by the party or parties for whose benefit such conditions exist, the Business Combination will not be completed. The following is a summary of the significant conditions contained in the Business Combination Agreement:

- (a) the representations and warranties of Range, Range Subco and EviroGold set forth in the Business Combination Agreement, qualified as to materiality, being true and correct, and the representations and warranties not so qualified being true and correct in all material respects as of the date of the Business Combination Agreement and on the date of the Business Combination as if made on such date, except for such representations and warranties made expressly as of a specified date which shall be true and correct in all material respects as of such date;
- (b) each of Range, Range Subco and EGGL having performed and complied in all material respects with all covenants and agreements required by the Business Combination Agreement to be performed or complied with by it prior to or on the date of the Business Combination;
- (c) from and after March 26, 2021, Range not having undertaken any business other than in connection with the completion of the Business Combination;
- (d) the shareholders of Range having consented to the Business Combination and the entering into the Business Combination Agreement;
- (e) the shareholders of EGGL having approved the Amalgamation;
- (f) the sole shareholder of Range Subco having approved the Amalgamation by way of written consent;
- (g) the Resulting Issuer Shares being conditionally approved by the CSE;
- (h) all of the current directors and officers of Range and Range Subco having resigned without payment by or any liability to Range, EGGL, Range Subco or Amalco, and each such director and officer shall have executed and delivered a release in favour of Range, EGGL, Range Subco or Amalco, in a form acceptable to EGGL, each acting reasonably;
- (i) Range and Range Subco having no liabilities other than as set out in the last publicly filed financial statements of Range;
- (j) EGGL having raised aggregate gross proceeds of at least \$500,000 pursuant to the EGGL 2021 Financing;
- (k) all consents, waivers, permits, exemptions, orders, consents and approvals required to permit the completion of the Business Combination, the failure of which to obtain could reasonably be expected to have a material adverse effect on EGGL and Range or materially impede the completion of the Business Combination, having been obtained;
- (l) no temporary restraining order, preliminary injunction, permanent injunction or other order preventing the consummation of the Business Combination being issued by any federal, state, or provincial court (whether domestic or foreign) having jurisdiction and remain in effect;

- (m) on the date of the Business Combination, no cease trade order or similar restraining order of any other provincial securities administrator relating to the Range Shares or EGGL Shares being in effect;
- (n) there shall not be pending or threatened any suit, action or proceeding by any governmental entity, before any court or governmental authority, agency or tribunal, domestic or foreign, that has a significant likelihood of success, seeking to restrain or prohibit the consummation of the Business Combination or any of the other transactions contemplated by the Business Combination Agreement or seeking to obtain from Range, Range Subco and EGGL any damages that are material in relation to Range, Range Subco and EGGL and their subsidiaries taken as a whole; and
- (o) the distribution of Range Shares pursuant to the Business Combination shall be exempt from the prospectus requirements of applicable Canadian securities laws either by virtue of exemptive relief from the securities regulatory authorities of each of the provinces of Canada or by virtue of applicable exemptions under applicable Canadian securities laws and shall not be subject to resale restrictions under applicable Canadian securities laws other than as applicable to control persons or pursuant to Section 2.6 of National Instrument 45-102 – *Resale of Securities of the Canadian Securities Administrators*.

3.3 Trends, Commitments, Events or Uncertainties

As of the date of this Listing Statement, the Resulting Issuer has not carried any material business other than as disclosed in Section 3.1 “*General Development*” and Section 3.2 “*Business Combination*”. Following completion of the Business Combination, the Resulting Issuer will begin carrying on the business of EGGL, a Toronto-based clean technology company committed to capitalizing environmental stewardship and accelerating the world’s transition to a circular resource economy. EGGL was incorporated for the purpose of commercializing, marketing, developing, operating, and licensing a suite of environmentally friendly technical solutions for the recovery of precious, critical and strategic metals and minerals from mine tailings, ores, resource development waste streams and other resource bearing materials. EGGL’s business model, operations, technology and solutions are described in detail in Section 4 “*Narrative Description of the Business*”. As of the date hereof, EGGL has produced revenues through its subsidiary, EGGL AUS.

Upon completion of the Business Combination and the Listing on CSE, the Resulting Issuer intends to continue its focus on developing, applying and operating its proprietary technology through its current and future projects. The Resulting Issuer’s proprietary technology includes inventions and information that relate to chemical treatment systems transforming mine extraction waste into sustainable mineral resource development.

There are not current trends in the business of the Resulting Issuer that are likely to impact the Resulting Issuer’s performance. Please refer to discussions set out in Section 4 “*Narrative Description of the Business*”, Section 6 “*Management’s Discussion and Analysis*”, and Section 17 “*Risk Factors*”.

4. NARRATIVE DESCRIPTION OF THE BUSINESS

4.1 General Business of the Resulting Issuer

Upon the completion of the Business Combination in accordance with the terms of the Business Combination Agreement, the Resulting Issuer will begin carrying on the business of EGGL as described herein.

4.1.1 General Description of the Business of EGGL

Headquartered in Toronto, Canada, EGGL is a clean technology company committed to capitalizing environmental stewardship and accelerating the world's transition to a circular resource economy. EGGL was incorporated for the purpose of commercializing, marketing, developing, operating, and licensing EGGL Solutions. The EGGL Solutions are designed to sustainably supply the world's increasing demand for precious, critical and strategic metals and minerals. The EGGL Solutions employ proprietary EST and other proven equipment and methodologies for the treatment, processing, beneficiation, remediation and hydrometallurgical recovery of precious, critical and strategic metals and minerals from mine tailings, ores, waste streams and other resource bearing materials. EGGL's technology, operations and business model are described in greater detail throughout this section.

Metals and minerals are natural resources that are vital to modern technology, infrastructure and investment. Applications for metals and minerals are diverse and ubiquitous in the modern global economy and include the production, conduction, distribution and storage of electricity as well as critical components for batteries, solar cells, electronic vehicles, data transmission systems, mobile devices, circuitry, advanced medical devices and aerospace. Metals also serve vital and increasing roles as stores of value for individual investors and central banks.

Metals and minerals have served important cultural and economic functions for thousands of years, but structural factors and demographic trends including continuous population growth, the acceleration of technological development and rapidly rising incomes and standards of living in emerging markets are increasing the demand for these finite and unequally distributed resources. These structural factors include accelerating global trends driving the adoption of renewable energy resources and the widespread adoption of electric vehicles. According to Deloitte, global electric vehicles are expected to grow at a compound annual rate of 29% over the next decade¹. As noted in a report jointly released by the United States Geological Survey and the Department of Interior, "Until the mid-20th century, only about 15 metallic elements had much practical use. Today, nearly all the natural elements in the periodic table of elements have several significant uses. For example, the manufacture of a modern computer chip requires more than one-half of the elements in the periodic table."² The importance of securing stable access to precious, critical and strategic metals is one of precious few issues to receive strong bipartisan support in the United States, with the Trump and Biden administrations both issuing Executive Orders intended to direct national policy efforts to secure access to and identify and mitigate risks to the supply of 35 "critical" metals and minerals including cobalt, lithium, titanium and platinum metals groups³.

While long term demand for metals and minerals is supported by strong structural and demographic factors, long term supply dynamics face significant and increasing structural challenges. These structural challenges include long lead times to production, declines in reserves, exploration budgets and new resource discoveries and a decrease in the proportion of amenable ores to refractory ores that are resistant to standard processing methodologies. Furthermore, communities, regulators and capital markets are increasingly dissatisfied with mining and resource extraction techniques that often generate tremendous volumes of waste. The University of Queensland reports⁴ that solid waste generated annually by the primary extraction of metals and minerals exceeds 100B tonnes, the equivalent mass of 304,000 skyscrapers the size of the Empire State Building. Dissatisfaction with mining and resource extraction techniques creates significant

¹ *Trend 10: Meeting demand for green and critical minerals*, Deloitte. Retrieved on May 6, 2021

<https://www2.deloitte.com/us/en/insights/industry/mining-and-metals/tracking-the-trends/2021/clean-energy-future.html>.

² *Critical Mineral Resources of the United States – Economic and Environmental Geology and Prospects for Future Supply*, USGS. Retrieved on May 6, 2021 at https://pubs.usgs.gov/pp/1802/pp1802_entirebook.pdf.

³ *Critical and Strategic Minerals: Importance to the U.S. Economy*, Society for Mining, Metallurgy & Exploration <https://www.smenet.org/What-We-Do/Technical-Briefings/Critical-and-Strategic-Minerals-Importance-to-the>

⁴ Tayebi-Khorami, M.; Edraki, M.; Corder, G.; Golev, A. *Re-Thinking Mining Waste through an Integrative Approach Led by Circular Economy Aspirations*. *Minerals* 2019, 9, 286. <https://doi.org/10.3390/min9050286>.

risks to project economics in the forms of fines, work disruptions and failures to receive or renew required operating permits, with studies showing⁵ that social conflicts can cost mining companies upwards of \$20M/week. Standard metals and mining business models are also frequently criticized for a lack of efficiency and a failure to demonstrate maximum return on natural resources. For example, heap leaching for recovery of gold from ore is generally associated with gold recovery rates between 50-90%, with high variability from site to site. The use of relatively inefficient techniques to recover resources from mined ores leaves substantial quantities of unrecovered metals and minerals in mine waste streams. Studies have estimated that the value of precious metals existing in old mine sites exceeds USD \$1 trillion. The increasing dissatisfaction with industry standard mining and resource development practices has significantly diminished the ability of mining and metals concerns to raise capital as the massive global shift to Sustainable and Responsible investment continues to accelerate. The World Economic Forum⁶ and KPMG⁷ report that Sustainable and Responsible investments have grown from USD \$640B in 1995 to USD \$30 trillion in 2019.

The future of supplying the precious, critical and strategic metals that are vital in the shift to a more sustainable, more technologically advanced global community will require the development of new, agile business models featuring improved technical capabilities, reduced CAPEX/OPEX and shorter development lead times. Perhaps most critically, modern suppliers of metals and minerals must earn and maintain social license to operate through the consistent demonstration of environmental stewardship, positive social impact, and efficient and equitable use of natural resources.

The product of a decade and a half of research, development and commercialization efforts undertaken by leading technical experts and successful entrepreneurs, EGGL was born from an unwavering commitment to sustainability and a vision of accelerating the world's transition to a circular resource economy. EGGL's suite of technical and proprietary EGGL Solutions for responsible resource recovery include modular, scalable and geographically relocatable treatment systems that facilitate reduced CAPEX/OPEX. These systems have demonstrated the ability to recover up to 98% of precious, critical and strategic metals from refractory ores, mine tailings and other waste streams while remediating key environmental contaminants including arsenic, mercury and lead. EGGL's recovery process as a service business model remediates historical mine tailings and other mine wastes while recovering residual metals and minerals left behind from previous, inefficient mining operations without the generation of any new extraction related waste. This model can reduce the energy required in the production of metal and mineral commodities by up to 80% by eliminating the need for energy-intensive mining activities. EGGL's focus on reprocessing surface waste further eliminates the need for traditional, costly and high-risk exploration activities, significantly reducing project development lead times. By remediating and removing the waste from previous mining operations, EGGL is positioned to earn and maintain social license.

EGGL's commitment to environmental stewardship and responsible resource development extends far beyond the realm of fashionable and occasionally superficial corporate social responsibility (CSR) initiatives and is a fundamental driver of EGGL's value creation model. As a tool for ensuring that these values remain at the center of EGGL's operations, EGGL has developed the ESG Scorecard. Additional details on the ESG Scorecard system are included in the portion of this section describing EGGL's Operations.

⁵ PNAS May 27, 2014 111 (21) 7576-7581; first published May 12, 2014; <https://doi.org/10.1073/pnas.1405135111>
Contributed by Anthony J. Bebbington, March 19, 2014

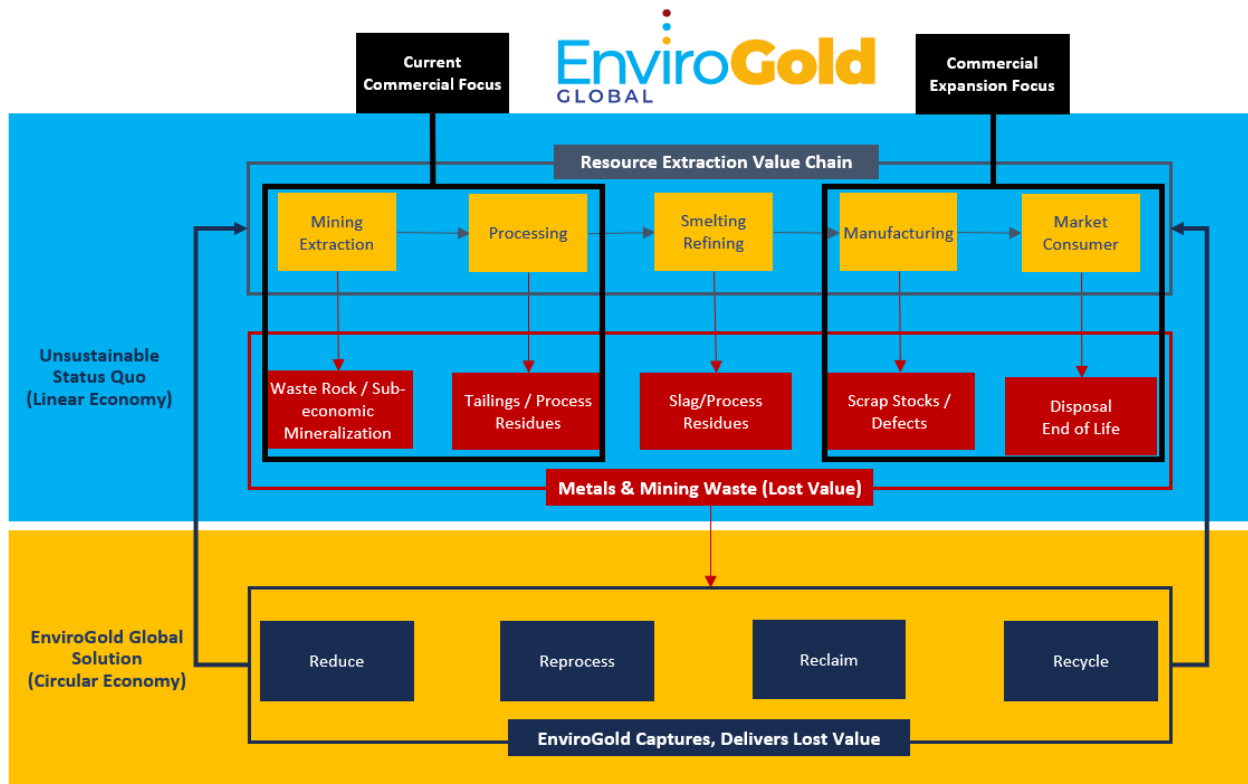
⁶ *Mining & Minerals in a Sustainable World 2050*, the World Economic Forum, 2015
[WEF MM Sustainable World 2050 report 2015.pdf \(weforum.org\)](#)

⁷ *The Numbers that are Changing the World*, KPMG, 2019. Retrieved on May 6, 2021 [The numbers that are changing the world: Revealing the growing appetite for responsible investing \(assets.kpmg\)](#)

EGGL has acquired Remediation and Resource Recovery Rights to precious, critical and strategic mine tailings sites in Arizona (USA), British Columbia (Canada), Ontario (Canada) and Australia on the following dates:

- NVRO-AU-2 on August 17, 2021;
- NVRO-CAN-1 on December 1, 2020;
- NVRO-US-1 on December 15, 2020; and
- NVRO-CAN-2 on March 11, 2021.

EGGL anticipates additional projects operating in Newfoundland (Canada), Mexico, and Nevada (USA), and continues actively expanding its international reprocessing portfolio.



EGGL's Operations

EGGL will initially have one business division focused on the remediation of precious, critical and strategic metals mine tailings with planned future development of additional operating segments focused on battery metals recovery, e-waste resource recovery and other resource recovery opportunities across the metals and mining value chain. EGGL's tailings remediation and resource recovery strategy will generate revenues primarily through the sale of metal and mineral concentrates with additional revenues possible from remediation activities.

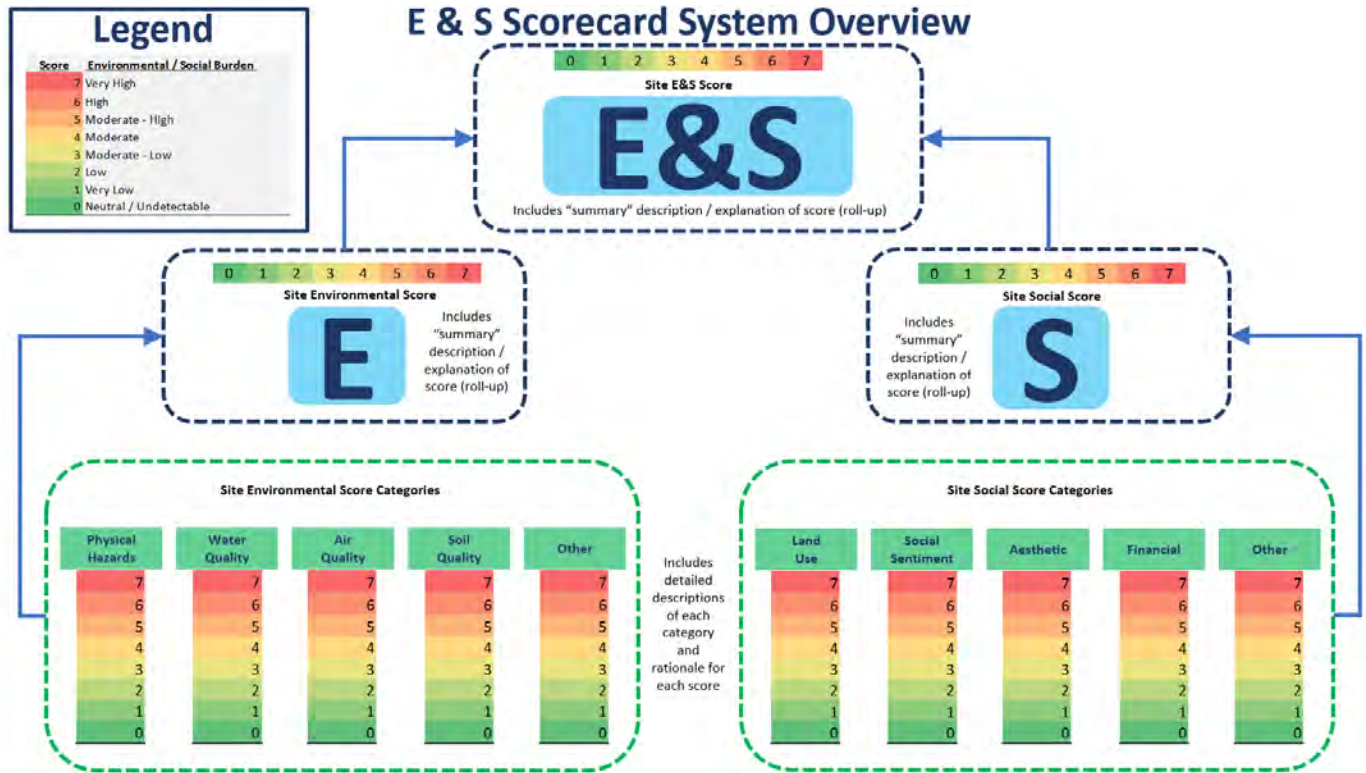
EGGL's tailings remediation and resource recovery strategy is designed to systematically identify, qualify and acquire Remediation and Resource Recovery Rights to precious, critical and strategic mine tailings sites throughout target operating markets including the United States, Canada, and Australia. EGGL's Material Projects related to these activities are described later on in this section. Once access to a site has been negotiated, EGGL undertakes a phased approach to feasibility review and project development that

employs strategic decision gates at critical junctures in the project development lifecycle to mitigate resource uncertainty and other risks to project economics. The key components of EGGL's operational model are as follow:

1. **Business Development and Opportunity Identification:** EGGL reviews extensive mine production data and leverages EGGL's global network of industry professionals to identify possible tailings remediation and resource recovery opportunities, using a proprietary system that analyzes key site characteristics related to grade, metallurgy, volume and refractory components to qualify opportunities.
2. **Scoping Study:** Qualified opportunities undergo an in-depth Scoping Study which includes the creation of a Project Economic and Feasibility Review and a detailed Lead Assessment for formal management review of the opportunity. An initial regulatory review undertaken during the Scoping Study is intended to identify regulatory agencies with jurisdiction over the site and key permits and work notices required for operations along with associated fees and lead times. Initial engagement with the site owner is undertaken to acquire private site-related data, negotiate execution of a contract, and subsequently provide EGGL with access to the site to conduct APA (as discussed below). This initial commercial agreement is intended to secure the Remediation and Reprocessing Rights to the metal and mineral bearing material on site contingent upon EGGL satisfying internal standards for project economics and feasibility. EGGL generally negotiates compensation for the mine site owner by way of an arrangement to share the net proceeds from mineral and metal concentrates produced during site remediation activities.
3. **Desktop Study:** Contingent upon the results of the Scoping Study, EGGL will invest additional resources in site evaluation to advance material characterization for Project Economic and Feasibility Review and identify initial reprocessing solutions. Typical activities include material sampling and analysis, metallurgical analysis, initial regulatory engagement, preparation of a definitive regulatory roadmap, topographical volumetric analysis, and development of the initial ESG Scorecard.
4. **Advanced Prospect Analysis ("APA"):** Contingent upon the results of the Desktop Study, EGGL will proceed to the most detailed phase of project feasibility and economic review: APA. Activities undertaken during APA are intended to increase EGGL's confidence in material characterization results, select a final optimized process flow for maximum resource recovery, prepare permit submissions and develop operational plans.
5. **Implementation and Production:** Following APA and receipt of required operating permits or exemptions, and contingent upon a final executive review, EGGL will deploy its tailings reprocessing and resource recovery EGGL Solutions on site in conjunction with strategic field services partners and commence remediation and resource recovery. EGGL will systematically capture and analyze operational data, including metallurgical accounting, and provide its strategic partners with transparent periodic status reports throughout the operational period.
6. **Closure:** Following remediation and resource recovery operations, EGGL will demobilize its reprocessing equipment consistent with regulatory requirements and environmental best practices and complete a final review of the ESG Scorecard to confirm a net positive environmental and social impact from remediation activities on the site.

EGGL's project development model incorporates the ESG Scorecard system to systematically assess each project early in the development cycle and create a roadmap for the creation of net positive environmental and social impact; EGGL will not commence reprocessing operations unless and until management has completed the ESG Scorecard to confirm such an impact can be created. EGGL's ESG Scorecard is developed for each project through a comprehensive qualitative assessment of five social and five

environmental categories. These scores are averaged to create one comprehensive environmental focus area score and one comprehensive social focus area score. The final focus area scores are averaged to create a baseline environmental and social score (“**E&S Score**”) for each project. Once a baseline ESG Scorecard has been established, EGGL will develop an objective ESG Scorecard establishing target remediation objectives for each social and environmental category and quantifying the impact the achievement of these objectives will have on the comprehensive E&S Score. Upon conclusion of remediation and reprocessing activities, EGGL will prepare a final evaluative ESG Scorecard for each project to quantify the actual environmental and social impacts from EGGL’s operations, conduct a variance analysis between the objective and final evaluative scores and develop suggestions for continuous improvement of the system.



Employees and Consultants

EGGL’s operations require a diverse set of professional and technical skills including business development, commercial negotiations, finance and capital markets, strategic planning, engineering and compliance. EGGL’s team has expertise in minerals and metallurgy, a track record of commercializing and scaling technology ventures and has over a decade of experience leading research and development in the novel application of electrochemistry to refractory ores and waste streams. EGGL’s management team is complemented with the Advisory Committee comprised of leading technical, environmental, and social experts. EGGL continues to recruit and identify professionals with relevant expertise as business development activities progress.

Principal Products and Services

EGGL uses the term “proprietary” to refer to systems, operationalized knowledge, technology, and trade secrets, whether patentable or not, which are not generally known or accessible and which provide competitive advantages to EGGL. EGGL Solutions encompass proven technologies for the processing and recovery of metals and minerals from mine tailings and ores including but not limited to technologies for

various forms of pre-treatment, material sizing, concentration, leaching, froth flotation, carbon adsorption, elution and electrodeposition, all of which may be optimized by EGGL for maximum recovery, modularity, scalability and closed loop processing. EGGL Solutions include proprietary EST.

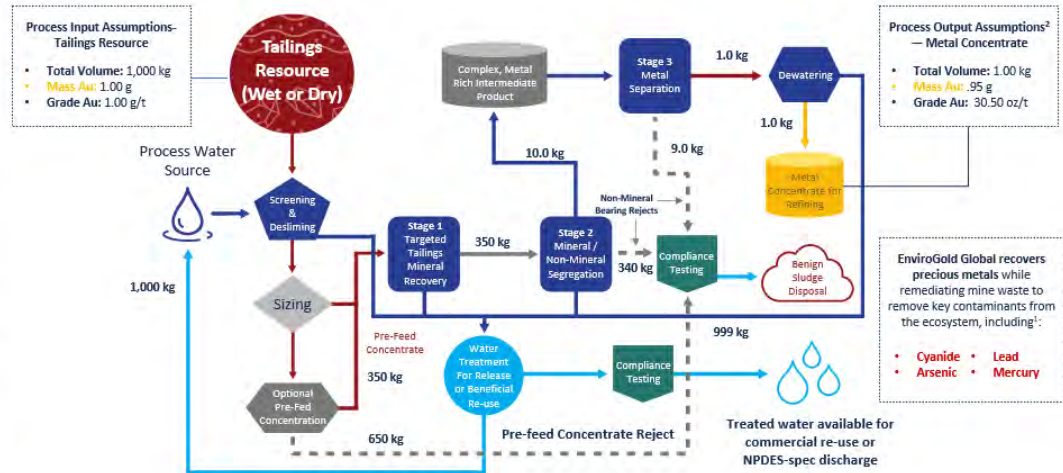
EGGL's initial patent filings related to improved processes was filed on June 9, 2021 with the application number being 2021901724.

EGGL develops remediation and resource recovery EGGL Solutions for each project while optimizing for the specific metallurgical characteristics of each site to maximize resource recovery rates, throughput and project economics. Optimizations include the degree of re-sizing, the application of unique lixivants and reagents, and the modification of other electrochemical variables. EGGL's remediation and resource recovery EGGL Solutions generally include the following primary stages and associated processes undertaken during the Implementation and Production stage of project development previously described:

1. **Material Reclamation:** Material Reclamation primarily involves the excavation and stockpiling of Feed Material for processing.
2. **Sizing, Material Characterization and Optional Pre-Treatment:** Feed Material is then screened to remove detritus and classified according to size prior to Beneficiation. The Feed Material may be milled to reduce particle size as required to facilitate optimal metal or mineral recovery consistent with project economic objectives. Process water is added to the Feed Material creating a slurry and may be treated with reagents as required by the specific Beneficiation processes to be applied. Optional pre-treatment for the Feed Material includes roasting, autoclaving and bio-oxidation as necessary to achieve target metal recovery rates.
3. **Beneficiation:** Beneficiation methodology depends on the characteristics of the Feed Material and generally includes either flotation or leaching. If flotation, slurried Feed Material is generally treated with reagents and pumped into a flotation cell where bubbles from injected air react with the reagents, facilitating separation and concentration by selectively adhering to target materials and causing them to float to the surface of the cell. If leaching, slurried Feed Material is generally mixed in a series of tanks with lixivants that liberate the target metal from host material creating a metal-lixiviant complex which is generally adsorbed on activated carbon prior to final metal recovery generally facilitated by electrodeposition, zinc-precipitation or through the application of EST, as required.
4. **Dewatering and Benign Sludge Disposal:** EGGL's benign sludge byproduct is dewatered, facilitating effective and environmentally sound disposal. The sludge may be used to refill vertical drops, shafts, portals and adits or otherwise recontour the mine affected area. Recovered process water is generally recycled, treated for beneficial re-use or treated to remove contaminants required to achieve regulatory standards for discharge of water into the environment.

| Name | Element | Recovery ¹ |
|---|---------|-----------------------|
| Select Precious Metals | | |
| Gold | Au | > 90% |
| Silver | Ag | > 90% |
| Platinum | Pt | 85% |
| Select Critical & Strategic Metals | | |
| Germanium | As | ~95% |
| Indium | Hg | ~95% |
| Rhenium | Pb | ~95% |
| Lithium | Li | > 90% |
| Gallium | Ga | > 90% |
| Cobalt | Co | 83% |
| Scandium | Sc | > 90% |
| Titanium | Ti | > 90% |
| Zirconium | Zr | > 90% |
| Key Environmental Contaminant Removal | | |
| Arsenic | As | ~95% |
| Mercury | Hg | ~95% |
| Lead | Pb | ~95% |

1. Indicative recovery rates based on field & laboratory analysis; subject on a case-by-case basis to matrix effects & other variables



2. All mass values are estimates only based on "Dry" material weights and a generic process flow. These values are to be used for general discussion purposes only.

EGGL conducts ongoing research and development designed to continuously improve EGGL’s resource recovery capabilities, improve project economics and expand its addressable market. The initiatives include:

- The use of electrochemical cells to improve flotation recoveries through the effects of electrical charges on discrete particles;
- The use of electrochemical cells to accelerate biological oxidation processes to improve metal recovery; and
- The use of electrochemical cells as a substitute for the Merrill-Crowe Process, a separation technique for removing gold from the solution obtained by the cyanide leaching of gold ores.

Regulatory Approvals and Permits

Generally, EGGL expects its operations be subject to operating and environmental permitting requirements common to mining and reclamation activities and other industrial activities including but not limited to Arizona’s Aquifer Protection Permits (the “APP”), water pollution control permits and/or reclamation permits. EGGL has engaged regulators in project-related jurisdictions and commenced the process of identifying, applying for and receiving all necessary permits in relation to the Material Projects. No other permitting applications have been prepared other than those described in this section. EGGL remains closely engaged with regulators and regulatory advisors to identify and address any permitting requirements not currently considered. Permitting is an area of significant focus during scoping and prospect evaluation. If a project is not permissible, operational processes exist to recognize this early on and disqualify the prospect.

A summary of the primary operating permits required for each of the four described Material Projects follows. EGGL’s operations may be subject to additional permit requirements:

- Project NVRO-AU-2 “The Australia Tailings”: The site owner is an operating entity on a permitted platform and has represented to EGGL that all permits required for operation are valid and in place. EGGL is conducting advanced due diligence on the permitting requirements for this jurisdiction and reviewing the permits held in good standing by the site owner to confirm that no additional permits will be required for site operations; if additional permits are

required, EGGL will work with the site owner to ensure that all necessary permits are in place prior to commencing operations. At this time, EGGL does not anticipate applying for any additional permits prior to commencing operations on site. The principle regulatory agency with jurisdiction over this project is the Australian Environmental Protection Authority.

- Project NVRO-CAN-1 “The British Columbia Waste Rock”: The site owner is an operating entity holding certain valid operating permits for the site. In addition to receiving certain representations from the site owner about the state of the permits required for operations, EGGL has engaged a Canadian registered environmental engineering and consulting firm to review the existing permits. EGGL has been advised that the site’s current permitted status will allow initial site analysis including bulk sampling and metallurgical analysis. As the project develops, additional permits will be required including a Mines Act Permit and an Environmental Management Act Permit. The Canadian environmental engineering and consulting firm has advised EGGL that some of the baseline data required for the permit applications has been collected and is preparing a proposal for collecting the additional required data and preparing permitting applications. EGGL’s contract with the site owner stipulates that financial responsibility for the permits will belong to the site owner. Contingent upon the results of APA phase, including bulk sampling and metallurgical analysis, EGGL will apply for the necessary permits or exemptions.
- Project NVRO – CAN-2 “The Ontario Tailings”: The development of this project is at a preliminary stage. EGGL will undertake an advanced regulatory review during project scoping and APA intended to identify any operating permits required for development, production and site closure activities. Should EGGL advance project development activities with the intention of entering into commercial production at the site, it is anticipated that permits will be required including a Mines Act Permit and an Environmental Management Act Permit.
- Project NVRO-US-1 “The Arizona Tailings”: EGGL anticipates that a special use permit issued by the US Fish & Wildlife Service will be required to facilitate commercial use of a portion of the site access road. EGGL has undertaken substantial engagement with the regulator responsible for approval of the permit and has received indications that the permit will be approved with minimal lead time. EGGL may also be required to obtain an Individual Aquifer Protection Permit for this project and has commenced with the necessary prework and environmental consultants needed for obtaining such a permit. EGGL has been closely engaged with the principal state regulator, the ADEQ, has engaged environmental and engineering consultants from Arizona who are experienced with the ADEQ’s permitting process and is preparing to submit permitting packages to the ADEQ. EGGL anticipates filing the permitting submissions in 30-60 days and has also prepared to undertake the ADEQ’s Determination of Applicability Process to formally confirm whether an exemption will apply. An exemption or determination that the Individual Aquifer Protection Permit is not applicable would expedite commencement of site operations.

4.1.2 Business Objectives and Milestones

Upon the completion of the Business Combination, the Resulting Issuer anticipates commissioning production at two of the Material Projects. EGGL anticipates entering into commercial production at NVRO-US-1 and entering into pilot production at NVRO-AU-2. Preparing for and entering into commercial production may entail concurrent activities including expanding the team, entering into commercial agreements with contractors, vendors and subcontractors, applying for and receiving all required permits and regulatory approvals. EGGL is in preliminary discussions with contractors and key

vendors related to NVRO-US-1. EGGL has undertaken preliminary discussions with key suppliers and service providers relating to the development of other Material Projects described in this Listing Statement. All of these discussions are preliminary and non have resulted in commercial agreements. EGGL will provide required disclosure when material agreements have been reached.

EGGL has the following operational objectives for the next 12 months:

1. Commence commercial production on Project NVRO-US-1.
2. Enter into commercial operating agreements with the owners of NVRO-AU-2. In addition, EGGL will look to further advance commercialization of this project subsequent to the signing of the operating agreements.
3. Complete the APA at NVRO-CAN-1 which will allow for further assessment and progress to a decision on commercialization of this project.
4. Complete the Desktop Study and APA at NVRO-CAN-2 which will allow for further assessment and progress to a decision on commercialization of this project.
5. Continue to develop tailing site prospect pipeline with the objective to signing additional operating agreements.

See also information discussed under Section 4.1.3 “*Material Projects*”, Section 4.1.4 “*Use of Available Funds*”, Section 17 “*Risk Factors – Additional Capital*” and Section 17 “*Risk Factors – Licensing Matters*” to this Listing Statement.

4.1.3 Material Projects

NVRO-AU-2

| Significant Events/Milestones | Estimated Timeline | Estimated Costs |
|--------------------------------------|--------------------------------------|------------------------|
| Scoping and Desktop Study | Completed | \$2,000 |
| Advance Prospect Analysis | Target finish date May 31, 2021 | \$40,000 |
| Implementation and Installation | Target finish date November 20, 2021 | \$80,000 |
| Production Commence | December 1, 2021 | |

NVRO-CAN-1

| Significant Events/Milestones | Estimated Timeline | Estimated Costs |
|--------------------------------------|-----------------------------------|------------------------|
| Scoping and Desktop Study | Completed | \$2,000 |
| Advance Prospect Analysis | Target finish date August 1, 2021 | \$20,000 |
| Implementation and Installation | Target finish date May 31, 2022 | \$80,000 |
| Production Commence | June 1, 2022 | |

NVRO-US-1

| Significant Events/Milestones | Estimated Timeline | Estimated Costs |
|---------------------------------|------------------------------------|-----------------|
| Scoping and Desktop Study | Completed | \$2,000 |
| Advance Prospect Analysis | Target finish date May 7, 2021 | \$20,000 |
| Implementation and Installation | Target finish date August 31, 2021 | \$80,000 |
| Production Commence | September 1, 2021 | |

NVRO-CAN-2

| Significant Events/Milestones | Estimated Timeline | Estimated Costs |
|---------------------------------|---------------------------------------|-----------------|
| Scoping and Desktop Study | Target finish date September 15, 2021 | \$2,000 |
| Advance Prospect Analysis | Target finish date November 15, 2021 | \$20,000 |
| Implementation and Installation | Target finish date August 31, 2022 | \$80,000 |
| Production Commence | September 1, 2022 | |

EGGL's business development operations to date include a robust and growing sales pipeline which includes projects at various stages in key global mining districts: Australia, United States and Canada. The projects discussed in this section present favorably asymmetric risk and reward for EGGL, present significant commercial potential, and are indicative of the general structure EGGL uses to engage potential project partners. Generally, EGGL acquires the rights to process material pending satisfaction of internal standards for Project Economic and Feasibility Review and is committed to bear the costs of operation only after satisfying these internal standards. All activities present significant reprocessing potential and sizable commercial opportunities for EGGL in addition to enhancing the value of its intellectual property.

EGGL has entered into the following agreements and/or acquired the following rights:

Project NVRO-AU-2: In August 2020, EGGL AUS entered into the Australia Agreement acquiring the rights to conduct a resource recovery feasibility study and propose a processing solution on extraction of certain mineral concentrates from a large tailings dam in Australia. EGGL AUS seeks to improve the recovery of metals, including gold and silver components. EGGL is obligated to undertake preliminary feasibility study of the site in good faith with the objective of submitting a processing solution proposal following conclusion of site evaluation. The feasibility study is scheduled to be undertaken in three stages: i) desktop review; ii) laboratory testing; and iii) technical and financial feasibility assessment. Upon successful completion of the study, EGGL and the site owner and operator contemplate entering into a commercial agreement securing for EGGL the Remediation and Resource Recovery Rights related to this project.

Project NVRO-CAN-1: Effective as of December 2020, EGGL US and BC Partner entered into the BC Waste Rock Agreement, acquiring the rights to process precious mineral concentrates located on privately held gold mines near Rossland, British Columbia. The BC Waste Rock Agreement includes an initial feasibility study term subsequent to which and contingent upon the results of which EGGL may exercise its option to enter into processing operations.

The BC Waste Rock Agreement contemplates a profit-sharing arrangement wherein the BC Partner will bear costs associated with permitting the project and EGGL US will bear other project costs including costs of operation. EGGL US must pay to the BC Partner, mineral payment calculated as an amount equal to 50% of the operating profit achieved in a quarter. This quarterly operating profit is an amount equal to all revenue received by EGGL US in that quarter directly from its sales of mineral concentrates extracted as part of the processing operations excluding expenses associated with the feasibility studies and cost and expenses associated with the processing operations. The term of this project is not to exceed five years from the date of the BC Waste Rock Agreement with option to renegotiate.

Project NVRO-US-1: In December 2020, EGGL US entered into a tailings feasibility grant and subsequently into the Arizona Agreement in acquiring the exclusive rights to reprocess significant quantities of mineralized material on privately held gold claims in Yuma County, Arizona. The Arizona Agreement includes an initial Project Economic and Feasibility Review study term contingent upon the results of which EGGL US may exercise its option to commence processing operations on site. Upon exercising its option to enter into commercial production, EGGL US will be responsible for costs associated with production activities including site development and construction and ongoing equipment operation for the life of the project. In lieu of its standard profit-sharing arrangement, EGGL US negotiated a favorably discounted acquisition rights fee of USD\$1,000,000. The payments of \$125,000 will be made on a quarterly basis for eight consecutive quarters beginning in the fiscal quarter following the initiation of tailings processing.

EGGL US has engaged with regulators to commence submission and application for necessary permits. The term of this project is not to exceed five years from the date of the Arizona Agreement with option to extend.

Project NVRO-CAN-2: On March 11, 2021, EGGL entered into the Ontario Agreement with its Ontario Partner acquiring rights to process its precious mineral tailings pile located in Ontario, Canada. Pursuant to the Ontario Agreement, EGGL will bear the costs, including the costs of operations. The development of this project will depend on the results of the APA.

The Ontario Agreement provides EGGL an option, at the sole discretion of EGGL, to process the precious mineral tailings pile following the results of the APA. If EGGL exercises its option, EGGL will be required to make quarterly payments to the site owner equivalent to 10% of net quarterly profits from the sales proceeds of recovered residual minerals. No payments will be required for any quarter in which net profit is equal to or less than zero.

EGGL will undertake an advanced regulatory review during project scoping and the APA intended to identify any operating permits required for development, production and site closure activities.

4.1.4 Use of Available Funds

Based on the working capital positions of Range and EGGL as at March 31, 2021, upon the completion of the Business Combination and the EGGL 2021 Financing, it is anticipated that the Resulting Issuer will have the following funds available:

| Funds Available | Funds Available on Completion of the Business Combination and the EGGL 2021 Financing |
|---------------------|---|
| EGGL 2021 Financing | \$4,592,791.28 |

| | |
|---|----------------|
| Consolidated working capital of Range and EGGL as at March 31, 2021 | \$301,117.48 |
| Total Funds Available (unaudited) | \$4,893,908.76 |

The Resulting Issuer currently intends, subject to discretion to change such allocation after the date of this Listing Statement, to use the total funds available from the EGGL 2021 Financing as set forth above for the purposes described below:

| Significant Event or Milestone | Estimated Costs |
|--------------------------------|--------------------|
| <i>Cost of Raise</i> | \$323,000 |
| <i>Cost of Listing</i> | \$180,000 |
| <i>Operational Expenses</i> | \$850,000 |
| Site Evaluation | \$150,000 |
| Sampling | \$150,000 |
| Permitting | \$100,000 |
| Installation | \$200,000 |
| Site Management | \$250,000 |
| <i>Administration</i> | \$395,000 |
| Insurance | \$100,000 |
| Investor Relations | \$75,000 |
| Personnel Costs | \$90,000 |
| Regulatory Fees | \$20,000 |
| Legal & Professional | \$110,000 |
| <i>Business Development</i> | \$400,000 |
| Personnel Costs | \$325,000 |
| Travel | \$50,000 |
| Other | \$25,000 |
| <i>Equipment</i> | \$1,250,000 |
| Screening & Handling | \$300,000 |
| Sizing | \$400,000 |
| Flotation | \$250,000 |
| Tailings Handling | \$300,000 |
| <i>General working capital</i> | \$602,000 |
| TOTAL | \$4,000,000 |

The Resulting Issuer intends to spend the funds available to it as stated in this Listing Statement. The actual use of the net proceeds, however, may vary depending on the Resulting Issuer's operating and capital needs from time to time. There may be circumstances where, for sound business reasons, a reallocation of funds may be deemed prudent or necessary, and may vary materially from that set forth above, as the amounts actually allocated and spent will depend on a number of factors. See Section 17 "Risk Factors" to this Listing Statement.

4.1.5 Impact of Environmental Protection Requirements

The Resulting Issuer will be subject to environmental regulation in the jurisdictions in which it operates. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. Environmental legislation is evolving in a manner which will require stricter

standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Resulting Issuer's operations.

Failure to comply with applicable environmental laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. The Resulting Issuer may be required to compensate those suffering loss or damage due to its operations and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations. See Section 17 "*Risk Factors*" to this Listing Statement.

4.1.6 Number of Employees

Upon completion of the Business Combination, it is anticipated that the Resulting Issuer will have four full-time employees in the United States, three full-time employees and one part-time employee in Australia, two part-time employees in Canada and two full-time employees internationally.

4.1.7 Competitive Landscape

The metal and mineral recovery business is competitive in all phases of exploration, development and production. The Resulting Issuer will compete with a number of other entities in the search for and the acquisition of productive mineral bearing resources. In particular, there will be a degree of competition faced by the Resulting Issuer in Canada and elsewhere for desirable mineral bearing resources, and some of these companies have greater financial resources, operational experience and/or more advanced properties than the Resulting Issuer. As a result of this competition, the Resulting Issuer may be unable to acquire reclamation rights in attractive properties in the future on terms it considers acceptable or at all. Other companies that operated in the metal and mineral recovery business are Newlox Gold Ventures, Enviroleach Technologies Inc. and DRDGold Limited. EGGL may also compete with other mineral exploration and mining companies for access to reprocessing opportunities as discussed in greater detail in Section 17 "*Risk Factors*" of this Listing Statement.

EGGL competes for access to mineral resources and opportunities with a number of companies in the global metals and mining industry. The management believes that its proprietary technology and focus on "under the radar" resources, including mine tailings, provides EGGL with a unique opportunity set with fewer direct competitors. Relative to other mineral reclamation companies focused on reprocessing mine tailings, EGGL's management believes EGGL's technology has demonstrated favorable recovery rates for precious metals and remediation capabilities for environmental contaminants.

The ability of the Resulting Issuer to acquire reclamation rights in new properties depends on its success in developing and operating its existing property interests. For more discussion, see Section 17 "*Risk Factors*" of this Listing Statement.

4.2 Asset Backed Securities

The Resulting Issuer is not expected to, nor do any of its predecessors or their subsidiaries, have any asset-backed securities.

4.3 Companies with Mineral Projects

Range and EGGL do not, and the Resulting Issuer upon completion of the Business Combination will not, have any mineral properties.

4.4 Companies with Oil and Gas Operations

Range and EGGL do not, and the Resulting issuer upon completion of the Business Combination will not, have oil and gas operations.

5. SELECTED CONSOLIDATED FINANCIAL INFORMATION

5.1 Consolidated Financial Information

5.1.1 Range

The following selected financial information has been derived from and is qualified in its entirety by the audited financial statements of Range as at and for the years ended December 31, 2020, December 31, 2019, and December 31, 2018 and the unaudited financial statements as at and for the three months ended March 31, 2021 attached as Appendix “B” to this Listing Statement, and should be read in conjunction with such financial statements and the related notes thereto, included in Appendix “B” of this Listing Statement, along with the related MD&As thereto attached as Appendix “E” to this Listing Statement. All financial statements of Range are prepared in accordance with International Financial Reporting Standards.

| | As at and for the three months ended March 31, 2021 (unaudited) (CAD\$) | As at and for the year December 31, 2020 (audited) (CAD\$) | As at and for the year ended December 31, 2019 (audited) (CAD\$) | As at and for the year ended December 31, 2018 (audited) (CAD\$) |
|---|---|--|--|--|
| Statement of operations | | | | |
| Total revenue | \$nil | \$nil | \$nil | \$nil |
| Net income (loss) | \$(586,643) | \$(2,945,735) | \$(2,644,174) | \$(45,414,947) |
| Net income (loss) per share (basic and diluted) | \$(0.12) | \$(0.69) | \$(0.62) | \$(0.05) |
| Statement of financial position | | | | |
| Total assets | \$9,590 | \$12,550 | \$8,422 | \$104,093 |
| Total liabilities | \$250,488 | \$24,938,584 | \$21,988,721 | \$19,440,218 |
| Cash dividends declared per share | \$nil | \$nil | \$nil | \$nil |

See Appendix “B” – *Range financial statements for the years ended December 31, 2020, December 31, 2019, and December 31, 2018, and as at and for the three months ended March 31, 2021.*

5.1.2 EGGL

The following selected financial information has been derived from and is qualified in its entirety by the audited financial statements of EGGL, EGGL AUS and EGGL US as at and for the period ended December 31, 2020, and the unaudited financial statements of EGGL as at and for the period ended March 31, 2021,

attached as Appendix “C” to this Listing Statement, and should be read in conjunction with such financial statements and the related notes thereto, included in Appendix “C” of this Listing Statement, along with the related MD&As thereto attached as Appendix “F” to this Listing Statement. All financial statements of EGGL and EGGL Subsidiaries are prepared in accordance with International Financial Reporting Standards.

| | As at and for the three months ended March 31, 2021 (unaudited) (CAD\$) ⁽¹⁾ | As at and for the period ended December 31, 2020 (USD\$) ⁽²⁾ | As at and for the period ended December 31, 2020 (AUD\$) ⁽³⁾ | As at and for the period ended December 31, 2020 (CAD\$) ⁽⁴⁾ |
|---|--|---|---|---|
| Statement of operations | | | | |
| Total revenue | \$nil | \$nil | \$12,500 | \$nil |
| Net income (loss) | \$(432,500) | \$(200,830) | \$(329,976) | \$(367,566) |
| Net income (loss) per share (basic and diluted) | \$0.02 | \$nil | \$nil | \$nil |
| Statement of financial position | | | | |
| Total assets | \$5,391,694 | \$516,781 | \$956,474 | \$10 |
| Total liabilities | \$286,936 | \$717,591 | \$1,286,449 | \$367,566 |
| Cash dividends declared per share | \$nil | \$nil | \$nil | \$nil |

Note:

- (1) The unaudited financial statements of EGGL as at and for the period ended March 31, 2021.
- (2) The audited financial statements of EGGL US as at and for the period ended December 31, 2020.
- (3) The audited financial statements of EGGL AUS as at and for the period ended December 31, 2020.
- (4) The audited financial statements of EGGL as at and for period ended December 31, 2020.

See Appendix “C” – *The audited financial statements of EGGL, EGGL AUS and EGGL US as at and for the period ended December 31, 2020 and the unaudited consolidated financial statements of EGGL as at and for three months ended March 31, 2021.*

5.2 Quarterly Information

5.2.1 Range

The following table sets out selected historical financial information of Range for each of the eight most recently completed quarters ending at March 31, 2021;

| | March 31, 2021 (CAD) | December 31, 2020 (CAD) | September 30, 2020 (CAD) | June 30, 2020 (CAD) | March 31, 2020 (CAD) | December 31, 2019 (CAD) | September 30, 2019 (CAD) | June 30, 2019 (CAD) |
|-----------------------------|----------------------|-------------------------|--------------------------|---------------------|----------------------|-------------------------|--------------------------|---------------------|
| Total revenue | \$nil | \$nil | \$nil | \$nil | \$nil | \$nil | \$nil | \$nil |
| Net income (loss) | \$(586,643) | \$(2,945,735) | \$(736,786) | \$(719,806) | \$(720,553) | \$(2,644,174) | \$(682,430) | \$(662,472) |
| Net income (loss) per share | \$(0.12) | \$(0.00) | \$(0.00) | \$(0.00) | \$(0.00) | \$(0.62) | \$(0.00) | \$(0.00) |

| | March 31, 2021 (CAD) | December 31, 2020 (CAD) | September 30, 2020 (CAD) | June 30, 2020 (CAD) | March 31, 2020 (CAD) | December 31, 2019 (CAD) | September 30, 2019 (CAD) | June 30, 2019 (CAD) |
|---------------------|----------------------------|-------------------------------|--------------------------------|---------------------------|----------------------------|-------------------------------|--------------------------------|---------------------------|
| (basic and diluted) | | | | | | | | |

5.2.2 EGGL

The following table sets out selected historical unaudited consolidated financial information of EGGL as at and for the three months ended March 31, 2021:

| | As at and for the period ended March 31, 2021 (CAD) |
|---|---|
| Statement of operations | |
| Total revenue | \$nil |
| Net income (loss) | \$(432,500) |
| Net income (loss) per share (basic and diluted) | \$(0.02) |
| Statement of financial position | |
| Total assets | \$5,391,694 |
| Total liabilities | \$286,936 |
| Cash dividends declared per share | \$nil |

5.3 Dividends

There are no restrictions in either of Range's or EGGL's articles or by-laws or pursuant to any agreement or understanding which could prevent Range or EGGL from paying dividends. Neither Range nor EGGL have declared or paid any dividends on any class of securities. It is expected that the Resulting Issuer will retain future earnings, if any, to fund the development and growth of its business and does not intend to pay any cash dividends on the Resulting Issuer Shares for the foreseeable future. Any decision to pay dividends on the Resulting Issuer Shares in the future will be made by the Resulting Issuer Board on the basis of earnings, financial requirements and other conditions existing at the time.

5.4 Foreign GAAP

This is not applicable to the Resulting Issuer.

6. MANAGEMENT'S DISCUSSION AND ANALYSIS

Range's management's discussion and analysis as at and for years ended December 31, 2020, December 31, 2019, and December 31, 2018, and as at and for the three months ended March 31, 2021 are attached as Appendix "E" hereto.

EGGL's consolidated management's discussion and analysis as at and for the period ended December 31, 2020 and as at and for the three months ended March 31, 2021, are attached as Appendix "F" hereto.

7. MARKET FOR SECURITIES

Prior to the Business Combination, the Range Shares were listed on the CSE under the symbol “RGO.X” effective April 1, 2020. The trading of Range Shares was halted on March 26, 2021 as a result of the announcement by Range that it had entered into the Business Combination Agreement.

Upon the completion of the Business Combination, the Range Shares will be the Resulting Issuer Shares and continue to trade on the CSE under the symbol “RGO.X”. The Listing is pending approval by the CSE.

8. CONSOLIDATED CAPITALIZATION

The following table sets forth the consolidated capitalization of Range and EGGL as of March 31, 2021, (based on the unaudited interim financial statements of Range for the three months ended March 31, 2021 and of EGGL for the three months ended March 31, 2021), and as of the date of this Listing Statement. See Section 3.1 “*General Development*” to this Listing Statement, above. There has been no material change in the capitalization of the Resulting Issuer since March 31, 2021, other than as reflected below. See Section 10.7 “*Prior Sales*” to this Listing Statement.

| Designation | As at March 31, 2021 | As at the date of this Listing Statement after giving effect to the Business Combination and the EGGL 2021 Financing |
|-------------------------------|---------------------------|--|
| Range/Resulting Issuer Shares | 18,259,519 ⁽¹⁾ | 178,881,152 |
| Range Options | Nil | Nil |
| EGGL Options | 250,000 | 14,683,252 ⁽²⁾ |
| EGGL Shares | 127,815,984 | 160,621,633 ⁽³⁾ |
| EGGL RSUs | Nil | 14,000,000 ⁽⁴⁾ |
| Finder Warrants | 448,550 | 448,550 |

Notes:

- (1) On February 26, 2021, Range consolidated all of its issued and outstanding common shares on the basis of every two hundred (200) old common shares into one (1) new common share.
- (2) On April 30, 2021, pursuant to the Settlement Agreement, EGGL settled certain debt incurred by EGGL AUS by granting to the Settling Consultant 250,000 EGGL Options. EGGL also granted an aggregated of 14,433,252 EGGL Options to certain directors and officers of EGGL.
- (3) This number represents EGGL Shares upon conversion of the EGGL Subscription Receipts.
- (4) EGGL RSUs were awarded to S. Foley and D. Cam as directors of EGGL.

9. OPTIONS TO PURCHASE SECURITIES

9.1 Outstanding Options

As at the date of this Listing Statement, Range does not have outstanding options.

Upon completion of the Business Combination, the Range Option Plan will become the Resulting Issuer Option Plan.

Set forth below is a summary of EGGL Options outstanding as of the date of this Listing Statement.

| Category | Number of EGGL Shares reserved under Option | Exercise Price per EGGL (CAD\$) | Date of Grant |
|---|---|---------------------------------|---------------|
| Other persons or companies ⁽¹⁾ | 250,000 | \$0.20 | May 4, 2021 |

| | | | |
|--|--------------------------|--------|---------------|
| Directors, Officers, and Members of Advisory Board of EGGL ⁽²⁾ | 2,936,071 | \$0.14 | Various dates |
| Directors, Officers, and Members of Advisory Board of EGGL ⁽²⁾ | 11,497,181 | \$0.25 | Various dates |
| Total | <u>14,683,252</u> | | |
| Notes: | | | |
| <p>(1) Pursuant to the Settlement Agreement, EGGL settled certain debt incurred by EGGL AUS by granting to the Settling Consultant 250,000 EGGL Options. Each EGGL Option held by the Settling Consultant is exercisable for one (1) EGGL Share for a period of two (2) years.</p> <p>(2) EGGL granted an aggregated of 14,433,252 EGGL Options to certain directors, officers, consultants and members of Advisory Board of EGGL.</p> | | | |

9.2 Incentive Plans

9.2.1 Summary of the Range Option Plan

Prior to the Business Combination, Range had the Range Option Plan.

Range Option Plan

Range has a 10% rolling stock option plan authorizing to grant stock options to directors, officers, employees, and consultants to acquire up to 10% of Range Shares. The number of Range Options which may be issued under the Range Option Plan in the aggregate and in respect of any fiscal year is limited under the terms of the Range Option Plan and cannot be increased without shareholders' approval.

The Range Option Plan is designed to give each holder an interest in preserving and maximizing shareholder value in the longer term, to enable Range to attract and retain individuals with experience and ability, and to reward individuals for current and expected future performance. Individual grants are determined by an assessment of an individual's current and future performance, level of responsibility, and the importance of the position to Range.

9.2.2 Summary of EGGL Stock Option Plan

Prior to the Business Combination, EGGL had the EGGL Option Plan and the EGGL RSU Plan.

EGGL Option Plan

EGGGL adopted a stock option plan authorizing to grant stock options to directors, officers, employees, and consultants to acquire up to 10% of EGGL Shares. The number of EGGL Options which may be issued under the EGGL Option Plan in the aggregate and in respect of any fiscal year is limited under the terms of the EGGL Option Plan and cannot be increased without shareholders' approval.

The EGGL Option Plan is designed to advance the interests of EGGL by encouraging the directors, officers, employees and consultants of EGGL and of its subsidiaries to acquire EGGL Shares, thereby increasing their proprietary interest in EGGL, encouraging them to remain associated with EGGL and furnishing them with additional incentive in their efforts on behalf of EGGL in the conduct of its affairs.

EGGL RSU Plan

On May 4, 2021, EGGL adopted a restricted share unit plan (the “**EGGL RSU Plan**”). The maximum aggregate numbers of shares reserved for issuance under the RSU Plan, together with EGGL existing EGGL Option Plan shall not exceed a combined total of 10% of EGGL’s issued and outstanding shares. In addition, the EGGL RSU Plan sets out certain other restrictions in respect of grants to certain participants under the EGGL Option Plan.

9.2.1 Resulting Issuers Incentive Plans

Upon the composition of the Business Combination, the Range Option Plan will become the Resulting Issuer Option Plan and the EGGL RSU Plan will become the Resulting Issuer RSU Plan.

10. DESCRIPTION OF SECURITIES

10.1 General

10.1.1 Resulting Issuer Shares

Upon the completion of the Business Combination, the Range Shares will be the Resulting Issuer Shares. The Resulting Issuer will be authorized to issue an unlimited number of Resulting Issuer Shares. Holders of Resulting Issuer Shares will be entitled to receive notice of any meetings of shareholders of the Resulting Issuer, and to attend and to cast one vote per Resulting Issuer Share at all such meetings. Holders of Resulting Issuer Shares will not have cumulative voting rights with respect to the election of directors and, accordingly, holders of a majority of the Resulting Issuer Shares entitled to vote in any election of directors may elect all directors standing for election. Holders of Resulting Issuer Shares will be entitled to receive on a *pro rata* basis such dividends on the Resulting Issuer Shares, if any, as and when declared by the Resulting Issuer Board at its discretion from funds legally available therefor, and, upon the liquidation, dissolution or winding up of the Resulting Issuer, will be entitled to receive on a *pro rata* basis the net assets of the Resulting Issuer after payment of debts and other liabilities, in each case subject to the rights, privileges, restrictions and conditions attaching to any other series or class of shares ranking senior in priority to or on a *pro rata* basis with the holders of Resulting Issuer Shares with respect to dividends or liquidation. The Resulting Issuer Shares will not carry any pre-emptive, subscription, redemption or conversion rights, nor do they contain any sinking or purchase fund provisions.

Upon the completion of the Business Combination and the EGGL 2021 Financing, the Resulting Issuer will have 178,881,152 issued and outstanding Resulting Issuer Shares on an undiluted basis. Approximately 10.2% of those Resulting Issuer Shares will be held by current shareholders of Range, 71.5% will be held by current shareholders of EGGL and 18.3% will be held by purchasers under the EGGL 2021 Financing.

10.1.2 Resulting Issuer Options

Upon the completion of the Business Combination, the Range Options will be the Resulting Issuer Options. Please see Section 9.2 “*Incentive Plans*” to this Listing Statement for a description of the Resulting Issuer Option Plan and the Resulting Issuer Options.

Upon the completion of the Business Combination, the EGGL Options will be the Resulting Issuer Options and become exercisable to acquire one (1) Resulting Issuer Share at the same exercise price and on the same terms and conditions contemplated in each EGGL Option.

10.1.3 EGGL Shares

Upon the completion of the Business Combination, each holder of the issued and outstanding EGGL Shares will receive, in respect of each EGGL Share held, a number of Resulting Issuer Shares equal to the Exchange Ratio and the EGGL Shares will be cancelled.

10.1.4 EGGL Subscription Receipts

In connection with the EGGL 2021 Financing, EGGL issued an aggregate of 24,604,239 EGGL Subscription Receipts on May 18, 2021. Every three (3) EGGL Subscription Receipts and one (1) EGGL Share together formed one (1) EGGL Financing Unit.

Upon satisfaction of certain conditions, each holder of Underlying Shares will receive one (1) Resulting Issuer Share in exchange for each Underlying Share, subject to any necessary adjustments.

10.1.5 Finder Warrants

In connection with the EGGL 2021 Financing, EGGL issued to registered representatives who assisted with the EGGL 2021 Financing an aggregate of 448,550 Finder Warrants. Each Finder Warrant entitle the holder to subscribe for and purchase four (4) Resulting Issuer Shares.

10.1.6 EGGL RSUs

Upon the completion of the Business Combination, the EGGL RSUs will be the Resulting Issuer RSUs. Please see Section 9.2 “*Incentive Plans*” to this Listing Statement for a description of the Resulting Issuer RSU Plan and the Resulting Issuer RSUs.

10.1.7 Miscellaneous Securities Provisions

Range is not listing any debt securities.

None of the matters set out in Sections 10.2 to 10.6 of CSE Form 2A are applicable to the share structure of the Resulting Issuer.

10.7 Prior Sales

10.7.1 Range

During the 12 months prior to the date of this Listing Statement, Range issued the shares set out below:

| Date of Issuance | Class | Number of Range Securities Sold | Issue Price Per Security (\$) | Details of Consideration |
|------------------|---------------|---------------------------------|-------------------------------|--|
| April 7, 2021 | Common Shares | 1,408,560 ⁽¹⁾ | \$0.65 | Issued in connection with the settlement of debt |
| April 7, 2021 | Common Shares | 12,569,823 ⁽¹⁾ | \$1.95 | Issued in connection with the settlement of debt |
| Notes: | | | | |

(1) In accordance with the Range Debt Settlement.

10.7.2 EGGL

The following table summarizes the issuances of securities of EGGL within the previous 12 months before the date of the Listing Statement:

| Date of Issuance | Class | Number of EGGL Securities Sold | Issue Price Per Security (\$) | Details of Consideration |
|-------------------------|----------------------|--------------------------------|-------------------------------|---|
| January 15, 2021 | EGGL Shares | 17,978,756 | \$0.020 | Issued in connection with the EGGL Reorganization |
| March 16, 2021 | EGGL Shares | 36,518,824 | \$0.005 | Issued in connection with the EGGL Reorganization |
| March 16, 2021 | EGGL Shares | 37,739,090 | \$0.02 | Issued in connection with the EGGL Reorganization |
| March 16, 2021 | EGGL Shares | 17,978,756 | \$0.020 | Issued in connection with the EGGL Reorganization |
| March 16, 2021 | EGGL Shares | 13,622,352 | \$0.06627 | Issued in connection with the EGGL Reorganization |
| March 16, 2021 | EGGL Shares | 3,713,257 | \$0.0855 | Issued in connection with the EGGL Reorganization |
| March 16, 2021 | EGGL Shares | 264,849 | \$0.0848 | Issued in connection with the EGGL Reorganization |
| May 4, 2021 | EGGL Options | 250,000 | \$0.20 | Granted in connection with the Settlement Agreement ⁽¹⁾ |
| May 11 and June 4, 2021 | EGGL Financing Units | 8,201,413 | \$0.56 | Issued in connection with the EGGL 2021 Financing ⁽²⁾ |
| July 9, 2021 | EGGL Options | 2,936,071 | \$0.14 | Granted in connection with various employment and consulting agreements as compensation for services ⁽³⁾ |
| July 9, 2021 | EGGL Options | 11,497,181 | \$0.25 | Granted in connection with various employment and consulting agreements as compensation for services ⁽⁴⁾ |
| July 9, 2021 | EGGL RSUs | 14,000,000 | N/A | Granted to EGGL Executive Director and Executive Chairman |

Note:

(1) Each EGGL Option is exercisable at a price of \$0.20 per one (1) EGGL Share for a period of two (2) years.

(2) Each EGGL Financing Unit is comprised of one (1) EGGL Share and three (3) EGGL Subscription Receipts. Each EGGL Subscription Receipts will be automatically converted into one (1) Underlying Share.

- | | |
|-----|---|
| (3) | Granted pursuant to various employment and consulting agreements. 678,571 EGGL Options are exercisable at a price of \$0.14 per one (1) EGGL Share for a period of three (3) years. 2,257,500 EGGL Options are exercisable at the same price per one (1) EGGL Share for a period of five (5) years. |
| (4) | Granted pursuant to various employment and consulting agreements exercisable at a price of \$0.25 per one (1) EGGL Share for a period of five (5) years |

10.8 Stock Exchange Price

Prior to the Business Combination, the Range Shares were listed on the CSE under the symbol “RGO.X”. The trading of Range Shares was halted on March 26, 2021 as a result of the announcement by Range that it had entered into the Business Combination Agreement. The following table sets forth, for the periods indicated, the reported high and low prices and the aggregate volume of trading of the Range Shares on the CSE.

The Listing is pending approval by the CSE.

| Period | High (CAD\$) | Low (CAD\$) | Trading Volume |
|--|--------------|-------------|----------------|
| July 1, 2021 to July 12, 2021 | - | - | No Activity |
| June 1, 2021 to June 30, 2021 | - | - | No Activity |
| May 1, 2021 to May 31, 2021 | - | - | No Activity |
| April 1, 2021 to April 30, 2021 | - | - | No Activity |
| March 1, 2021 to March 31, 2021 ⁽¹⁾ | \$1.06 | \$0.53 | 178,739 |
| February 1, 2021 to February 29, 2021 ⁽²⁾ | \$4.00 | \$0.96 | 81,175,103 |
| January 1, 2021 to January 31, 2021 | \$1.00 | \$1.00 | 3,637,937 |
| Quarter ended December 31, 2020 | \$1.00 | \$1.00 | 226,424 |
| Quarter ended September 30, 2020 | \$1.00 | \$1.00 | 0 |
| Quarter ended June 30, 2020 | \$1.00 | \$1.00 | 15,000 |
| Quarter ended March 31, 2020 | \$1.00 | \$1.00 | 49,188 |
| Quarter ended December 31, 2019 | \$1.00 | \$1.00 | 0 |
| Quarter ended September 30, 2019 | \$1.00 | \$1.00 | 29,885 |
| Quarter ended June 30, 2019 | \$1.00 | \$1.00 | 788 |

Notes:

- (1) Trading of RGO.X was halted March 26, 2021.
(2) 1:200 stock consolidation.

11. ESCROWED SECURITIES

In accordance with NP 46-201, all common shares of an “emerging issuer” (as such term is defined in NP 46-201) which are owned or controlled by Principals of the Issuer (as defined therein) who are required and other individuals who voluntarily agreed to be held in escrow for a period of time following the listing of the common shares of the Issuer on the Exchange.

| Name of Securityholder | Designation of class held in escrow | Number of securities held in escrow | Percentage of class |
|--|-------------------------------------|-------------------------------------|---------------------|
| David Cam, Executive Chairman and Director | Resulting Issuer Shares | 63,978,288 | 35.77% |

| | | | |
|--|-------------------------|------------|----------|
| Sean Foley, Director | Resulting Issuer Shares | 17,878,663 | 9.99% |
| Dan Buckley, Chief Operating Officer | Resulting Issuer Shares | 1,044,634 | 0.58% |
| John Walsh | Resulting Issuer Shares | 9,450,557 | 5.28% |
| Harold Wolkin, Director and Chair of Audit Committee | Resulting Issuer Shares | 603,750 | 0.34% |
| Roger Bethell, Director | Resulting Issuer Shares | 1,500 | 0.00084% |
| Brock Hill, Chief Technology Officer | Resulting Issuer Shares | 5,489,490 | 3.07% |

The following automatic timed releases will apply to such Resulting Issuer Shares:

| Date of Automatic Timed Release | Amount of Escrowed Securities Released |
|--|---|
| On the date of Listing | 1/10 of the remaining escrowed securities |
| 6 months after the Listing Date | 1/6 of the remaining escrowed securities |
| 12 months after the Listing Date | 1/5 of the remaining escrowed securities |
| 18 months after the Listing Date | 1/4 of the remaining escrowed securities |
| 24 months after the Listing Date | 1/3 of the remaining escrowed securities |
| 30 months after the Listing Date | 1/2 of the remaining escrowed securities |
| 36 months after the Listing Date | The remaining escrowed securities |

As contemplated by the Business Combination Agreement, Range and each of its shareholders holding 10% or more of the issued and outstanding Range Shares, as at the time immediately prior to the completion of the Business Combination, is expected to enter into a lock-up agreements. Holdco, being a shareholder of Range holding over 10% of Range Shares prior to the Business Combination, has entered into an agreement (the “**Lock-Up Agreement**”) with the Resulting Issuer under which, among other things, Range and Holdco agreed not to directly or indirectly, offer, sell or otherwise dispose of all of the Resulting Issuer Shares held by it (the “**Locked-Up Shares**”) except those Locked-Up Shares that are released by the Resulting issuer to Holdco as described below, unless Holdco first obtains the written consent of the Resulting Issuer.

The Locked-Up Shares are to be released to Holdco as follows:

| Release Date | Percentage of Subject Securities to be Released |
|---------------------|--|
| Effective Date | 10% |

| | |
|--|-----|
| 6 months following the Effective Date | 15% |
| 12 months following the Effective Date | 15% |
| 18 months following the Effective Date | 15% |
| 24 months following the Effective Date | 15% |
| 30 months following the Effective Date | 15% |
| 36 months following the Effective Date | 15% |

12. PRINCIPAL SHAREHOLDERS

To the best of the knowledge of Range and EGGL and based on existing information, as of the completion of the Business Combination and the EGGL 2021 Financing, there will be no persons who own, directly or indirectly, or exercise control or direction over, more than 10% of the outstanding securities of the Resulting Issuer other than David Cam, the Executive Chairman of the Resulting Issuer. The ownership both prior to and upon completion of the Business Combination and the EGGL 2021 Financing is as follows:

| Name | Ownership (Beneficial/of Record) | Number of EGGL Shares owned prior to completion of the Business Combination and EGGL 2021 Financing | % of Class prior to the completion of the Business Combination and EGGL 2021 Financing | Upon completion of the Business Combination and EGGL 2021 Financing | |
|-----------|--|---|--|---|------------|
| | | | | Anticipated number of Resulting Issuer Shares | % of Class |
| David Cam | Indirectly and Directly ⁽¹⁾ | 63,978,288 | 50% | 63,978,288 | 35.77% |

Notes:

(1) David Cam controls EG Holdings Limited through which he holds 46,299,532 EGGL shares and holds directly 17,678,756 EGGL Shares.

13. DIRECTORS AND OFFICERS

13.1 to 13.5. Directors, Officers and Management of the Resulting Issuer

The following table sets forth the name, province and country of residence, position or offices of the directors and officers of the Resulting Issuer, date appointed or elected, principal occupation and the number of Resulting Issuer Shares that each of the directors and executive officers own, of record or beneficially, directly or indirectly, or over which they exercise control or direction, as of the date of this Listing Statement as if the Business Combination had taken place.

| Name and Province/State and Country of Residence | Position Director(s) or Office(s) held with the Resulting Issuer (or any subsidiaries thereof) and Date Appointed/Elected | Principal Occupation During Five Preceding Years | Number of Resulting Issuer Shares Owned/ Controlled/ Directed |
|--|---|--|---|
| Dr. Mark Thorpe, Denver, United States | Chief Executive Officer & Director | <p>Dr. Thorpe is Chief Executive Officer of the Resulting Issuer.</p> <p>Dr. Thorpe was VP Corporate Responsibility at Torex Gold Resources Inc. from January 2015 to June 2019 and was a Senior VP ESG at INV Metals Inc. from November 2019 to June 2021. He is also Managing Principal at ARI, LLC.</p> | Nil (0.00%) |
| David Cam, George Town, Cayman Islands | Executive Chairman of the Resulting Issuer Board & Director | <p>Mr. Cam is the Executive Chairman of the Resulting Issuer.</p> <p>Mr. Cam previously served as Chairman and Chief Executive Officer of Hydrus Technology Holdings PTY Limited (“Hydrus”) from April 2013 to May 2019 Mr. Cam is Founder and Executive Chairman of EGGL.</p> | 63,978,288 (35.77%) |
| John Ross, Toronto, Ontario | Chief Financial Officer ⁽³⁾ | <p>Mr. Ross has been a self-employed management consultant from 2015 to present. He serves as a part-time Chief Financial Officer of AMPD Ventures Inc. since July 2019 and U3O8 Corp. since June 2010.</p> <p>Previously, he served as part-time Chief Financial Officer at Buccaneer Gold Corp from September 2016 to April 2021 and High Mountain Capital Corporation from May 2018 to September 2019.</p> <p>Mr. Ross also served as Interim Chief Executive Officer from May 2019 to March 2020 and as Chief Financial Officer from February 2017 to March 2020 of Hempco Foods and Aurora Cannabis Inc (prior Fiber Inc.).</p> | Nil (0.00%) |
| R. Sean Foley, George Town, Cayman Islands | Director ^{(1) (2)} | <p>Mr. Foley is Executive Director of EGGL from March 2020 to present. Mr. Foley is the owner and operator of RSF Fund Management SEZC from February 2018 to present.</p> <p>Previously, Mr. Foley was the Chief Financial Officer of MUFG Investor Services from February 2010 to February 2018.</p> | 17,878,663 (9.99%) |
| Harold M. Wolkin, Toronto, Ontario | Director and Chair of Audit Committee ^{(1) (4)} | Mr. Wolkin is a Lead Independent Director of EGGL. | 603,750 (0.34%) |

| Name and Province/State and Country of Residence | Position Director(s) or Office(s) held with the Resulting Issuer (or any subsidiaries thereof) and Date Appointed/Elected | Principal Occupation During Five Preceding Years | Number of Resulting Issuer Shares Owned/ Controlled/ Directed |
|---|--|---|--|
| Roger Bethell, Calgary, Alberta | Director ^{(1) (2)} | Mr. Bethell currently serves as Director of Range and a member of the Audit Committee. Mr. Bethell is Chief Executive Officer and President of Cantel Mining and Exploration Ltd. From 1987 to present. | 1,500 (0.00084%) |
| Brock Hill, Glass House Mountains, Australia | Chief Technology Officer | Mr. Hill was Principal Process Engineer and Chief Executive Officer at Australian Process Engineering Pty Ltd., in Brisbane, Australia from April 2018 to August 2020. He also acted as Technical Director at Hydrus from May 2013 to March 2018. | 5,489,490 (3.07%) |
| Ian Hodkinson, Brisbane, Australia | Chief Geologist | Previously, Mr. Hodkinson was Chief Geologist with Auctus Resources Pty Ltd., a subsidiary of Auctus Minerals Ltd. | 213,222 (0.12%) |
| Dan Buckley, Norman Park, Australia | Chief Operating Officer | Mr. Buckley served as Principal at DJ Buckley Resource Economics since December 2015 to March 2020. | 1,044,634 (0.58%) |

Notes:

- (1) Member of the Audit Committee
- (2) Independent director within the meaning of NI 52-110.

R. Sean Foley is a Director of the Resulting Issuer and approximately 100% of his time will be devoted to the Resulting Issuer. Harold M. Wolkin is a lead independent director of the Resulting Issuer, will devote approximately 100% of his time to the Resulting Issuer. Roger Bethell is a director of the Resulting Issuer and will devote approximately 100% of his time to the Resulting Issuer.

The term of office of the directors expires annually at the time of the Resulting Issuer's annual general meeting. The term of office of the executive officers expires at the discretion of the Resulting Issuer Board.

Upon completion of the Business Combination and EGGL 2021 Financing, the directors and executive officers of the Resulting Issuer, as a group, will beneficially own, directly or indirectly, or exercise control or direction over 94,099,243 Resulting Issuer Shares, representing approximately 53% of the issued and outstanding Resulting Issuer Shares on a consolidated basis. The statement as to the number of Resulting Issuer Shares beneficially owned, directly or indirectly, or over which control or direction will be exercised by the directors and executive officers of the Resulting Issuer as a group is based upon information furnished by the directors and executive officers.

Audit Committee

The Audit Committee will be responsible for monitoring the Resulting Issuer's systems and procedures for financial reporting and internal controls, compliance with legal and regulatory requirements relevant to the financial statements and financial reporting, ensuring an appropriate standard of corporate conduct for senior financial personnel and employees, reviewing certain public disclosure documents and monitoring the performance and independence of the Resulting Issuer's external auditors. The committee will also be responsible for reviewing the Resulting Issuer's annual audited financial statements, unaudited quarterly

financial statements and management’s discussion and analysis of financial results of operations for both annual and interim financial statements and review of related operations prior to their approval by the Resulting Issuer Board.

The Resulting Issuer’s Audit Committee will be comprised of three directors Harold M. Wolkin, lead independent Director and Chair of Audit Committee, R. Sean Foley, Director, and Roger Bethell, Director. The members of the Audit Committee are independent and financially literate as required by National Instrument 52-110 — *Audit Committees* (“**NI 52-110**”). In addition to being independent directors as described above, the members of the Audit Committee must meet an additional “independence” test under NI 52-110 in that their directors’ fees are the only compensation they, or their firms, receive from the Resulting Issuer and that they are not affiliated with the Resulting Issuer.

Advisory Board

Besides the Audit Committee, the Resulting Issuer will have the Advisory Committee comprised of leading technical, environmental, and social experts. The composition of the Advisory Committee is as follows:

Mike Norred – Geology (Qualified Person), Mine Engineering, Economics & Strategy

Mike Norred is a senior mining executive with over 40 years of experience in the metals & mining sector as a senior manager, lead mine engineer and Qualified Person. Mr. Norred is an expert in mine modeling, process development, strategic mine planning, mine operations and geostatistics. He has extensive experience managing mining-related disclosure requirements for listed mining companies. Mr. Norred is currently the Director of Strategic Planning & Resource Development at Comstock Mining (NYSE AMEX: LODE) and the President of Techbase International, a mining technology firm. Mr. Norred is a graduate of the Colorado School of Mines where he was recognized as Alum of the Year.

Elaine Barkdull-Spencer - Community Relations & Stakeholder Engagement

Elaine Barkdull-Spencer is an experienced Chief Executive and business leader with an expertise in leading comprehensive stakeholder engagement & public relations initiatives. She has served as the CEO of the Elko Area Chamber of Commerce and as the Executive Director of the Elko County Economic Diversification Authority and has led historical preservation initiatives as the General Manager of state-owned V&T Railway Commission. She is currently the Principal of Zephyr Communications Services.

Ron Leiken, CEM, QEP – Permitting, Environmental, Health & Safety (EHS)

Ron Leiken is a distinguished environmental engineer with over 25 years of experience leading EHS, Compliance & Permitting initiatives in the metals, mining and resource development sectors. He has extensive experience in key US mining districts including Nevada, Arizona and California. Mr. Leiken is the acting Director of Safety, Health & Environment for Comstock Mining (NYSE AMEX: LODE) and is a senior Environmental Manager at Equinox Gold (NYSE AMEX: EQX).

J. Paul Austin III – Executive Strategy & Capital Markets

J. Paul Austin is an experienced senior executive, management consultant, advisor, board member and capital markets leader. From 2010 – 2019, he was Managing Director of BlueArc Capital Management’s hedge fund strategies. Prior to BlueArc, Mr. Austin spent seven years as Chief Investment Officer of Beach Capital Management, the investment office of Mr. S. Daniel Abraham. Mr. Austin began his career at Goldman, Sachs & Co after receiving his degree in finance from the Georgia Institute of Technology, where he graduated with Highest Honors and has subsequently served as a member of the board of Trustees for

the Georgia Tech Alumni Association. He is Chief Executive Officer of Bespoke Quantitative Strategies in the US, Partner at Bopu Capital Management in Hong Kong and serves on the board of Rabun Gap Nacoochee Schools.

13.6 Corporate Cease Trade Orders or Bankruptcies

No director or officer of the Resulting Issuer or a shareholder holding a sufficient number of securities of the Resulting Issuer to affect materially the control of the Resulting Issuer, is, or within 10 years before the date of the Listing Statement has been, a director or officer of any other Issuer that, while that person was acting in that capacity:

- (a) was the subject of a cease trade or similar order, or an order that denied the other Issuer access to any exemptions under Ontario securities law, for a period of more than 30 consecutive days;
- (b) was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days;
- (c) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (d) within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

13.7 Penalties or Sanctions

No director or officer of the Issuer or a shareholder holding a sufficient number of securities of the Issuer to affect materially the control of the Issuer, is, or has been subject to:

- (a) any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority; or
- (b) any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

13.8 Settlement Agreements

This is not applicable to the Resulting Issuer.

13.9 Bankruptcies

No director, officer, promoter of the Resulting Issuer, or to the knowledge of management of EGGL or Range, a security holder anticipated to hold sufficient securities of the Resulting Issuer to affect materially the control of the Resulting Issuer, or a personal holding company of any such person has, within the past ten years, been declared bankrupt or made a voluntary assignment into bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or has been subject to or instituted any proceedings,

arrangement, or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold their assets.

13.10 Conflicts of Interest

There are potential conflicts of interest to which the directors, officers and promoters of the Resulting Issuer will be subject with respect to the operations of the Resulting Issuer. Certain of the directors, and/or officers serve as directors and/or officers of other companies or have significant shareholdings in other companies. Situations may arise where such directors, officers and promoters of the Resulting Issuer will be engaged in direct competition with the Resulting Issuer. Any conflicts of interest will be subject to and governed by the law applicable to directors' and officers' conflicts of interest, including the procedures prescribed by the BCBCA. The BCBCA requires that directors and officers of the Resulting Issuer, who are also directors or officers of a party which enters into a material contract with the Resulting Issuer or otherwise have a material interest in a material contract entered into by the Resulting Issuer, must disclose their interest and, in certain instances, refrain from voting on any resolution of the Resulting Issuer's directors to approve the contract.

To the knowledge of Range and EGGL, other than as disclosed in Section 20 "*Interest of Management and Others in Material Transactions*", there will not be any known existing or potential conflicts of interest among the Resulting Issuer and its promoters, directors, officers or other members of management, as a result of their outside business interests except that certain of the directors, officers, promoters and other members of management serve as directors, officers, promotes and members of management of other public companies, and therefore it is possible that a conflict may arise between their duties as a director, officer, promoter or member of management of such other companies.

13.11 Management

The following biographies provide certain selected information in respect of persons who will be serving as directors and/or officers of the Resulting Issuer as well as their roles:

Dr. Mark Thorpe (Age: 61) — Chief Executive Officer & Director

With over 30 years of experience in more than 30 countries on five continents, Dr. Thorpe has built his career upon identifying ways to improve mining operations with an emphasis on global corporate responsibility, communities and sustainability. He has served in numerous executive roles in the extractive industry, including as Vice President of Corporate Responsibility at Torex Gold Resources, Senior Vice President of CSR and Environmental Affairs at Golden Star Resources Limited, and most recently as Senior Vice President, ESG at INV Metals Inc ("**INV**"). In 2020, during his tenure at INV, INV's CSR performance was recognized with the Communitas Award for Excellence.

The Vice Chair of the board of directors of the Canadian Mining Innovation Council, Dr. Thorpe obtained a Bachelor of Science in Environmental Biology from the University of Liverpool, UK in 1982, a Master of Science in Bio-Aeronautics from Cranfield University, UK in 1983, a PhD in Mine Land Reclamation from the University of Saskatchewan, Saskatchewan, Canada in 1990, and an ICD.D Corporate Director Certificate from the University of Toronto's Rotman School of Business, Ontario in 2017.

Dr. Mark Thorpe, the Chief Executive Officer and Director of the Resulting Issuer, and 100% of his time will be devoted to the Resulting Issuer.

David Cam (Age: 58) — Executive Chairman & Director

David V. Cam is an international entrepreneur with strong connections and a depth of experience. Cam has an eye for opportunity and the expertise to deliver. Prior to starting at EGGL, David Cam was a founder and Chief Executive Officer of Hydrus, a disruptive wastewater treatment company that developed advanced Electrochemical wastewater treatment technologies with application across many industries, and Perfectus Solutions, a web-based expert system, leveraging AI to create legal documents. Mr. Cam holds an Associate Diploma in Animal Production from Hawkesbury Agricultural College, New South Wales, Australia and the equivalent of a Bachelor of Business Administration with a concentration in Management as evaluated by the Trustforte Corporation, New York, USA.

David Cam is the Executive Chairman and Director of the Resulting Issuer. Approximately 100% of his time will be devoted to the Resulting Issuer.

John Ross (Age: 62) — Chief Financial Officer

Mr. Ross is a senior financial management professional with more than 30 years of private and public company experience. He was Chief Financial Officer of Xtra-Gold Resources Corp. from 2010 to 2015, FNX Mining Company Inc. from 2002 to 2005 and IAMGOLD Corporation from 1996 to 2002. He has obtained a Bachelor of Arts in Economics & Mathematics in 1980 and a Master of Business Administration from the University of Western Ontario in 1984. He received his Chartered Accountant designation in 1987 from the Institute of Chartered Accountants of Ontario. As Chief Financial Officer, John Ross will devote approximately 100% of his time to the Resulting Issuer.

R. Sean Foley (Age: 46) — Director

R. Sean Foley is responsible for assisting with the overall strategic direction of the business. Prior to becoming a director in 2020, R. Sean Foley was the Chief Financial Officer and Chief Administrative Officer for MUFG Investor Services, a global financial firm. He was responsible for providing strategic financial oversight and direction to global hedge fund administration and banking units. R. Sean Foley received his Bachelor of Accounting from the University of Regina, Saskatchewan in 1997. Further to his accounting degree, he obtained his Canadian Chartered Accountancy in 2000. He articulated with Ernst & Young, Canada and has also worked at Deloitte within the consultancy framework of the firm over his career.

Mr. Foley is a member of Audit Committee and will devote approximately 20% of his time to the Resulting Issuer or such greater amount of time as is necessary.

Harold M. Wolkin (Age: 69) — Lead Independent Director

Harold M. Wolkin is an accomplished investment banker and financial analyst with over 30 years of experience. Mr. Wolkin joined BMO Nesbitt Burns as a senior research analyst in 1983. He went on to serve as managing director in Diversified Industries Group of BMO Capital Markets until 2008. After his tenure at BMO, Mr. Wolkin moved to Dundee Capital Markets where he served as Executive Vice President and Head of Investment Banking. Harold has served on a number of public companies and not-for-profit boards, and currently acts as a Director with three public companies. He was past president of the CFA Society Toronto and has been a member (CFA) of the Chartered Financial Institute since 1980. Mr. Wolkin is also a member of the Institute of Corporate directors. He obtained a Bachelor of Arts in 1975 and a Master

of Arts in 1976 from the University of Toronto, Ontario. In 1980, he obtained the Chartered Financial Analyst (CFA) designation from the Institute of Chartered Financial Analysts.

Mr. Wolkin is lead independent Director and will devote approximately 100% of his time to the Resulting Issuer or such greater amount of time as is necessary.

Roger Bethell (Age: 79) — Director

Roger Bethell is a senior geologist and distinguished business executive with extensive experience leading energy resource development projects throughout Canada, the United States, the Middle East and Africa. Mr. Bethell obtained an Honours Degree in Geology, *Magna cum laude*, from the University of Wales, UK in 1965. He is Chief Executive Officer and President of Cantel Mining and Exploration Ltd., a Calgary, Alberta consulting firm serving clients in the oil and gas sector.

Brock Hill (Age: 70) — Chief Technology Officer

Brock Hill has extensive international experience in the mineral and energy resources industry across alkali earths, industrial minerals, cement, lime, copper, uranium, lead, zinc, gold, iron ore, coal and coal chemicals, and alumina. Mr. Hill's capabilities span mineral processing, chemical engineering, hydrometallurgy, tailings management, and zero liquid discharge.

Mr. Hill's career includes senior positions with KBR, Inc. (Industry Director – Minerals & Processes) and Worley Parsons Limited (Chief Environmental Engineer – Minerals) where he also focused on beneficial reuse of formation water derived from coal seam gas for each of the four major LNG projects being constructed in Gladstone, Australia. He was also Lead, Hydrometallurgy & Tailings for the Olympic Dam PFS for BHP Billiton's Olympic Dam mine in South Australia (the world's largest copper-gold-uranium mine). In the 90s, Mr. Hill was a principal author for the Shanghai Environmental Master Plan (1994 - 1995) after contributing in a similar role for Environmental Impact Studies for four steel mills, combined capacity 14 million tonnes iron and steel, for the Steel Authority of India Limited (1991 - 1994). He contributed to the UNEP Cleaner Production Processes for 1991 - 1996 and is the author of nine US – PCT patents for Improved Processes. Recognising his global contribution to cleaner production and environmental protection, Mr. Hill was appointed by the South Australian Governor to serve four terms as a sessional Commissioner of the Environment Resources and Development Court (1994 - 2012).

Mr. Hill holds a Master of Science (Environmental Management & Engineering), Griffith University, Australia, a Post-Graduate Diploma, Geosciences & Mineral Economics, Macquarie University, Australia, and a Diploma in Technology (Applied Geology – Geochemistry), University of South Australia, Australia.

As Chief Technology Officer, Mr. Hill will devote approximately 100% of his time to the Resulting Issuer or such greater amount of time as is necessary.

Ian Hodkinson (Age: 66) — Chief Geologist

Mr. Hodkinson has over 40 years mineral exploration and open pit/underground mining experience across a broad range of metalliferous commodities. His recent roles include Geology Manager with Auctus Resources' Mungana and King Vol operations in North Queensland and Exploration Director with Murrumbo Ltd managing grassroots exploration programs in the Tanami Desert. Previous senior geological positions also include Chief Geologist (Queensland) with Kagara Ltd., Geological Superintendent at Eloise

Mine for Barmingo Ltd., Chief Geologist with SMC Resources at Hadleigh Castle Mine and Chief Geologist with Mt Leyshon Gold Mines.

Mr. Hodgkinson obtained a Master of Science in Mining Geology & Mineral Exploration from the University of Leicester, England in 1981 and a Bachelor of Science in Geology & Geography from the University of London, England in 1976.

As Chief Geologist, Mr. Hodgkinson will devote approximately 50% of his time to the Resulting Issuer or such greater amount of time as is necessary.

Dan Buckley (Age: 63) — Chief Operating Officer

Mr. Buckley has over 35 years of experience in the Australian mining industry. His background encompasses board and executive positions in mining operations, project exploration, feasibility studies, project construction and business development as well as senior consultant roles in mining engineering, project approvals, project evaluation, and advisory consulting. He has held Chief Executive Officer and executive director positions in operations management and business development with two ASX listed companies.

Mr. Buckley obtained a Bachelor of Science (Geology/Geophysics) in 1992 and a Master of Mineral & Energy Economics in 1997 from Macquarie University, Australia, and a certificate from Graduate Australian Institute of Company Directors in 2001.

As Chief Operating Officer, Mr. Buckley will devote approximately 100% of his time to the Resulting Issuer or such greater amount of time as is necessary.

All of the directors or officers of the Resulting Issuer have entered into non-competition or non-disclosure agreements with the Resulting Issuer. Please refer to Section 13.1 “*Directors, Officers and Management of the Resulting Issuer*” to this Listing Statement for further information.

13.12 Other Reporting Resulting Issuer Experience

The following table sets out the directors and executive officers of the Resulting Issuer, that are, or have been within the last five years, directors, officers, or promoters of other reporting issuers.

| <u>Name of Director or Officer</u> | <u>Reporting Issuer and Name of Trading Market(s)</u> | <u>Position</u> | <u>Time of Involvement</u> |
|------------------------------------|---|-----------------------------|---------------------------------------|
| Dr. Mark Thorpe | Torex Gold Resources Inc., TSX | VP Corporate Responsibility | From January 19, 2015 to June 3, 2019 |
| | INV Metals Inc., TSX | Senior Vice President ESG | From June 2019 to present |

| Name of Director or Officer | Reporting Issuer and Name of Trading Market(s) | Position | Time of Involvement |
|------------------------------------|---|--------------------------------|--|
| John Ross | AMPD Ventures Inc., CSE | Part-time CFO (Senior Officer) | October 18, 2019 to present |
| | U308 Corp., TSX | Part-time CFO (Senior Officer) | June 4, 2010 to present |
| | Buccaneer Gold Corp., CSE | Part-time CFO (Senior Officer) | September 2016 to present |
| | Hempco Food and Fiber Inc., TSXV (Acquired by Aurora Cannabis Inc. - NYSE in August 2019) | Interim CEO - CFO | March 2017 to August 2019 February 2017 to March 2020 |
| Harold M. Wolkin | Baylin Technologies Inc., TSX | Director | From November 27, 2013 to present |
| | Ceres Global Ag Corp., TSX | Director | From August 7, 2014 to June 1, 2016 |
| | BYND Cannasoft Enterprises Inc., CSE | Director | From March 30, 2021 to present |
| | Diamond Estates Wines & Spirits Inc., TSX Venture | Director | From September 23, 2013 to September 2013 |
| | Cipher Pharmaceuticals Inc., TSX | Director | From August 8, 2016 to present |
| Roger Bethell | High North Resources Ltd., TSX Venture | V.P. Exploration | From July 29, 2013 to present |
| Dan Buckley | Tiaro Coal Limited, ASX | CEO | July 2021 to March 2015 |

14. CAPITALIZATION

14.1 Pro Forma Capitalization

There will be 178,881,152 Resulting Issuer Shares issued and outstanding immediately following the completion of the Business Combination and the EGGL 2021 Financing.

The following tables set forth the pro forma consolidated capitalization of the Resulting Issuer as at the date of this Listing Statement after the Business Combination and the EGGL 2021 Financing took place. All references are to Resulting Issuer Shares.

| | Number of Securities (non-diluted) | Number of Securities (fully-diluted) | % of Issued (non-diluted) | % of Issued (fully diluted) |
|---|---|---|----------------------------------|------------------------------------|
| <u>Public Float</u> | | | | |
| Total outstanding (A) | 178,881,152 | 208,012,954 | 100% | 100% |
| Held by Related Persons or employees of the Resulting Issuer or Related Person of the Resulting Issuer, or by persons or companies who beneficially own or control, directly or indirectly, more than a 5% voting position in the | 111,368,328 | 111,368,328 | 62.26% | 53.54% |

| | | | | |
|---|-------------|-------------|--------|--------|
| Resulting Issuer (or who would beneficially own or control, directly or indirectly, more than a 5% voting position in the Resulting Issuer upon exercise or conversion of other securities held) (B) | | | | |
| Total Public Float (A-B) | 67,512,824 | 96,644,626 | 37.74% | 46.46% |
| <u>Freely-Tradeable Float</u> | | | | |
| Number of outstanding securities subject to resale restrictions, including restrictions imposed by pooling or other arrangements or in a shareholder agreement and securities held by control block holders (C) | 111,368,328 | 111,368,328 | 62.26% | 53.54% |
| Total Tradeable Float (A-C) | 67,512,824 | 96,644,626 | 37.74% | 46.46% |

Public Securityholders (Registered)

| Size of Holding | Number of holders | Total number of securities |
|--------------------------|-------------------|----------------------------|
| 1 – 99 securities | 59 | 473 |
| 100 – 499 securities | 3 | 825 |
| 500 – 999 securities | 2 | 1,000 |
| 1,000 – 1,999 securities | 2 | 2,750 |
| 2,000 – 2,999 securities | 0 | - |
| 3,000 – 3,999 securities | 0 | - |
| 4,000 – 4,999 securities | 0 | - |
| 5,000 or more securities | 82 | 67,511,526 |
| Total | 148 | 67,516,574 |

Public Securityholders (Beneficial)

| Size of Holding | Number of holders | Total number of securities |
|--------------------------|-------------------|----------------------------|
| 1 – 99 securities | 248 | 7,072 |
| 100 – 499 securities | 211 | 49,105 |
| 500 – 999 securities | 102 | 60,347 |
| 1,000 – 1,999 securities | 74 | 95,706 |
| 2,000 – 2,999 securities | 33 | 76,682 |
| 3,000 – 3,999 securities | 14 | 48,652 |
| 4,000 – 4,999 securities | 7 | 30,305 |
| 5,000 or more securities | 125 | 67,119,480 |
| Total | 814 | 67,487,349 |

Non-Public Securityholders (Registered)

| Size of Holding | Number of holders | Total number of securities |
|--------------------------|-------------------|----------------------------|
| 1 – 99 securities | - | - |
| 100 – 499 securities | - | - |
| 500 – 999 securities | - | - |
| 1,000 – 1,999 securities | - | - |
| 2,000 – 2,999 securities | - | - |
| 3,000 – 3,999 securities | - | - |
| 4,000 – 4,999 securities | - | - |
| 5,000 or more securities | 9 | 111,364,578 |

| | | |
|--------------|---|-------------|
| Total | 9 | 111,364,578 |
|--------------|---|-------------|

14.2 Securities Convertible or Exchangeable for Resulting Issuer Shares

The following tables set forth the securities convertible or exchangeable for Resulting Issuer Shares following the completion of the Business Combination and the EGGL 2021 Financing.

| Description of Security (include conversion / exercise terms, including conversion / exercise price) | Number of convertible / exchangeable securities outstanding | Number of listed securities issuable upon conversion / exercise |
|--|---|---|
| Resulting Issuer Options | Nil | Nil |
| EGGL Options ⁽¹⁾ | 14,683,252 | 14,683,252 |
| Finder Warrants ⁽²⁾ | 448,550 | 448,550 |

Notes:

- (1) 250,000 EGGL Options were granted to the Settling Consultant pursuant to the Settlement Agreement. Each EGGL Option is exercisable for a period of two (2) years. 14,433,252 EGGL Options were granted to certain directors and officers of EGGL pursuant to employment agreements.
- (2) Granted to certain registered finders under the EGGL 2021 Financing. Each Finder Warrant entitle the holder to purchase four (4) Resulting Issuer Shares at a price of \$0.14 per share for a period of two (2) years following the completion of the Business Combination.

15. EXECUTIVE COMPENSATION

15.1 Compensation Discussion and Analysis

“Named Executive Officers” or “NEOs” means the Chief Executive Officer of the Resulting Issuer, Range or EGGL, the Chief Financial Officer of the Resulting Issuer, Range or EGGL, and any executive officer who would fall under the definition of “Named Executive Officer” as that term is defined pursuant to Form 51-102F6 — *Statement of Executive Compensation* of National Instrument 51-102 — *Continuous Disclosure Obligations*.

The following table sets forth the anticipated compensation to be paid or awarded to the directors and officers of the Resulting Issuer.

Table of compensation excluding compensation securities

| Name and position | Year | Salary, consulting fee, retainer or commission (\$) | Bonus (\$) | Committee or meeting fees (\$) | Value of perquisites (\$) | Value of all other compensation (\$) | Total compensation (\$) |
|--|---------------------|---|------------|--------------------------------|---------------------------|--------------------------------------|-------------------------|
| Dr. Mark Thorpe, Chief Executive Officer & Director | 2021 ⁽¹⁾ | \$312,500 | Nil | Nil | Nil | \$7,500 | 320,000 |
| David Cam, Executive Chairman & Director | 2021 ⁽¹⁾ | \$187,500 | Nil | Nil | Nil | \$11,250 | \$198,750 |
| John Ross, Chief Financial Officer | 2021 ⁽¹⁾ | \$60,000 | Nil | Nil | Nil | Nil | \$60,000 |
| R. Sean Foley, Director, Strategy & Acquisition | 2021 ⁽¹⁾ | \$150,000 | Nil | Nil | Nil | Nil | \$150,000 |

| | | | | | | | |
|--|---------------------|-----------|-----|----------|-----|-----|-----------|
| Harold M. Wolkin, Lead Independent Director | 2021 ⁽¹⁾ | \$62,500 | Nil | \$31,250 | Nil | Nil | \$93,750 |
| Roger Bethell, Director | 2021 ⁽¹⁾ | \$62,500 | Nil | \$18,750 | Nil | Nil | \$71,250 |
| Brock Hill, Chief Technology Officer | 2021 ⁽¹⁾ | \$115,500 | Nil | Nil | Nil | Nil | \$115,500 |
| Ian Hodgkinson, Chief Geologist | 2021 ⁽¹⁾ | \$115,500 | Nil | Nil | Nil | Nil | \$115,500 |
| Dan Buckley, Chief Operating Officer | 2021 ⁽¹⁾ | \$154,000 | Nil | Nil | Nil | Nil | \$154,000 |

Notes:

(1) The anticipated compensation to be paid or awarded in 2021 based on agreed compensation arrangements.

15.2 Stock Option Plan Awards

As of the date of this Listing Statement, Range has no options issued and outstanding.

No option-based awards were issued to the named executive officers or directors of EGGL as at and for the period ended December 31, 2020.

It is expected that option awards held by management will be taken into consideration by the Resulting Issuer Board at the time of any subsequent grants under the Resulting Issuer Stock Plan in determining the quantum or terms of any such subsequent award grants. The Resulting Issuer Options (and other awards) may be granted to directors, management, employees and certain service providers as long-term incentives to align the individual's interests with those of the Resulting Issuer. The size of the award grants is anticipated to be in proportion to the deemed ability of the individual to make an impact on the Resulting Issuer's success, as determined by the Resulting Issuer Board. See Section 9 "Options to Purchase Securities" and Section 15.5 "Oversight and Description of Director and Named Executive Officer Compensation – Long-Term Incentives – Options" to this Listing Statement for details regarding Resulting Issuer Options to be granted to the named executive officers and directors following the completion of the Business Combination.

Set forth in the table below is a summary of all compensation securities granted or issued to each of the named executive officer and directors of the Resulting Issuer or any subsidiary thereof prior to the completion of the Business Combination.

| Compensation Securities | | | | | | | |
|--------------------------|--|--|---------------------------------------|--|--|---|------------------------|
| <u>Name and position</u> | <u>Type of Compensation Security</u> | <u>Number of Compensation Securities, Number of Underlying Securities, and Percentage of Class</u> | <u>Date of Issue or Grant</u> | <u>Issue, Conversion or Exercise Price</u> | <u>Closing Price of Security or Underlying Security on Date of Grant</u> | <u>Closing Price of Security or Underlying Security at Year End</u> | <u>Expiry Date</u> |

| | | | | | | | |
|--|-----------------|------------|-----------------|---------|-----|-----|---------|
| Dr. Mark Thorpe, Chief Executive Officer & Director | EGGL Options | 1,460,752 | July 9, 2021 | \$0.250 | N/A | N/A | 5 years |
| David Cam, Executive Chairman & Director | EGGL RSUs | 10,000,000 | July 9, 2021 | N/A | N/A | N/A | 5 years |
| John Ross, Chief Financial Officer | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| R. Sean Foley, Director, Strategy & Acquisition | EGGL RSUs | 4,000,000 | July 9, 2021 | N/A | N/A | N/A | 5 years |
| Harold M. Wolkin, Director | EGGL Options | 603,750 | July 9, 2021 | \$0.14 | N/A | N/A | 5 years |
| Roger Bethell, Director | EGGL Options | 1,500 | July 9, 2021 | \$0.14 | N/A | N/A | 5 years |
| Brock Hill, Chief Technology Officer | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| Ian Hodkinson, Chief Geologist | EGGL Options | 3,392,857 | July 9, 2021 | \$0.25 | N/A | N/A | 5 years |
| Dan Buckley, Chief Operations Officer | EGGL Options | 3,392,857 | July 9, 2021 | \$0.25 | N/A | N/A | 5 years |

15.3 Stock Option Plans and Other Incentive Plans

For further details in respect of the Resulting Issuer Option Plan, please see Section 9.2.1 “*Summary of the Resulting Issuer Option Plan*” to this Listing Statement.

15.4 Employment, Consulting and Management Agreements

As the date of this Listing Statement, neither Range nor EGGL have any agreements that contain termination or change of control provisions other than a corporate management agreement between Range and Partum Advisory Services Corp. dated April 1, 2020.

15.5 Oversight and Description of Director and Named Executive Officer Compensation

Objectives of Compensation Program

The objectives of the Resulting Issuer’s compensation program are to attract, reward, retain and motivate quality employees who will enable the Resulting Issuer to develop its projects and carry out its business plan. This plan is currently focused on completing the Business Combination and completing exploration work. Upon Listing, the Resulting Issuer plans to establish and adopt compensation policies and practices for its next stage of development.

Overview of the Compensation Philosophy

The following principles will guide the Resulting Issuer's overall compensation philosophy:

- compensation will be determined on an individual basis by the need to attract and retain talented high-achievers;
- compensation will be set with reference to the market for similar jobs in peer group companies in both Canada and internationally;
- an appropriate portion of total compensation will be variable and linked to performance of both individual and corporate pre-established goals;
- stock option compensation will serve to align the interests of senior management with shareholder return;
- compensation will be reviewed to ensure that equity is maintained such that individuals in similar jobs and locations are treated fairly; and
- the Resulting Issuer will encourage its employees to continuously maintain and enhance their skills and supports reasonable expenses in order that areas of expertise are maintained.

Compensation Review Process

The Resulting Issuer's executive compensation is intended to be consistent with the Resulting Issuer's business plans, strategies and goals while taking into account various factors and criteria, including competitive factors and the Resulting Issuer's performance. The Resulting Issuer's executive compensation is intended to provide an appropriate overall compensation package that permits the Resulting Issuer to attract and retain highly qualified and experienced senior executives and to encourage superior performance by the Resulting Issuer. The Resulting Issuer's compensation policies are intended to motivate individuals to achieve and to award compensation based on corporate and individual results. Compensation for the NEOs is intended to reflect a fair evaluation of overall performance.

The Resulting Issuer Board will consider the following objectives when reviewing annual compensation: (i) retaining individuals critical to the growth and overall success of the Resulting Issuer; (ii) rewarding achievements of individuals; (iii) providing fair and competitive compensation; and (iv) compensating individuals based on their performance.

The Resulting Issuer Board would consider the foregoing compensation philosophy, as well as the financial performance of the Resulting Issuer as a whole, in any review of base salaries. The base salary review for the NEOs will be based on an assessment of factors such as current market conditions and particular skills, including leadership ability and management effectiveness, experience, responsibility and proven or expected performance.

The Resulting Issuer Board does not intend to appoint a Compensation Committee and the responsibilities relating to executive and director compensation, including reviewing and recommending director compensation, overseeing the Resulting Issuer's base compensation structure and equity-based compensation program, recommending compensation of the Resulting Issuer's officers and employees, and evaluating the performance of officers generally and in light of annual goals and objectives, will be performed by the Resulting Issuer Board as a whole. The Resulting Issuer Board will also assume responsibility for reviewing and monitoring the long-range compensation strategy for the Resulting Issuer's senior management. The Resulting Issuer Board will review compensation of senior management on an annual basis.

When determining individual compensation levels for the Resulting Issuer's NEOs, a variety of factors will be considered including: the overall financial and operating performance of the Resulting Issuer, each

NEO's individual performance and contribution towards meeting corporate objectives and each NEO's level of responsibility and length of service.

The purpose of the Resulting Issuer Option Plan is to attract, retain and motivate directors, officers, employees, consultants and contractors of the Resulting Issuer and of its affiliates and to closely align the personal interests of such service providers with the interests of the Resulting Issuer and its shareholders. See Section 9 "*Options to Purchase Securities*" to this Listing Statement.

Elements of Executive Compensation

Compensation of executive officers will include annual compensation in the form of base salary, annual performance-based cash incentives, other annual compensation such as perquisites along with long-term compensation in the form of stock options. The following summarizes the rationale behind the payment of each element of compensation.

Short-Term Incentive Plan

| Element of Compensation | Summary and Purpose of Element |
|--|--|
| Base Salary | Salaries will form an essential component of the Resulting Issuer's compensation mix as they are the first base measure to compare and remain competitive relative to peer groups. Base salaries are fixed and therefore not subject to uncertainty and are used as the base to determine other elements of compensation and benefits. |
| Annual Performance-Based Cash Incentives | Annual cash bonuses are a variable component of compensation designed to reward the Resulting Issuer's executive officers for maximizing annual performance. |
| Other Compensation (Perquisites) | Perquisites such as health and life insurance plans, parking, housing and transportation allowances, signing bonuses, and other usual perquisites may be provided for executives in accordance with local practices in order to ensure that the Resulting Issuer's compensation packages are competitive. |

Long-Term Incentives

| Element of Compensation | Summary and Purpose of Element |
|--------------------------------|---|
| Resulting Issuer Options | The granting of Resulting Issuer Options is a variable component of compensation intended to reward the Resulting Issuer's executive officers for the Resulting Issuer's success in achieving its business plans, prudent development of its projects and increases in stock value. Vesting provisions will ensure that Optionees' interests are aligned with longer term interests of the Resulting Issuer's shareholders. |

Base Salary

The base salary of each particular executive officer will be determined based on the Resulting Issuer Board's compensation review process, as discussed above.

Range believes that it is appropriate to establish compensation levels based in large part on benchmarking against comparable companies, both in terms of compensation practices as well as levels of compensation. In this way, the Resulting Issuer will be able to gauge if its compensation is competitive in the marketplace for its talent, as well as ensure that the Resulting Issuer's compensation is reasonable. Accordingly, the Resulting Issuer Board will review the compensation levels for the executive officers against compensation levels of comparable companies.

In determining the base salary and bonus to be paid to the Chief Executive Officer and the Chief Financial Officer, the Resulting Issuer Board will consider the particular responsibilities related to the position, the experience level of the executive officer and the necessary compensation required to retain the executive officer involved. Going forward, in determining the base salaries and bonuses for the Chief Executive Officer and the Chief Financial Officer, the Resulting Issuer Board intends to select an appropriate group of peer companies and review information on the compensation practices for executive compensation using published survey data from both the mining industry and all industries (where appropriate).

Bonuses

Bonuses are performance-based, short-term financial incentives. Bonuses are determined based on the compensation review process. In the future, as the Resulting Issuer grows and develops its projects, it is expected that an annual incentive award program will be formalized that will clearly articulate performance objectives and link specific, measurable goals with individual measurable performance criteria set for senior executives, including the NEOs and directors.

Other Compensation — Perquisites

During the years ended December 31, 2020, December 31, 2019 and December 30, 2018, with respect to Range, and for the period ended December 31, 2020 and for the three months ended March 31, 2021, with respect to EGGL, no Named Executive Officer or director received any perquisites which in the aggregate were greater than \$50,000 or 10% of the Named Executive Officer's or director's salary.

Long-Term Incentives

The compensation philosophy of the Resulting Issuer will be to provide a market-based blend of base salaries, bonuses and a long-term equity incentive component in the form of options. Bonus and option components of compensation are intended to serve to further align the interests of management with the interests of the Resulting Issuer's shareholders.

Options

The purpose of the Resulting Issuer Option Plan is to attract, retain and motivate directors, officers, employees and other service providers by providing them with the opportunity, through share options, to acquire a proprietary interest in the Resulting Issuer and benefit from its growth. The options are non-assignable and may be granted for a term not exceeding five years.

Other Incentive Payments

No other incentive payments were paid to the named executive officers or directors of Range and EGGL during the years ended December 31, 2020, December 31, 2019 and December 31, 2018, with respect to Range, and during the period ended December 31, 2020 and during the three months ended March 31, 2021, with respect to EGGL other than as disclosed in the chart entitled "Table of compensation excluding compensation securities" under Section 15.1 "*Compensation Discussion and Analysis*" to this Listing

Statement and the chart entitled “Compensation Securities” under Section 15.2 “*Stock Option Plan Awards*” to this Listing Statement.

Director Compensation

No compensation was paid to the non-management directors of Range and EGGL during the years ended December 31, 2020, December 31, 2019 and December 31, 2018, with respect to Range, and during the period ended December 31, 2020 and during the three months ended March 31, 2021, with respect to EGGL other than as disclosed in the chart entitled “Table of compensation excluding compensation securities” under Section 15.1 “*Compensation Discussion and Analysis*” to this Listing Statement. There is currently no Resulting Issuer Board compensation plan, however, one may be developed in the future. Subject to the Listing, the Resulting Issuer Board will meet to discuss appropriate board compensation that may include an annual retainer fee, meeting fees and committee fees, to non-executive directors. Directors will be reimbursed for all reasonable travel and other expenses incurred by them in attending Resulting Issuer Board or committee meetings.

No share-based or option-based awards were issued to the directors of Range and EGGL during the years ended December 31, 2020, December 31, 2019 and December 31, 2018, with respect to Range, and during the period ended December 31, 2020 and during the three months ended March 31, 2021, with respect to EGGL other than as disclosed in the chart entitled “Compensation Securities” under Section 15.2 “*Stock Option Plan Awards*” to this Listing Statement. See Section 9 “*Options to Purchase Securities*” to this Listing Statement for details regarding stock options to be granted to the Resulting Issuer’s directors following the completion of the Business Combination.

15.6 Pension Disclosure

The Resulting Issuer is not anticipated to have a pension plan or defined benefit plan that provides for payments or benefits to the named executive officers or directors at, following, or in connection with retirement.

16. INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No current or former directors, executive officers or employees of the Resulting Issuer, its predecessors or any of their subsidiaries are or were indebted to the Resulting Issuer or its predecessors and no current or director or executive officer or any associate of the foregoing is or was indebted to the Resulting Issuer, its predecessors or any of their subsidiaries or has any indebtedness to another entity which is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Resulting Issuer, its predecessors or any of its subsidiaries.

None of the persons who are directors, employees or executive officers of the Resulting Issuer, and none of the associates of such persons, is or has been indebted to the Resulting Issuer, its predecessors or any of their subsidiaries at any time during the most recently completed financial year of each of Range and EGGL, respectively, or will be indebted to the Resulting Issuer. Furthermore, none of such persons were indebted to a third party during such period where their indebtedness was the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Resulting Issuer, its predecessors or any of their subsidiaries.

17. RISK FACTORS

The following are certain factors relating to the business of the Resulting Issuer, its predecessors or any of their subsidiaries. These risks and uncertainties are not the only ones facing the Resulting Issuer. Additional risks and uncertainties not presently known to Range and EGGL, or currently deemed immaterial by Range

and EGGL, may also impair the operations of the Resulting Issuer. If any such risks actually occur, shareholders of the Resulting Issuer could lose all or part of their investment and the business, financial condition, liquidity, results of operations and prospects of the Resulting Issuer could be materially adversely affected and the ability of the Resulting Issuer to implement its growth plans could be adversely affected.

Risks Associated with the Resulting Issuer

Financial Risks

The Resulting Issuer currently has no operations or source of operating cash flow except for the EGGL 2021 Financing with respect to which it raised \$4,592,791.28. The Resulting Issuer will require additional financing through debt or equity issuance or other available means in order to meet its business objectives and continue to operate. The ability of the Resulting Issuer to raise such capital will depend, in part, upon conditions in the capital markets at the time. Failure to obtain sufficient financing may result in delaying or indefinite postponement of development its current or future projects. There is no assurance that additional funding will be available to the Resulting Issuer as and when needed for further development of its proprietary technology, current and future development of its projects, and any future business arrangements or, if available, the terms of such funding will be favourable to the Resulting Issuer.

EGGL Proprietary Technology

The overall success of the Resulting Issuer's proprietary technology will also depend on the Resulting Issuer's partners, customers and clients who may be unwilling to change their production process to incorporate this technology due to various factors and limitations that are beyond the control of the Resulting Issuer.

The Resulting Issuer relies on a combination of intellectual property provisions, confidentiality procedures, and contractual provisions to establish and protect its intellectual property rights; however, unauthorized parties may infringe on the Resulting Issuer's proprietary rights by obtaining and using the proprietary technology or information. Policing and subsequent litigation, if required, can be time consuming and expensive.

Uncertainty of Material Projects

Commercial arrangements entered by the Resulting Issuer with respect to each material project (which are discussed in detail in Section 4.1.3 "*Material Projects*" of this Listing Statement) have an initial feasibility study term subsequent to which and contingent upon the results of which the Resulting Issuer is to exercise its option to enter into the commercial production operations. In the event the results of said feasibility study are not meeting its standards, the Resulting Issuer may lose its exploration opportunity in a particular project. There is no assurance that any further negotiations can be initiated and completed or that a new agreement on terms acceptable to the Resulting Issuer will be reached.

Resource Development and Processing

Resource development and processing involves a high degree of risk and highly dependent upon the sale price of the minerals sought to be produced. The decision of potential partners, clients and customers to proceed with the development and processing of those minerals using the proprietary technology of the Resulting Issuer will be affected by sale prices and several other factors that are beyond the control of the Resulting Issuer. These factors include market fluctuations, proximity and capacity of naturel resource markets and processing equipment, government regulations, import and export of minerals and

environmental protection and the exact effect of these factors cannot be accurately predicted as a result the Resulting Issuer may not receive an adequate return on invested capital.

Discretion in the Use of Proceeds

The Resulting Issuer currently intends to allocate the net proceeds received from the EGGL 2021 Financings as described under Section 4.1.4 “*Use of Available Funds*” to this Listing Statement. However, management will have broad discretion concerning the use of the proceeds of the EGGL 2021 Financings as well as the timing of their expenditures and may elect to allocate the net proceeds other than as described under Section 4.1.4 “*Use of Available Funds*” to this Listing Statement, if they believe it would be in the Resulting Issuer’s best interest to do so. As a result, an investor will be relying on the judgment of management for the application of the proceeds of the EGGL 2021 Financings.

Dilution to Resulting Issuer Shares

Upon completion of the Business Combination and the EGGL 2021 Financing, the Resulting Issuer will have 178,881,152 Resulting Issuer Shares, 14,683,252 Resulting Issuer Options, 14,000,000 Resulting Issuer RSUs, and 448,550 FINDER Warrants, issued and outstanding.

The Resulting Issuer may sell additional Resulting Issuer Shares or other securities in subsequent offerings (including through the sale of securities convertible into or exchangeable for Resulting Issuer Shares) and on the exercise of securities exercisable for Resulting Issuer Shares. The Resulting Issuer cannot predict the size of future issuances of securities or the effect, if any, that future issuances and sales of securities will have on the market price of the Resulting Issuer Shares. Sales or issuances of substantial numbers of Resulting Issuer Shares, or the perception that such sales could occur, may adversely affect prevailing market prices of the Resulting Issuer Shares.

Future Sales of Resulting Issuer Shares by Existing Shareholders

Sales of a large number of Resulting Issuer Shares in the public markets, or the potential for such sales, could decrease the trading price of the Resulting Issuer Shares and could impair the Resulting Issuer’s ability to raise capital through future sales of Resulting Issuer Shares. EGGL has previously completed private placements at prices per share which are from time to time lower than the market price of EGGL Shares. Accordingly, a significant number of shareholders of the Resulting Issuer have an investment profit in the Resulting Issuer Shares that they may seek to liquidate.

Environmental Risks

All necessary testing conducted to date has shown that the proprietary technology of the Resulting issuer is benign in the environment. However, it has not yet been approved for the use by regulatory bodies in some or all jurisdictions and has not been tested in all conditions for which there might be unanticipated reactions. The Resulting Issuer’s business and its operations could have a negative impact as a result of such risks.

Licensing Matters

The Resulting Issuer’s operations are subject to receiving and maintaining permits and licenses from appropriate governmental authorities. There can be no assurance that delays will not occur in connection with obtaining all such necessary permits and licenses or renewals thereof, or any additional regulatory approvals which may be required for future operations. There can be no assurance that the Resulting Issuer will continue to hold all permits and licenses necessary to continue operating at any particular property, or

that any such permits and licenses awarded will not be cancelled pursuant to applicable legislation or to unexpected acts by government authorities.

Partnership and Joint Venture Strategies

As part of its business strategy, the Resulting Issuer may seek out additional partnership and/or joint ventures in the natural resource and electric waste industries. The Resulting Issuer may fail to maintain the current partnerships or to select appropriate partnership or joint venture candidates or negotiate acceptable arrangements. The Resulting Issuer cannot assure that it can complete any business arrangements that it pursues, or is pursuing, on favourable terms, or that business arrangements will ultimately benefit the Resulting Issuer.

Dependence on Management and Key Employees

The Business and operations of the Resulting Issuer will be dependent on recruiting and retaining the services of key members of management and a small number of highly skilled and experienced executives and personnel. The success of the operations and activities of the Resulting Issuer will be dependent to a significant extent on the efforts and abilities of its management. Due to the relatively small size of the Resulting Issuer, the loss of these persons or the Resulting Issuer's inability to attract and retain additional highly skilled employees may adversely affect its business and future operations.

Competition

Even though the Resulting Issuer has distinguishing competitive advantaged in technical and environmental capability, the Resulting Issuer will compete with a smaller number of companies that may have greater financial resources than the Resulting issuer as well as the recruitment and retention of qualified employees and other service provider. As a result of this competition, the Resulting Issuer may be unable to maintain or acquire attractive projects on terms it considers acceptable or at all. Consequently, the Resulting Issuer's revenues, operations and financial condition could be materially adversely affected.

Conflicts of Interest

Certain directors and officers of the Resulting Issuer may also serve as directors and/or officers of other companies, some of which may be in similar sectors, and conflict of interest may arise between their duties to the Reporting Issuer and their duties to or interest in such other companies. Any decision made by any of such directors and officers involving the Resulting Issuer would be made in accordance with their duties and obligations to deal fairly and in good faith with a view to the best interests of the Resulting Issuer and its shareholders. In addition, each of the directors is required to declare and refrain from voting on any matter in which such directors may have a conflict of interest in accordance with the procedures set forth in applicable corporate law.

Government Regulations

The Resulting Issuer's operations are subject to laws and regulations governing occupational health and safety, labour standards, employment, waste disposal, handling of toxic substances, water use, environmental protection and other matters.

There are no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail development and future operations of those properties in which the Resulting Issuer has interest. Amendments to current laws and regulations governing operations or more stringent implementation thereof could have a substantial adverse impact on the Resulting Issuer.

It is possible that the Resulting Issuer may not be able to comply with existing and future laws and regulations. Any failure to comply with applicable laws and regulations, even if inadvertent, could result in enforcement actions thereunder including orders issued by regulatory or judicial authorities requiring operations to cease or be curtailed, fines, penalties or other liabilities.

Global Financial Conditions and Foreign Country Risks

Global financial conditions have been subject to increased volatility and numerous financial institutions have recently either gone into bankruptcy or have had to be rescued by governmental authorities. Such conditions could suddenly and rapidly destabilize in response to economic shocks, as government authorities may have limited resources to respond to crises. Economic shocks may be precipitated by a number of causes, including a rise in the price of oil, geopolitical instability and natural disasters. If these increased levels of volatility and market turmoil continue, the Resulting Issuer's operations could be adversely impacted, and the value and the price of the Resulting Issuer Shares and other securities could also be adversely affected.

Furthermore, general market, political and economic conditions will affect the Resulting Issuer's operating environment and its operating costs, profit margins and share price. Any negative events in the global economy could have a material adverse effect on the Resulting Issuer's business, financial condition, results of operations, cash flows or prospects.

Political and Legal Risks

The Resulting Issuer's projects may be located in countries with social, political and economic policies that differ from Canada's. The Resulting Issuer's operations may be subject to the risks associated with any conduct of business in foreign countries including political instability; civil disturbance risks; changes in laws or policies of particular countries; the cancellation, renegotiation or forced modification of contracts; the imposition of royalties, net profits payments, new taxes, tax increases or other claims by government entities, including retroactive claims; a disregard for due process and the rule of law by local courts; delays in obtaining or the inability to obtain necessary governmental permits or to operate in accordance with such permits or the reimbursement of refundable tax from fiscal authorities. There can be no assurance that the Resulting Issuer's assets will not be subject to nationalization, requisition, expropriation or confiscation, whether legitimate or not, by any authority or body. Any political and/or country disturbances can have a material impact on the operations.

Other risks include the potential for fraud and corruption by suppliers or personnel or government officials which may implicate the Resulting Issuer, compliance with applicable anti-corruption laws, including the U.S. *Foreign Corrupt Practices Act* and the Canadian *Corruption of Foreign Public Officials Act*, by virtue of the Resulting Issuer operating in jurisdictions that may be vulnerable to the possibility of corruption and the Resulting Issuer's possible failure to identify, manage and mitigate instances of fraud, corruption, or violations of its code of conduct and applicable regulatory requirements.

These risks may limit or disrupt the Resulting Issuer's operations, restrict the movement of funds causing the Resulting Issuer to have to expend more funds than previously expected or required, or result in the deprivation of contractual rights, and may materially adversely affect the Resulting Issuer's financial position and/or results of operations.

Exchange Rate Fluctuations

Exchange rate fluctuations may adversely affect the Resulting Issuer's financial position and results. Currency exchange fluctuations may materially adversely affect future cash flows, result of operations, and financial condition of the Resulting Issuer.

Insurance

The Resulting Issuer's business is subject to several risks and hazards generally, including adverse environmental conditions, industrial accidents, unusual or unexpected operating conditions, and political and social instability. The Resulting Issuer does not currently maintain any insurance and any insurance of the Resulting Issuer obtained in the future may cover the potential risks associated with company's operations. The Resulting Issuer may also be unable to maintain insurance to cover all such risks and decide not to insure against certain risks because of high premiums or other reasons. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Losses from these events may cause the Resulting Issuer to incur significant costs that could have a material adverse effect upon its financial performance and results of operations.

Legal Proceedings

Due to the nature of its business, the Resulting Issuer may be subject to numerous regulatory investigations, civil claims, lawsuits and other proceedings in the ordinary course of its business. The results of these legal proceedings cannot be predicted with certainty due to the uncertainty inherent in litigation, the difficulty of predicting decisions of regulators, judges and juries and the possibility that decisions may be reversed on appeal. There can be no assurances that these matters will not have a material adverse effect on the Resulting Issuer's business.

Coronavirus (COVID-19) and health crises

The current outbreak of novel Coronavirus (COVID-19) and any future emergence and spread of similar pathogens could have an adverse impact on global economic conditions which may adversely impact the Resulting Issuer's operations, and the operations of its partners, suppliers, contractors and service providers, and the ability to obtain financing and maintain necessary liquidity. The outbreak of COVID-19 and political upheavals in various countries have caused significant volatility in commodity prices. The outbreak is causing companies and various international jurisdictions to impose restrictions such as quarantines, business closures and travel restrictions.

While these effects are expected to be temporary, the duration of the business disruptions and related financial impact cannot be reasonably estimated at this time. Similarly, the Resulting Issuer cannot estimate whether or to what extent this may affect its plan of distribution, use of proceeds and timelines, business and disclosed milestones and corporate structure. In particular, travel bans and other government restrictions may adversely impact the Resulting Issuer's ability to begin operations on its projects. Furthermore, if any Resulting Issuer personnel or consultants become infected with COVID-19 or similar pathogens and/or the Resulting Issuer is unable to source necessary supplies, due to government restrictions or otherwise, it could have a material negative impact on the Resulting Issuer's operations and prospects.

Beyond the duration of restrictions imposed by governments, the potential for immense financial damage to the global economy may result in governments resorting to further mitigative, preservative or restorative policy measures to maintain their economies, including the imposition of royalties, net profits payments, new taxes, tax increases or other claims by government entities; a disregard for due process and the rule of law by local courts; renegotiation or nullification of existing permits, licenses and concessions and contracts; the risk of expropriation and nationalization of assets and delays in obtaining or the inability to obtain necessary governmental permits. See also Section 17 "*Risk Factors – Political and Legal Risks*".

18. PROMOTERS

Mr. David Cam holds directly and/or indirectly an aggregate of 63,978,189 EGGL Shares (representing 35.77% of the Resulting Issuer's current issued and outstanding Shares). Mr. David Cam will also be entitled to receive the Resulting Issuer Options under the Stock Option Plan. See Section 9 "*Options to Purchase Securities*".

No asset has been acquired within two years before the date of this Listing Statement or thereafter or will be acquired by the Issuer or by a subsidiary of the Issuer from a promoter.

19. LEGAL PROCEEDINGS

There are no actual or pending material legal proceedings to which Range is a party or of which any of its assets are subject, except with a legal claim dated March 6, 2020 against Range for unpaid fees for the total claim of GBP\$32,688.36 to the plaintiff who acted as a director of New Age Alzaarooni 2 in which Range held 44% ownership.

There are no actual or pending material legal proceedings to which EGGL is a party or of which any of its assets are subject.

Management of Range or EGGL are not aware of any such material legal proceedings contemplated against Range or EGGL. There are no penalties or sanctions imposed against Range or EGGL by a court relating to provincial and territorial securities legislation or by a securities regulatory authority within the three years immediately preceding the date of this Listing Statement. There are no other penalties or sanctions imposed by a court or regulatory body against Range or EGGL necessary to contain full, true and plain disclosure of all material facts relating to the securities being listed. There are no settlement agreements that Range or EGGL entered into before a court relating to provincial and territorial securities legislation or with a securities regulatory authority within the three years immediately preceding the date this Listing Statement.

20. INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as described below and elsewhere in this Listing Statement, no director, executive officer or person or company that, upon Listing, beneficially owns, or controls or directs, directly or indirectly, more than 10% of any class or series of outstanding voting securities of the Resulting Issuer, or any associate or affiliate of any such person or company, has or had any material interest, direct or indirect, in any transaction that has materially affected or is reasonably expected to materially affect the Resulting Issuer.

21. AUDITORS, TRANSFER AGENT AND REGISTRAR

21.1 Auditors

The auditors of the Resulting Issuer will be Davidson & Company LLP, at its principal office in Vancouver, British Columbia, following the completion of the Business Combination.

21.2 Transfer Agent and Registrar

The transfer agent and registrar of the Resulting Issuer will be National Securities Administrators Ltd. at its principal transfer office in Vancouver, British Columbia following the completion of the Business Combination.

22. MATERIAL CONTRACTS

Other than as disclosed in this Listing Statement, the Resulting Issuer will not have entered into any material contracts, other than contracts entered into the ordinary course of business.

Copies of the following material contract is, or will be, available under Range's profile on SEDAR at www.sedar.com upon Listing:

- (a) the Business Combination Agreement dated March 26, 2021 between Range and EGGL. See Section 3.1.1 "*General Development of the Business.*"
- (b) the Investor Rights Agreement dated March 26, 2021 between Range and Holdco. See Section 3.1.1 "*General Development of the Business.*"
- (c) The First Amending Agreement dated April 13, 2021 between Range and EGGL. See Section 3.1.1 "*General Development of the Business.*"

A copy of the material contracts may be inspected after the completion of the Business Combination during normal business hours at the Resulting Issuer's principal office located at 789 West Pender Street, Suite 810, Vancouver British Columbia, V6C 1H2.

23. INTEREST OF EXPERTS

No person or corporation whose profession or business gives authority to a statement made by the person or corporation and who is named as having prepared or certified a part of this Listing Statement or as having prepared or certified a report or valuation described or included in this Listing Statement holds any beneficial interest, direct or indirect, in any securities or property of the Resulting Issuer and no such person is expected to be elected, appointed or employed as a director, senior officer or employee of the Resulting Issuer and no such person is a promoter of the Resulting Issuer.

24. OTHER MATERIAL FACTS

There are no other material facts that are not elsewhere disclosed herein and which are necessary in order for this document to contain full, true and plain disclosure of all material facts relating to the Resulting Issuer and its securities (including the securities of any predecessor entity thereto).

25. FINANCIAL STATEMENTS

The audited financial statements of Range as at and for the years ended December 31, 2020, December 31, 2019 and December 31, 2018, and the unaudited financial statements as at and for the three months ended March 31, 2021, are attached hereto as Appendix "B".

The audited financial statements of EGGL, EGGL AUS and EGGL US as at and for the period ended December 31, 2020 and the unaudited consolidated financial statements of EGGL as at and for three months ended March 31, 2021 are attached hereto as Appendix "C".

The pro forma consolidated financial statements of the Resulting Issuer are attached hereto as Appendix "D".

The MD&A of Range for as at and for the years ended December 31, 2020, December 31, 2019 and December 31, 2018 and as at and for three months ended March 31, 2021, are attached hereto as Appendix “E”.

The consolidated MD&A of EGGL as at and for the period ended December 31, 2020 and as at and for the three months ended March 31, 2021 are attached hereto as Appendix “F”.

CERTIFICATE OF THE ISSUER

Pursuant to a resolution duly passed by the Range Board, Range, hereby applies for the listing of the above-mentioned securities on the CSE. The foregoing contains full, true and plain disclosure of all material information relating to Range. It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

Dated at Toronto, Ontario, this 14th day of July, 2021.

(signed) "*Allan Bezanson*"

Chief Executive Officer

Allan Bezanson

(signed) "*Eugene Beukman*"

Chief Financial Officer

Eugene Beukman

(signed) "*Harold M. Wolkin*"

Director

Harold M. Wolkin

(signed) "*Rick W. Pawluk*"

Director

Rick W. Pawluk

CERTIFICATE OF THE TARGET

The foregoing contains full, true and plain disclosure of all material information relating to EGGL. It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

Dated at Toronto, Ontario, this 14th day of July, 2021.

(signed) "*Mark B. Thorpe*"

Chief Executive Officer

Mark B. Thorpe

(signed) "*David Cam*"

Executive Chairman and Director

David Cam

(signed) "*Grant Duthie*"

Director

Grant Duthie

(signed) "*R. Sean Foley*"

Director

Robert Sean Foley

APPENDIX “A”

THE BUSINESS COMBINATION AGREEMENT

(as of March 26, 2021)

[See attached.]

ENVIROGOLD GLOBAL (CAN) LTD.

AND

RANGE ENERGY RESOURCES INC.

BUSINESS COMBINATION AGREEMENT

MARCH 26, 2021

TABLE OF CONTENTS

Page

| | |
|--|-----------|
| ARTICLE 1 INTERPRETATION | 1 |
| 1.1 Definitions..... | 1 |
| 1.2 Singular, Plural, etc. | 5 |
| 1.3 Deemed Currency..... | 6 |
| 1.4 Headings, etc. | 6 |
| 1.5 Date for any Action..... | 6 |
| 1.6 Governing Law..... | 6 |
| 1.7 Attornment | 6 |
| ARTICLE 2 THE BUSINESS COMBINATION | 6 |
| 2.1 Business Combination Steps | 6 |
| 2.2 Implementation Covenants..... | 8 |
| 2.3 Board of Directors and Officers | 9 |
| ARTICLE 3 REPRESENTATIONS AND WARRANTIES | 9 |
| 3.1 Representations and Warranties of EnviroGold..... | 9 |
| 3.2 Representations and Warranties of Range..... | 14 |
| 3.3 Survival | 17 |
| ARTICLE 4 CONDUCT OF BUSINESS..... | 17 |
| 4.1 Conduct of Business by the Parties | 17 |
| ARTICLE 5 COVENANTS..... | 18 |
| 5.1 Waiver of Notice of Subco Shareholder Meeting and Resolution in Lieu of Meeting by Range..... | 18 |
| 5.2 Covenants Regarding Representations and Warranties..... | 19 |
| 5.3 Notice of Material Change | 19 |
| 5.4 Non-Solicitation | 19 |
| 5.5 Other Covenants..... | 19 |
| ARTICLE 6 MUTUAL COVENANTS..... | 20 |
| 6.1 Other Filings..... | 20 |
| 6.2 Additional Agreements..... | 20 |
| ARTICLE 7 CONDITIONS AND CLOSING MATTERS | 20 |
| 7.1 Mutual Conditions Precedent | 20 |
| 7.2 Additional Conditions Precedent to the Obligations of EnviroGold..... | 21 |
| 7.3 Additional Conditions Precedent to the Obligations of Range..... | 22 |
| 7.4 Merger of Conditions | 23 |
| 7.5 Closing Matters | 23 |
| ARTICLE 8 TERMINATION, AMENDMENT AND DISSENTING SHAREHOLDERS..... | 23 |
| 8.1 Termination | 23 |
| 8.2 Effect of Termination | 23 |
| 8.3 Fees and Expenses..... | 23 |
| 8.4 Amendment | 23 |
| 8.5 Dissenting Shareholders..... | 23 |
| 8.6 Waiver | 24 |
| ARTICLE 9 GENERAL..... | 24 |
| 9.1 Notices..... | 24 |
| 9.2 Assignment..... | 24 |
| 9.3 Complete Agreement..... | 25 |
| 9.4 Further Assurances..... | 25 |
| 9.5 Severability..... | 25 |

TABLE OF CONTENTS
(continued)

| | Page |
|---|-------------|
| 9.6 Counterpart Execution..... | 25 |
| 9.7 Investigation by Parties | 25 |
| 9.8 No Contra Proferentem | 25 |
| 9.9 Public Announcement; Disclosure and Confidentiality | 25 |

SCHEDULE "A" AMALGAMATION AGREEMENT

BUSINESS COMBINATION AGREEMENT

THIS AGREEMENT is made as of March 26, 2021,

BETWEEN:

ENVIROGOLD GLOBAL (CAN) LTD.,
a corporation incorporated under the laws of the Province of Ontario
("EnviroGold")

- and -

RANGE ENERGY RESOURCES INC.,
a corporation incorporated under the laws of the Province of British Columbia
("Range")

(each a "Party" and collectively, the "Parties")

WHEREAS, EnviroGold and Range propose to combine the business and assets of EnviroGold with those of Range, and upon completion of such business combination, Range will, through Amalco (as defined below), carry on the current business of EnviroGold (being the processing of tailings from gold mining properties);

WHEREAS, the Range has entered into the Investor Rights Agreement (as defined below) with Holdco (as defined below) pursuant to which, among other things, Range granted certain pre-emptive rights to Holdco to enable it to maintain its percentage ownership interest in Range following completion of the business combination;

AND WHEREAS, the Parties intend to carry out the proposed business combination by way of a statutory amalgamation under the provisions of the OBCA (as defined below) and related transaction steps;

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the Parties, the Parties covenant and agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Agreement, unless there is something in the subject matter or context inconsistent therewith, the following terms shall have the following meanings, respectively:

"**Affiliate**" has the meaning ascribed thereto in the OBCA.

"**Agreement**", "**this Agreement**", "**herein**", "**hereto**", and "**hereof**" and similar expressions refer to this business combination agreement, including the schedules attached hereto, as the same may be amended or supplemented from time to time.

"**Amalco**" means the amalgamated corporation resulting and continuing from the Amalgamation.

"**Amalco Shares**" means the common shares in the share capital of Amalco.

"**Amalgamation**" means the amalgamation of EnviroGold and Subco by way of a "three-cornered amalgamation" with Range under the provisions of Section 174 of the OBCA and pursuant to the terms of the Documents.

"**Amalgamation Agreement**" means the agreement among EnviroGold, Range and Subco in respect of the Amalgamation, to be substantially in the form attached as Schedule "A" to this Agreement.

“**Articles of Amalgamation**” means the articles of amalgamation giving effect to the Amalgamation required under the OBCA to be filed with the Director.

“**BCBCA**” means the *Business Corporations Act* (British Columbia), as the same has been and may hereafter from time to time be amended.

“**Business Combination**” means the series of transactions, as detailed in this Agreement, through which the businesses of EnviroGold and Range will be combined, including the Financing, the Name Change, the Amalgamation, and the Range Director and Officer Appointments.

“**Business Day**” means any day, excluding Saturday or Sunday, on which banking institutions are open for business in Toronto, Ontario.

“**Certificate of Amalgamation**” means the certificate in respect of the Amalgamation issued by the Director;

“**Completion Deadline**” means June 1, 2021 or such later date as may be mutually agreed between the Parties in writing.

“**CSE**” means the Canadian Securities Exchange.

“**CSE Escrow Agreement**” means the escrow agreement to be entered into among Range’s registrar and transfer agent, Range and certain securityholders of Range, and including Holdco and Allan Bezanson, in compliance with the requirements of the CSE, with the securities subject to such agreement to be released as determined by the CSE.

“**Debt Instrument**” has the meaning ascribed thereto in Section 3.1(aa).

“**Debt Settlement Agreements**” means the debt settlement agreements Range has entered into with various holders of debt in the aggregate approximate amount of \$25,000,000 whereby such debt will be converted into Post-Conversion Range Shares.

“**Director**” means the Director appointed under Section 278 of the OBCA.

“**Dissenting EnviroGold Shares**” means the EnviroGold Shares held by Dissenting Shareholders.

“**Dissenting Shareholder**” means a registered holder of EnviroGold Shares who, in connection with the special resolution of the EnviroGold Shareholders approving the Amalgamation, has exercised the right to dissent pursuant to Section 185 of the OBCA in strict compliance with the provisions thereof and thereby becomes entitled to be paid the fair value of his, her or its EnviroGold Shares and who has not withdrawn the notice of the exercise of such right as permitted by Section 185 of the OBCA.

“**Documents**” means, collectively, this Agreement and the Amalgamation Agreement.

“**DRS Statement**” means a statement evidencing a shareholding position under the Direct Registration System.

“**Effective Date**” means the date shown on the Certificate of Amalgamation issued by the Director, which date shall be in accordance with Section 2.1(f).

“**Effective Time**” means 12:01 a.m. (Toronto time) on the Effective Date or such other time on the Effective Date as may be agreed by EnviroGold and Range.

“**EnviroGold**” means EnviroGold Global (Can) Ltd., a corporation incorporated under the laws of the Province of Ontario.

“**EnviroGold Approval**” means a special meeting of the EnviroGold Shareholders to be held in order to seek shareholder approval for the Amalgamation or a unanimous shareholder resolution passed in lieu of a meeting of EnviroGold Shareholders.

“**EnviroGold Compensation Warrants**” means the compensation warrants that may be issued to the Finders pursuant to the Financing, and each entitling the holder thereof to purchase one (1) EnviroGold Share and up to one (1) EnviroGold Financing Warrant at an exercise price equal to the issue price of the securities offered in the Financing.

“**EnviroGold Financial Statements**” has the meaning ascribed thereto in Section 3.1(1).

“**EnviroGold Financing Warrants**” means the warrants of EnviroGold issued upon the due conversion of the EnviroGold Subscription Receipts, and each entitling the holder thereof to purchase one (1) EnviroGold Share at an exercise equal to no less than the issue price of the securities offered in the Financing.

“**EnviroGold Shareholder**” means a registered holder of EnviroGold Shares, from time to time.

“**EnviroGold Shares**” means the common shares in the capital of EnviroGold.

“**EnviroGold Subscription Receipts**” means the subscription receipts of EnviroGold, each automatically converting into one (1) EnviroGold Share and up to one (1) EnviroGold Financing Warrant, on satisfaction of the conditions set forth in the certificates governing the EnviroGold Subscription Receipts.

“**EnviroGold Subsidiaries**” means EnviroGold Global PTY Ltd. and EnviroGold Global-US Inc.

“**Environmental Laws**” means Laws regulating or pertaining to the generation, discharge, emission or release into the environment (including without limitation ambient air, surface water, groundwater or land), spill, receiving, handling, use, storage, containment, treatment, transportation, shipment, disposition or remediation or clean-up of any Hazardous Substance, as such Laws are amended and in effect as of the date hereof.

“**Exchange Ratio**” means such number of Post-Conversion Range Shares for each one (1) EnviroGold Share that will be required for the former shareholders of Range to hold 12.5% of the Post-Conversion Range Shares, and the former shareholders of EnviroGold to hold 87.5% of the Post-Conversion Range Shares, in each case after giving effect to the Amalgamation but prior to giving effect to the Financing.

“**fair value**” where used in relation to a EnviroGold Share held by a Dissenting Shareholder, means fair value as determined by a court under Section 185 of the OBCA or as agreed between EnviroGold and the Dissenting Shareholder.

“**Financing**” means a non-brokered private placement of EnviroGold Subscription Receipts and/or units comprised of one EnviroGold Share and up to one EnviroGold Financing Warrant, and each at an issue price implied by a \$20,000,000 pre-money valuation of EnviroGold, for gross proceeds of a minimum of \$500,000.

“**Finders**” those certain individuals or entities that have introduced investors to the Parties in respect of the Financing and in respect of which the Parties are obligated to pay finder’s fees and issue EnviroGold Compensation Warrants.

“**Governing Documents**” means, in respect of each Party, as applicable, its certificate, its articles of incorporation, as amended, and its by-laws, as amended.

“**Government Authority**” means any foreign, national, provincial, local or state government, any political subdivision or any governmental, judicial, public or statutory instrumentality, court, tribunal, agency (including those pertaining to health, safety or the environment), authority, body or entity, or other regulatory bureau, authority, body or entity having legal jurisdiction over the activity or Person in question and, for greater certainty, includes the CSE.

“**Hazardous Substance**” means any pollutant, contaminant, waste or chemical or any toxic, radioactive, ignitable, corrosive, reactive or otherwise hazardous or deleterious substance, waste or material, including hydrogen sulfide, arsenic, cadmium, copper, lead, mercury, petroleum, polychlorinated biphenyls, asbestos and urea-formaldehyde insulation, and any other material, substance, pollutant or contaminant regulated or defined pursuant to, or that could result in liability under, any applicable Environmental Law.

“**Holdco**” means 2706791 Ontario Inc., a corporation incorporated under the laws of the Province of Ontario.

“**IFRS**” means International Financial Reporting Standards applicable as at the relevant date.

“**Investor Rights Agreement**” means the investor rights agreement between Range and Holdco dated March 26, 2021.

“**in writing**” means written information including documents, files, software, records and books made available, delivered or produced to one Party by or on behalf of the other Party.

“**Laws**” means all laws, statutes, codes, ordinances, decrees, rules, regulations, by laws, statutory rules, principles of law, published policies and guidelines, judicial or arbitral or administrative or ministerial or departmental or regulatory judgments, orders, decisions, rulings or awards, including general principles of common and civil law, and terms and conditions of any grant of approval, permission, authority or licence of any Government Authority, statutory body or self-regulatory authority, and the term “applicable” with respect to such Laws and in the context that refers to one or more Persons, means that such Laws apply to such Person or Persons or its or their business, undertaking, property or securities and emanate from a Government Authority (or any other Person) having jurisdiction over the aforesaid Person or Persons or its or their business, undertaking, property or securities.

“**Listing Statement**” means a listing statement to be prepared jointly by Range and EnviroGold in accordance with the requirements of Policy 2 and Policy 8 of the CSE.

“**Material Adverse Change**” means any change in the financial condition, operations, assets, liabilities, or business of a Party and its Subsidiaries, considered as a whole, which is materially adverse to the business of such Party and its Subsidiaries, considered as a whole, other than a change: (a) which arises out of or in connection with a matter that has been publicly disclosed or otherwise disclosed in writing by such Party to the other Party prior to the date of this Agreement; (b) resulting from conditions affecting the mineral exploration and development industry as a whole; (c) resulting from general economic, financial, currency exchange, securities or commodity market conditions in Canada, the United States or elsewhere; or (d) which arises out of changes in geopolitical conditions, acts of terrorism or sabotage, war (whether or not declared), the commencement, continuation or escalation of a war, acts of armed hostility, weather conditions, global health conditions (including any epidemic, pandemic, or disease outbreak (including the COVID-19 virus)), or other force majeure events, including any material worsening of such conditions threatened or existing as of the date of this Agreement, to the extent that such events and/or conditions do not disproportionately impact the said Party and its Subsidiaries relative to other companies operating in the industry or industries in which the said Party and its Subsidiaries operate.

“**Material Adverse Effect**” means any event, change or effect that is or would reasonably be expected to be materially adverse to the financial condition, operations, assets, liabilities, or business of a Party and its Subsidiaries, considered as a whole, provided, however, that a Material Adverse Effect shall not include an adverse effect resulting from a change: (a) which arises out of or in connection with a matter that has been publicly disclosed or otherwise disclosed in writing by such Party to the other Party prior to the date of this Agreement; (b) resulting from conditions affecting the mineral exploration and development industry as a whole; (c) resulting from general economic, financial, currency exchange, securities or commodity market conditions in Canada, the United States or elsewhere; or (d) which arises out of changes in geopolitical conditions, acts of terrorism or sabotage, war (whether or not declared), the commencement, continuation or escalation of a war, acts of armed hostility, weather conditions, global health conditions (including any epidemic, pandemic, or disease outbreak (including the COVID-19 virus)), or other force majeure events, including any material worsening of such conditions threatened or existing as of the date of this Agreement, to the extent that such events and/or conditions do not disproportionately impact the said Party and its Subsidiaries relative to other companies operating in the industry or industries in which the said Party and its Subsidiaries operate.

“**material fact**” has the meaning ascribed thereto in the *Securities Act* (Ontario) as the same has been and may hereafter from time to time be modified.

“**Name Change**” means, subject to the completion of the Amalgamation, a change in the name of Range to “EnviroGold Global Limited” or such other similar name as may be accepted by the relevant regulatory authorities and approved by EnviroGold.

“**OBCA**” means the *Business Corporations Act* (Ontario) as the same has been and may hereafter from time to time be amended.

“**Party**” means each of Range and EnviroGold individually, and collectively, the “**Parties**”.

“**Person**” includes any individual, firm, partnership, joint venture, venture capital fund, association, trust, trustee, executor, administrator, legal personal representative, estate, group, body corporate, corporation, unincorporated association or organization, Government Authority, syndicate or other entity, whether or not having legal status.

“**Post-Conversion Range Shares**” collectively means the Range Shares after giving effect to the shares for debt conversions contemplated in the Debt Settlement Agreements, and individually a “**Post-Conversion Range Share**”.

“**Public Disclosure Record**” means, with respect to a Party, all forms, reports, schedules, statements and other documents required to be filed with applicable securities regulatory authorities under applicable Laws (including, the CSE and other applicable stock exchanges), which have been filed by such Party with such applicable securities regulatory authorities, and which are accessible to the public on SEDAR.

“**Range**” means Range Energy Resources Inc., a corporation incorporated under the laws of the Province of British Columbia.

“**Range Director and Officer Appointments**” means, subject to the completion of the Amalgamation, the reconstitution of the board of directors and the officers of Range, to consist of the nominees of EnviroGold, as more particularly described in Section 2.3.

“**Range Financial Statements**” has the meaning ascribed thereto in Section 3.2(m).

“**Range Shareholder**” means a registered holder of Range Shares, from time to time.

“**Range Shares**” means the common shares in the capital of Range.

“**Regulatory Approval**” means any approval, consent, waiver, permit, order or exemption from any Government Authority having jurisdiction or authority over any Party or the Subsidiary of any Party which is required or advisable to be obtained in order to permit the Business Combination to be effected and “**Regulatory Approvals**” means all such approvals, consents, waivers, permits, orders or exemptions.

“**Reporting Jurisdictions**” has the meaning ascribed thereto in Section 3.2(e).

“**Securities Authorities**” means the applicable securities commissions or similar securities regulatory authorities in each of the Reporting Jurisdictions, and the CSE.

“**SEDAR**” means the System for Electronic Document Analysis and Retrieval, available at www.sedar.com.

“**Subco**” means 2826847 Ontario Inc., a corporation incorporated under the laws of the Province of Ontario as a wholly-owned Subsidiary of Range for the sole purpose of effecting the Amalgamation.

“**Subco Shares**” means the common shares in the capital of Subco.

“**Subsidiary**” has the meaning ascribed thereto in the OBCA.

“**Taxes**” has the meaning ascribed thereto in Section 3.1(s).

“**U.S. Accredited Investor**” means an accredited investor as defined in Rule 501(a) under the U.S. Securities Act.

“**U.S. Securities Act**” means the United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

“**United States**” means the United States of America, its territories and possessions, any state of the United States, and the District of Columbia.

1.2 Singular, Plural, etc.

Words importing the singular number include the plural and vice versa and words importing gender include the masculine, feminine and neuter genders.

1.3 Deemed Currency

In the absence of a specific designation of any currency any undesignated dollar amount herein shall be deemed to refer to Canadian dollars.

1.4 Headings, etc.

The division of this Agreement into Articles and Sections, the provision of a table of contents hereto and the insertion of the recitals and headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement and, unless otherwise stated, all references in this Agreement to Articles and Sections refer to Articles and Sections of and to this Agreement in which such reference is made.

1.5 Date for any Action

In the event that any date on which any action is required to be taken hereunder by any of the Parties hereunder is not a Business Day, such action shall be required to be taken on the next succeeding day that is a Business Day.

1.6 Governing Law

This Agreement shall be governed by and interpreted in accordance with the Laws of the Province of Ontario and the federal Laws of Canada applicable therein.

1.7 Attornment

The Parties hereby irrevocably and unconditionally consent to and submit to the courts of the Province of Ontario for any actions, suits or proceedings arising out of or relating to this Agreement or the matters contemplated hereby (and agree not to commence any action, suit or proceeding relating thereto except in such courts) and further agree that service of any process, summons, notice or document by single registered mail to the addresses of the Parties set forth in this Agreement shall be effective service of process for any action, suit or proceeding brought against either Party in such court. The Parties hereby irrevocably and unconditionally waive any objection to the laying of venue of any action, suit or proceeding arising out of this Agreement or the matters contemplated hereby in the Courts of the Province of Ontario and hereby further irrevocably and unconditionally waive and agree not to plead or claim in any such court that any such action, suit or proceeding so brought has been brought in an inconvenient forum.

ARTICLE 2 THE BUSINESS COMBINATION

2.1 Business Combination Steps

EnviroGold and Range agree to effect the combination of their respective businesses and assets by way of a series of steps or transactions including the Financing, the Name Change, the Amalgamation, and the Range Director and Officer Appointments. Each Party hereby agrees that as soon as reasonably practicable after the date hereof or at such other time as is specifically indicated below in this Section 2.1, and subject to the terms and conditions of this Agreement, it shall take the following steps indicated for it:

- (a) EnviroGold shall as soon as reasonably practicable:
 - (i) use all commercially reasonable efforts to obtain the EnviroGold Approval; and
 - (ii) use all commercially reasonable efforts to complete the Financing;
- (b) Range shall as soon as reasonably practicable:
 - (i) prior to the Effective Date, seek approval of the Range Shareholders for the Amalgamation by written consent; and

- (ii) use all commercially reasonable efforts to enter into the Debt Settlement Agreements, and complete the shares for debt conversions contemplated in the Debt Settlement Agreements;
- (c) Both Range and EnviroGold shall as soon as reasonably practicable obtain all necessary regulatory approvals (including approvals from the CSE) and third party consents, including shareholder approval, prior to the closing of the Business Combination and to cooperate in providing any submissions necessary to effect the Business Combination.
- (d) Range shall take all necessary corporate steps to complete the Name Change;
- (e) pursuant to the terms and conditions of the certificates governing the EnviroGold Subscription Receipts, prior to the Effective Time, the EnviroGold Subscription Receipts will automatically convert and be exchanged for EnviroGold Shares and EnviroGold Financing Warrants;
- (f) EnviroGold and Subco shall amalgamate by way of statutory amalgamation under Section 174 of the OBCA on the terms and subject to the conditions contained in the Amalgamation Agreement and EnviroGold and Range further agree that the Effective Date shall occur within five (5) Business Days following the satisfaction or waiver of the conditions herein contained in favour of each Party or such other date as may be mutually agreed upon by the Parties;
- (g) the Parties shall cause the Articles of Amalgamation to be filed to effect the Amalgamation, pursuant to which:
 - (i) EnviroGold and Subco will amalgamate under the provisions of the OBCA and continue as one amalgamated corporation, being Amalco;
 - (ii) subject to Section 2.1(h), holders of outstanding EnviroGold Shares shall receive, in respect of each EnviroGold Share held, a number of Post-Conversion Range Shares equal to the Exchange Ratio and the EnviroGold Shares will be cancelled;
 - (iii) following the Effective Time, the EnviroGold Financing Warrants and EnviroGold Compensation Warrants will automatically adjust in accordance with their terms such that, following the Effective Time, the holders of the EnviroGold Financing Warrants and EnviroGold Compensation Warrants will be entitled to acquire, upon exercise, for the same aggregate consideration the number of, respectively, EnviroGold Shares or EnviroGold Shares and EnviroGold Warrants that the holder would have been entitled to acquire pursuant to the Business Combination had the holder exercised its Financing Warrants or EnviroGold Warrants prior to the Business Combination;
 - (iv) the outstanding Subco Shares will be exchanged for Amalco Shares on the basis of one (1) Amalco Share for each one (1) Subco Share;
 - (v) as consideration for the issuance of the Post-Conversion Range Shares to the former EnviroGold Shareholders to effect the Amalgamation, Amalco will issue, to Range, one (1) fully paid Amalco Share for each one (1) Post-Conversion Range Share so issued;
 - (vi) all of the property and assets of each of EnviroGold and Subco will be the property and assets of Amalco and Amalco will be liable for all of the liabilities and obligations of each of EnviroGold and Subco; and
 - (vii) Amalco will be a wholly-owned Subsidiary of Range;
- (h) in accordance with Section 8.5, EnviroGold Shares which are held by a Dissenting Shareholder shall not be converted as prescribed by Section 2.1(g)(ii). However, if a Dissenting Shareholder fails to perfect or effectively withdraws its claim under Section 185 of the OBCA or forfeits its right to make a claim under Section 185 of the OBCA or if its rights as an EnviroGold Shareholder are otherwise reinstated, such Dissenting Shareholder's Dissenting EnviroGold Shares shall thereupon be deemed to have been converted as of the Effective Date as prescribed by Section 2.1(g)(ii);

- (i) immediately following the filing of the Articles of Amalgamation to effect the Amalgamation, Range will reconstitute its board of directors and officers to give effect to the Range Director and Officer Appointments;
- (j) as soon as practicable after the Effective Date, in accordance with normal commercial practice, Range shall issue or cause to be issued certificates, DRS Statements or electronic positions within CDS representing the appropriate number of the Post-Conversion Range Shares issued to the former EnviroGold Shareholders. No fractional Post-Conversion Range Shares will be delivered to any EnviroGold Shareholder otherwise entitled thereto and instead the number of Post-Conversion Range Shares to be issued to each former EnviroGold Shareholder will be rounded down to the nearest whole number;
- (k) the Parties acknowledge that the CSE may require some of the Post-Conversion Range Shares issued pursuant to the Business Combination to be held in escrow and EnviroGold and Range, as applicable, agree to comply and use its reasonable efforts to cause its shareholders to comply with all such escrow requirements of the CSE including the execution and delivery of the CSE Escrow Agreement; and
- (l) the Parties shall take any other action and do anything, including the execution of any other agreements, documents or instruments, that is necessary or useful to give effect to the Business Combination.

2.2 Implementation Covenants

- (a) **Listing Statement.** EnviroGold and Range shall use commercially reasonable efforts to jointly prepare the Listing Statement together with any other documents required by applicable Laws in connection with the proposed listing of the Post-Conversion Range Shares in connection with the Business Combination, and shall jointly file the final Listing Statement required by applicable Laws as soon as reasonably practicable.
- (b) **Listing.** The Parties shall use all commercially reasonable efforts to have the Post-Conversion Range Shares to be issued in connection with the Business Combination listed on the CSE following the Business Combination.
- (c) **Preparation of Filings.** EnviroGold and Range shall cooperate in the preparation of any documents and taking of all actions reasonably deemed by EnviroGold or Range to be necessary to discharge their respective obligations under applicable Laws in connection with the Business Combination and all other matters contemplated in the Documents, and in connection therewith:
 - (i) each of EnviroGold and Range shall furnish to the other all such information concerning it and its shareholders as may be required to effect the actions described in this Article 2, and each covenants that no information furnished by it in connection with such actions or otherwise in connection with the consummation of the Business Combination will contain any untrue statement of a material fact or omit to state a material fact required to be stated in any such document or necessary in order to make any information so furnished for use in any such document not misleading in the light of the circumstances in which it is furnished or to be used;
 - (ii) EnviroGold and Range shall each promptly notify the other if at any time before the Effective Date it becomes aware that the Listing Statement contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements contained therein not misleading in light of the circumstances in which they are made, or that otherwise requires an amendment or supplement to the Listing Statement. In any such event, EnviroGold and Range shall cooperate in the preparation of a supplement or amendment to the Listing Statement, as required and as the case may be, and, if required, shall cause the same to be filed with the applicable Securities Authorities; and
 - (iii) each of EnviroGold and Range shall ensure that the Listing Statement complies with all applicable Laws and, without limiting the generality of the foregoing, that the Listing Statement does not contain any untrue statement of a material fact or omit to state a material fact with respect to itself required to be stated therein or necessary to make the statements contained therein not misleading in light of the circumstances in which they are made.

- (d) **Amalgamation Agreement, etc.** The Parties hereby acknowledge that the Amalgamation Agreement shall be substantially in the form attached as Schedule “A” to this Agreement. Range shall cause Subco, subject to the terms and conditions of this Agreement and subject to and following the satisfaction or waiver of the conditions herein contained in favour of each Party, to deliver to EnviroGold the duly executed Amalgamation Agreement, Articles of Amalgamation and related documents which will be filed by EnviroGold with the Director.

2.3 Board of Directors and Officers

Each of the Parties hereby agrees that upon completion of the Business Combination and giving effect to the Range Director and Officer Appointments, and subject to approval by the CSE, the board of directors and senior officers of Range shall consist of such directors and senior officers as determined by EnviroGold, which are expected to consist of the following:

| Name | Title |
|----------------|-------------------------|
| David Cam | Chairman and Director |
| Sean Foley | Director |
| Harold Wolkin | Director |
| John Ross | Chief Financial Officer |
| Roger Bethel | Director |
| Allan Bezanson | Director |

ARTICLE 3 REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties of EnviroGold

EnviroGold hereby represents and warrants to Range, and acknowledges that Range is relying upon such representations and warranties in connection with the entering into of this Agreement, as follows:

- (a) EnviroGold has been duly incorporated and is validly existing under the laws of the Province of Ontario and is current and up-to-date with all filings required to be made by it in such jurisdiction;
- (b) the EnviroGold Subsidiaries are the only Subsidiaries of EnviroGold. Each of the EnviroGold Subsidiaries has been duly incorporated and is validly existing under the Laws of its jurisdiction of formation and is current and up-to-date with all filings required to be made by it in such jurisdiction, all of the issued shares in the capital of each of the EnviroGold Subsidiaries are owned directly or indirectly by EnviroGold, free and clear of any pledge, lien, security interest, charge, claim or encumbrance or in relation to intercorporate security;
- (c) EnviroGold has full corporate power, capacity and authority to undertake all steps of the Business Combination contemplated in the Documents and to carry out its obligations under this Agreement;
- (d) the authorized capital of EnviroGold consists of an unlimited number of EnviroGold Shares, of which, at the date hereof, there are 127,815,884 EnviroGold Shares issued and outstanding;
- (e) neither EnviroGold nor any one of the EnviroGold Subsidiaries is a party to and has not granted any agreement, warrant, option or right or privilege capable of becoming an agreement, for the purchase, subscription or issuance of any EnviroGold Shares or any shares of any one of the EnviroGold Subsidiaries or securities convertible into or exchangeable for EnviroGold Shares or shares of any one of the EnviroGold Subsidiaries, other than the EnviroGold Subscription Receipts;
- (f) EnviroGold is not a reporting issuer nor an associate of any reporting issuer (as defined in the *Securities Act* (Ontario) or the *Securities Act* of any other province or territory of Canada) and the EnviroGold Shares do not trade on any exchange;

- (g) EnviroGold and each of the EnviroGold Subsidiaries has all requisite corporate capacity, power and authority, and possesses all material certificates, authority, permits and licences issued by the appropriate state, provincial, municipal or federal regulatory agencies or bodies necessary to conduct the business as now conducted by EnviroGold and the EnviroGold Subsidiaries as applicable, and to own their respective assets, and are in compliance in all material respects with such certificates, authorities, permits or licences. Neither EnviroGold nor any one of the EnviroGold Subsidiaries has received any notice of proceedings relating to the revocation or modification of any such certificate, authority, permit or licence, which, singly or in the aggregate, if the subject of an unfavourable decision, order, finding or ruling, would materially and adversely affect the conduct of the business, operations, financial condition, income or future prospects of EnviroGold or any one of the EnviroGold Subsidiaries. Neither EnviroGold nor any one of the EnviroGold Subsidiaries is aware of any claim or basis for any claim that might or could adversely affect the right thereof to use or otherwise exploit its respective rights under any such certificate, authority, permit or licence;
- (h) EnviroGold and each of the EnviroGold Subsidiaries is the absolute legal and beneficial owner of, and has good and marketable title to, all of the material property or assets thereof free of all mortgages, liens, charges, pledges, security interests, encumbrances, claims or demands whatsoever;
- (i) each of the Documents has been or at the Effective Time will be, duly authorized, executed and delivered by EnviroGold and constitutes, or at the Effective Time will constitute, a valid and binding obligation of EnviroGold enforceable in accordance with its terms (subject to such limitations and prohibitions as may exist or may be enacted in applicable Laws relating to bankruptcy, insolvency, liquidation, moratorium, reorganization, arrangement or winding-up and other laws, rules and regulations of general application affecting the rights, powers, privileges, remedies and/or interests of creditors generally) and no other corporate proceeding on the part of EnviroGold, other than the approval of the Amalgamation by the EnviroGold Shareholders, is necessary to authorize this Agreement and the transactions contemplated hereby;
- (j) the entering into and the performance by EnviroGold of the Business Combination contemplated in the Documents: (a) do not require any consent, approval, authorization or order of any court or governmental agency, body or Governmental Authority, except that which may be required under applicable corporate and securities legislation and the policies of the CSE; (b) will not contravene any statute or regulation of any Governmental Authority which is binding on EnviroGold where such contravention would have a Material Adverse Effect; and (c) will not result in the breach of, or be in conflict with, or constitute a default under, or create a state of facts which, after notice or lapse of time, or both, would constitute a default under any term or provision of the constating documents, by-laws or resolutions of EnviroGold or any mortgage, note, indenture, contract or agreement, instrument, lease or other document to which EnviroGold is a party, or any judgment, decree or order or any term or provision thereof;
- (k) there is no action, suit, litigation, arbitration, investigation, inquiry or other proceedings in progress, or, to the knowledge of EnviroGold, pending or threatened against or relating to EnviroGold or any one of EnviroGold Subsidiaries, or its other material assets and there is not outstanding against EnviroGold or any one of EnviroGold Subsidiaries, any judgement, decree, injunction, rule or order of any court, government, department, commission, agency, or arbitrator;
- (l) the audited comparative consolidated financial statements of EnviroGold for the period of incorporation to a date which is anticipated to be March 31, 2021, and the notes thereto, (the “**EnviroGold Financial Statements**”), will be prepared in accordance with IFRS, will present fairly, in all material respects, the financial position of EnviroGold as at such dates, and will not omit to state any material fact that is required by applicable Laws to be stated or reflected therein or which is necessary to make the statements contained therein not misleading;
- (m) no change has occurred in the business, operations, results of operations, assets, capitalization or condition (financial or otherwise) of EnviroGold or any one of the EnviroGold Subsidiaries since their respective dates of incorporation, whether or not in the ordinary course of business, whether separately or in the aggregate with other occurrences or developments, and whether insured against or not, which would reasonably be expected to have a Material Adverse Effect on EnviroGold or any one of the EnviroGold Subsidiaries;

- (n) there are no plans for retirement, bonus, stock purchase, profit sharing, deferred compensation, severance or termination pay, insurance, medical, hospital, dental, vision care, drug, sick leave, disability, salary continuation, legal benefits, unemployment benefits, vacation incentive or otherwise contributed to or required to be contributed to, by EnviroGold for the benefit of any current or former director, officer, employee or consultant of EnviroGold or any one of EnviroGold Subsidiaries;
- (o) EnviroGold and each of EnviroGold Subsidiaries is not aware of any legislation, or proposed legislation published by a legislative body, which it anticipates will materially and adversely affect the business, affairs, operations, assets, liabilities (contingent or otherwise) or prospects of EnviroGold or any one of EnviroGold Subsidiaries;
- (p) EnviroGold and each of EnviroGold Subsidiaries is not a party to or bound or affected by any commitments, agreement or document containing any covenant which expressly limits the freedom of EnviroGold or any one of EnviroGold Subsidiaries to compete in any line of business or with any person, or to transfer or move any of its assets or operations;
- (q) EnviroGold and each of the EnviroGold Subsidiaries owns and possesses adequate enforceable rights to use all trademarks, patents, copyrights and trade secrets used or proposed to be used in the conduct of the business thereof and, to the best of EnviroGold's knowledge, after due inquiry, neither EnviroGold nor any of the EnviroGold Subsidiaries is infringing upon the rights of any other person with respect to any such trademarks, patents, copyrights or trade secrets and no person has infringed any such trademark, patents, copyrights or trade secrets;
- (r) there are no material liabilities of EnviroGold or any one of EnviroGold Subsidiaries, whether direct, indirect, absolute, contingent or otherwise except for those incurred in the ordinary course of business as of the date thereof;
- (s) all taxes (including income taxes, capital tax, payroll taxes, employer health taxes, workers' compensation payments, property taxes, sales, use, goods and services taxes, value-added taxes, custom and land transfer taxes), duties, royalties, levies, imposts, assessments, charges or withholdings and all liabilities with respect thereto including any penalty and interest payable with respect thereto (collectively, "Taxes") due and payable by EnviroGold or any one of EnviroGold Subsidiaries have been paid except where the failure to pay such Taxes would not result in a Material Adverse Effect for EnviroGold or any one of EnviroGold Subsidiaries. All tax returns, declarations, remittances and filings required to be filed by EnviroGold or any one of EnviroGold Subsidiaries have been filed with all appropriate governmental authorities and all such returns, declarations, remittances and filings are complete and accurate and no material fact or facts have been omitted therefrom which would make any of them misleading. To the knowledge of EnviroGold, no examination of any tax return of EnviroGold or any one of EnviroGold Subsidiaries is currently in progress and there are no issues or disputes outstanding with any governmental authority respecting any Taxes that have been paid, or may be payable, by EnviroGold or any one of EnviroGold Subsidiaries. There are no agreements with any taxation authority providing for an extension of time for any assessment or reassessment of Taxes with respect to EnviroGold or any one of EnviroGold Subsidiaries;
- (t) except for the Finders, there is no person, firm or company acting or purporting to act at the request of EnviroGold who is or will be entitled to any brokerage or finder's fee in connection with the transactions contemplated herein;
- (u) EnviroGold and each of the EnviroGold Subsidiaries has conducted and is conducting its business activities in compliance in all material respects with all applicable Laws of each jurisdiction in which it carries on business and with all Laws material to its operation (including, without limitation, Environmental Laws (as defined below)), and EnviroGold and each of the EnviroGold Subsidiaries has not received any notice of the revocation or cancellation of, or any intention to revoke or cancel, any of the licences, leases or other instruments conferring rights to EnviroGold or the EnviroGold Subsidiaries for the conduct of their business;
- (v) any and all material agreements pursuant to which EnviroGold or any one of the EnviroGold Subsidiaries holds any of its material assets are valid and subsisting agreements in full force and effect, enforceable in accordance with their respective terms, neither EnviroGold nor any one of the EnviroGold Subsidiaries is

in default of any of the material provisions of any such agreements including, without limitation, failure to fulfil any payment or work obligation thereunder nor has any such default been alleged, EnviroGold is not aware of any material disputes with respect thereto and such assets are in good standing under the applicable statutes and regulations of the jurisdictions in which they are situated, all leases, licences and concessions pursuant to which EnviroGold or any one of the EnviroGold Subsidiaries derives its interests in such material assets are in good standing and there has been no material default under any such leases, licences and concessions and all real or other property taxes required to be paid with respect to such assets to the date hereof have been paid;

- (w) to the knowledge of EnviroGold:
 - (i) EnviroGold and each of the EnviroGold Subsidiaries is in compliance with all applicable Environmental Laws of each jurisdiction in which it carries on business and material to its operation, and has not violated such Environmental Laws;
 - (ii) all operations of EnviroGold and each of the EnviroGold Subsidiaries, past or present, conducted on any real property, leased or owned by EnviroGold or any one of the EnviroGold Subsidiaries, past or present, have been and are in compliance with all Environmental Law at all times while occupied by EnviroGold or any one of the EnviroGold Subsidiaries;
 - (iii) EnviroGold and each of the EnviroGold Subsidiaries is not the subject of (A) any proceeding, application, order or directive which relates to any environmental, health or safety matter, or (B) any demand or notice with respect to any Environmental Laws; and
 - (iv) EnviroGold and each of the EnviroGold Subsidiaries has not caused or permitted the release of any Hazardous Substances on or to any of the assets or any other real property owned or leased or occupied by EnviroGold or any of the EnviroGold Subsidiaries, either past or present, (including underlying soils and substrata, surface water and groundwater) in such a manner as (A) would be reasonably likely to impose liability for cleanup, natural resource damages, loss of life, personal injury, nuisance or damage to other property, (B) would be reasonably likely to result in imposition of a lien, charge or other encumbrance on or the expropriation of any of the assets, or (C) at levels which exceed remediation and/or reclamation standards under any Environmental Laws or standards published or administered by those applicable governmental authorities responsible for establishing or applying such standards;
- (x) to the knowledge of EnviroGold, there are no outstanding labour disputes (whether filed or lodged with EnviroGold or any of the EnviroGold Subsidiaries or any other person or organization), pending labour disruptions or pending unionization with respect to EnviroGold or any of the EnviroGold Subsidiaries;
- (y) EnviroGold and each of the EnviroGold Subsidiaries is not bound by or a party to any collective bargaining agreement;
- (z) there is not, in the constating documents or in any agreement, mortgage, note, debenture, indenture or other instrument or document to which EnviroGold or any of the EnviroGold Subsidiaries is a party, any restriction upon or impediment to the declaration or payment of dividends by the directors of EnviroGold or any of the EnviroGold Subsidiaries or the payment of dividends by EnviroGold or any of the EnviroGold Subsidiaries to the holders of its securities;
- (aa) neither EnviroGold nor any of the EnviroGold Subsidiaries is party to any loan, bond, debenture, promissory note or other instrument evidencing indebtedness (demand or otherwise) for borrowed money (“**Debt Instrument**”) or any agreement contract or commitment to create, assume or issue any Debt Instrument;
- (bb) neither EnviroGold nor any of the EnviroGold Subsidiaries is a party to or bound or affected by any commitment, agreement or document containing any covenant which expressly limits the freedom of EnviroGold or any one of the EnviroGold Subsidiaries to compete in any line of business, or to transfer or move any of its assets or operations or which materially or adversely affects the business practices, operations or condition of EnviroGold or which would prohibit or restrict EnviroGold or any one of the EnviroGold Subsidiaries from entering into and completing the Business Combination;

- (cc) neither EnviroGold nor any of the EnviroGold Subsidiaries is a party to any agreement, nor is EnviroGold aware of any agreement, which in any manner affects the voting control of any of the EnviroGold Shares or other securities of EnviroGold or any of the EnviroGold Subsidiaries;
- (dd) no representation, warranty or statement of EnviroGold in the Documents contains or will contain at the Effective Time any untrue statement of a material fact or omits or will omit to state any material fact necessary to make the statements contained herein or therein, in light of the circumstances under which made, not misleading;
- (ee) the corporate records and minute books of EnviroGold contain, in all material respects, complete and accurate minutes of all meetings of the directors and shareholders since the date of incorporation, together with the full text of all resolutions of directors and shareholders passed in lieu of such meetings, duly signed;
- (ff) except as disclosed to Range in writing and as will be disclosed in the Listing Statement, EnviroGold has not entered into any material contracts as of the date hereof;
- (gg) other than its planned directors and officers insurance policy and general business liability policy, and existing worker's compensation policy, EnviroGold does not maintain any insurance. Notwithstanding the foregoing, EnviroGold may obtain additional policies of insurance if it deems them to be commercially desirable;
- (hh) neither EnviroGold nor any one of the EnviroGold Subsidiaries is in default under, or in violation of, and has not violated (and failed to cure) any Law including, without limitation, laws relating to the issuance or sale of securities, privacy and intellectual property, or any licenses, permits, authorizations or concessions granted by, or any judgment, decree, writ, injunction or order of, any governmental or regulatory authority, applicable to its business or any of its properties or assets, except where such default or violation would not have a Material Adverse Effect. Neither EnviroGold nor any one of the EnviroGold Subsidiaries has received any notification alleging any violations of any of the foregoing with respect to which adequate corrective action has not been taken;
- (ii) no consents, registrations, approvals, permits, waivers or authorizations are required to be obtained by EnviroGold from, any third party in connection with the execution and delivery of this Agreement by EnviroGold and the consummation of the transactions contemplated herein by EnviroGold, the failure to make or obtain any or all of which is not reasonably likely to have a Material Adverse Effect on the consolidated financial condition of EnviroGold, or prevent, materially delay or materially burden the transactions contemplated herein.
- (jj) the conduct of the business of EnviroGold and each of the EnviroGold Subsidiaries does not infringe upon the industrial or intellectual property rights, domestic or foreign, of any other person. Neither EnviroGold nor any one of the EnviroGold Subsidiaries is aware of a claim of any infringement or breach, in each case by EnviroGold or any one of the EnviroGold Subsidiaries, of any industrial or intellectual property rights of any other person, nor has EnviroGold or any one of the EnviroGold Subsidiaries received any notice that their conduct of business infringes upon or breaches any industrial or intellectual property rights of any other person;
- (kk) other than as disclosed to Range, EnviroGold has not engaged in any material transaction with any non-arm's length person;
- (ll) EnviroGold is not aware of any EnviroGold Shareholder that would become a Dissenting Shareholder; and
- (mm) no representation, warranty or statement of EnviroGold in the Documents contains or will contain at the Effective Time any untrue statement of a material fact or omits or will omit to state any material fact necessary to make the statements contained herein or therein, in light of the circumstances under which made, not misleading.

3.2 Representations and Warranties of Range

Range hereby represents and warrants to EnviroGold, and acknowledges that EnviroGold is relying upon such representations and warranties in connection with the entering into of this Agreement, as follows:

- (a) Range has been duly incorporated and is validly existing under the laws of the Province of British Columbia and is current and up-to-date with all filings required to be made by it in such jurisdiction;
- (b) Range has full corporate power, capacity and authority to undertake all steps of the Business Combination contemplated in the Documents and to carry out its obligations under this Agreement;
- (c) the authorized capital of Range consists of an unlimited number of Range Shares, of which 4,281,136 Range Shares are currently issued and outstanding (subject to rounding) and 18,259,519 Post-Conversion Range Shares are expected to be outstanding immediately after completion of the debt conversions contemplated in the Debt Settlement Agreements (subject to rounding); other than the debt underlying the Debt Settlement Agreements and other than the Investor Rights Agreement, Range has no securities outstanding nor is it a party to or has granted any agreement, warrant, option or right or privilege capable of becoming an agreement, for the purchase, subscription or issuance of any Range Shares or securities convertible into or exchangeable for Range Shares;
- (d) on the Effective Date, the Post-Conversion Range Shares issued pursuant to the Amalgamation will be duly and validly issued and outstanding as fully paid and non-assessable;
- (e) since December 31, 2019, Range has not carried on any active business operations aside from such active business operations necessary under applicable Laws (including, where applicable, the rules and policies of the CSE) to maintain its listing on the CSE and its status as a reporting issuer in the provinces of Alberta, British Columbia, Saskatchewan and Ontario (collectively, the “**Reporting Jurisdictions**”), and to the extent that Range has conducted or is conducting any active business operations, (A) Range has disclosed such business operations in its Public Disclosure Record, (B) Range has all requisite corporate capacity, power and authority, and possesses all material certificates, authority, permits and licences issued by the appropriate state, provincial, municipal or federal regulatory agencies or bodies necessary to conduct its business as now conducted by it and to own its assets, and is in compliance in all material respects with such certificates, authorities, permits or licences, and (C) Range has not received any notice of proceedings relating to the revocation or modification of any such certificate, authority, permit or licence which, singly or in the aggregate, if the subject of an unfavourable decision, order, finding or ruling, would materially and adversely affect the conduct of the business, operations, financial condition, income or future prospects of Range;
- (f) Range (A) is not a party to any material contract as of the date hereof other than the debt underlying the Debt Settlement Agreements and the contract with Partum Advisory Services Corp. for general corporate administration services and the Investor Rights Agreement, and (B) has duly terminated all, and has no outstanding obligations (whether past, present or future obligations) under any, material contract(s) (including any material contract terminated on or prior to the date hereof);
- (g) Range is a reporting issuer, or the equivalent thereof, in the Reporting Jurisdictions, and is not currently in default of any requirement of the applicable laws of each of the Reporting Jurisdictions and other regulatory instruments of the Securities Authorities in such provinces, and no order ceasing, halting or suspending trading in securities of Range or prohibiting the distribution of such securities has been issued to and is outstanding against Range and no investigations or proceedings for such purposes are, to the knowledge of Range, pending or threatened;
- (h) Range is in compliance in all material respects with all its disclosure obligations under applicable Laws and all documents filed by Range pursuant to such obligations are in compliance in all material respects with applicable Laws and, other than in respect of documents that have been amended or refiled did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

- (i) other than Subco, Range has no associates (as defined in the *Securities Act* (Ontario)) and is not a partner, cotenant, joint venturer or otherwise a participant in any partnership, joint venture, co-tenancy or other similarly joint owned business (other than as disclosed in the Range Financial Statements);
- (j) each of the Documents has been, or at the Effective Time will be, duly authorized, executed and delivered by Range and constitutes a valid and binding obligation of Range enforceable in accordance with its terms (subject to such limitations and prohibitions as may exist or may be enacted in applicable laws relating to bankruptcy, insolvency, liquidation, moratorium, reorganization, arrangement or winding-up and other laws, rules and regulations of general application affecting the rights, powers, privileges, remedies and/or interests of creditors generally) and no other corporate proceeding on the part of Range is necessary to authorize this Agreement and the transactions contemplated hereby (other than the approval of the Range Shareholders for the Amalgamation by written consent);
- (k) the entering into and the performance by Range and Subco of the Business Combination contemplated in the Documents:
 - (i) do not require any consent, approval, authorization or order of any court or governmental agency, body, or Governmental Authority except that which may be required under applicable corporate and securities legislation and the policies of the CSE;
 - (ii) will not contravene any statute or regulation of any Governmental Authority which is binding on Range or Subco where such contravention would have a Material Adverse Effect; and
 - (iii) will not result in the breach of, or be in conflict with, or constitute a default under, or create a state of facts which, after notice or lapse of time, or both, would constitute a default under any term or provision of the constating documents, by-laws or resolutions of Range or Subco or any mortgage, note, indenture, contract or agreement, instrument, lease or other document to which Range or Subco is or will be a party, or any judgment, decree or order or any term or provision thereof, which breach, conflict or default would have a Material Adverse Effect;
- (l) other than as disclosed in the Range Financial Statements, there are no legal or governmental proceedings pending or, to the knowledge of Range, contemplated or threatened, to which Range is a party or to which the property of Range is subject;
- (m) the audited annual financial statements of Range for the years ended December 31, 2019 and 2018, and the interim unaudited financial statements for the nine months ended September 30, 2020, and the respective management discussion and analysis related thereto (collectively, the “**Range Financial Statements**”), in each case, have been prepared in accordance with IFRS, present fairly, in all material respects, the financial position of Range as at such date, and do not omit to state any material fact that is required by IFRS or by applicable Law to be stated or reflected therein or which is necessary to make the statements contained therein not misleading;
- (n) to the knowledge of Range:
 - (i) Range is in compliance with all applicable Environmental Laws of each jurisdiction in which it carries on business and material to its operation, and has not violated such Environmental Laws;
 - (ii) all operations of Range, past or present, conducted on any real property, leased or owned by Range, past or present, have been and are in compliance with all Environmental Law at all times while occupied by Range;
 - (iii) Range is not the subject of (A) any proceeding, application, order or directive which relates to any environmental, health or safety matter, or (B) any demand or notice with respect to any Environmental Laws;
 - (iv) Range has not caused or permitted the release of any Hazardous Substances on or to any of the assets or any other real property owned or leased or occupied by Range, either past or present, (including underlying soils and substrata, surface water and groundwater) in such a manner as (A)

would be reasonably likely to impose liability for cleanup, natural resource damages, loss of life, personal injury, nuisance or damage to other property, (B) would be reasonably likely to result in imposition of a lien, charge or other encumbrance on or the expropriation of any of the assets, or (C) at levels which exceed remediation and/or reclamation standards under any Environmental Laws or standards published or administered by those applicable governmental authorities responsible for establishing or applying such standards; and

- (v) there is no environmental liability or factors likely to give rise to any environmental liability affecting any of the properties of Range or retained in any manner by Range in connection with properties disposed by Range;
- (o) other than the debt underlying the Debt Settlement Agreements, Range has no outstanding material liability, whether direct, indirect, absolute or contingent or otherwise, other than ordinary trade payables which do not exceed \$110,000 in the aggregate exclusive of HST thereon;
- (p) other than as disclosed to EnviroGold and except as disclosed in the Range Financial Statements, Range has not engaged in any transaction with any non-arm's length person;
- (q) all Taxes due and payable by Range have been paid or provision made therefor in the financial statements of Range except for where the failure to pay such Taxes would not result in a Material Adverse Effect for Range. All tax returns, declarations, remittances and filings required to be filed by Range have been filed with all appropriate governmental authorities and all such returns, declarations, remittances and filings are complete and accurate and no material fact or facts have been omitted therefrom which would make any of them misleading. To the knowledge of Range, no examination of any tax return of Range is currently in progress and there are no issues or disputes outstanding with any governmental authority respecting any Taxes that have been paid, or may be payable, by Range. There are no agreements with any taxation authority providing for an extension of time for any assessment or reassessment of Taxes with respect to Range;
- (r) there are no plans for retirement, bonus, stock purchase, profit sharing, deferred compensation, severance or termination pay, insurance, medical, hospital, dental, vision care, drug, sick leave, disability, salary continuation, legal benefits, unemployment benefits, vacation incentive or otherwise contributed to or required to be contributed to, by Range for the benefit of any current or former director, officer, employee or consultant of Range;
- (s) there is no person, firm or company acting or purporting to act at the request of Range who is entitled to any brokerage or finder's fee in connection with the transactions contemplated in the Documents;
- (t) Range has conducted and is conducting its business in compliance in all material respects with all applicable Laws of each jurisdiction in which it carries on business and with all Laws material to its operation and Range has not received any notice of the revocation or cancellation of, or any intention to revoke or cancel, any concessions, licences, leases or other instruments conferring rights to Range;
- (u) there is not, in the constating documents or in any agreement, mortgage, note, debenture, indenture or other instrument or document to which Range is a party any restriction upon or impediment to, the declaration or payment of dividends by the directors of Range or the payment of dividends by Range to the holders of its securities;
- (v) other than the debt underlying the Debt Settlement Agreements and other than as disclosed to EnviroGold, Range does not have any loan or other indebtedness outstanding which has been made to any of its shareholders, officers, directors or employees, past or present, or any person not dealing at "arm's length" (as such term is defined in the *Income Tax Act* (Canada)) and has not engaged in any transaction with any person not dealing at arm's length;
- (w) to the knowledge of Range, there are no outstanding labour disputes (whether filed or lodged with Range or any other person or organization), pending labour disruptions or pending unionization with respect to Range;

- (x) Range is not bound by or a party to any collective bargaining agreement;
- (y) Range is not a party to any Debt Instrument or any agreement, contract or commitment to create, assume or issue any Debt Instrument, other than the debt underlying the Debt Settlement Agreements;
- (z) Range is not a party to or bound or affected by any commitment, agreement or document containing any covenant which expressly limits the freedom of Range to compete in any line of business, or to transfer or move any of its assets or operations or which materially or adversely affects the business practices, operations or condition of Range or which would prohibit or restrict Range from entering into and completing the Business Combination;
- (aa) Range is not a party to any agreement nor is Range aware of any agreement, which in any manner affects the voting control of any of the securities of Range;
- (bb) Range is not aware of any legislation, or proposed legislation published by a legislative body, which it anticipates will materially and adversely affect the business, affairs, operations, assets, liabilities (contingent or otherwise) or prospects of Range;
- (cc) the corporate records and minute books of Range contain, in all material respects, complete and accurate minutes of all meetings of the directors and shareholders since its date of incorporation, together with the full text of all resolutions of directors and shareholders passed in lieu of such meetings, duly signed;
- (dd) no representation, warranty or statement of Range or Subco in the Documents contains or will contain at the Effective Time any untrue statement of a material fact or omits or will omit to state any material fact necessary to make the statements contained herein or therein, in light of the circumstances under which made, not misleading; and
- (ee) Range does not maintain any insurance.

3.3 Survival

For greater certainty, the representations and warranties of each of EnviroGold and Range contained herein shall survive the execution and delivery of this Agreement and shall terminate and be extinguished on the earlier of the termination of this Agreement in accordance with its terms and the Effective Time.

ARTICLE 4 CONDUCT OF BUSINESS

4.1 Conduct of Business by the Parties

Except as required by Law or as otherwise expressly permitted or specifically contemplated by this Agreement, each of the Parties covenants and agrees that, during the period from the date of this Agreement until the earlier of either the Effective Time or the time that this Agreement is terminated by its terms, unless each of the other Parties shall otherwise agree in writing (acting reasonably):

- (a) other than as contemplated by this Agreement, it shall not directly or indirectly do or permit to occur any of the following:
 - (i) amend its Governing Documents;
 - (ii) declare, set aside or pay any dividend or other distribution or payment (whether in cash, shares or property) in respect of its shares owned by any Person other than inter-corporate loans and advances;
 - (iii) issue, grant, sell or pledge or agree to issue, grant, sell or pledge any shares, or securities convertible into or exchangeable or exercisable for, or otherwise evidencing a right to acquire shares other than:

- (A) in the case of EnviroGold:
 - (1) in connection with the Financing;
 - (2) the issuance of EnviroGold Shares, at an issue price or effective issue price less than the securities offered in the Financing;
- (B) in the case of Range:
 - (1) in connection with the debt underlying the Debt Settlement Agreements, and the Debt Settlement Agreements and the Investor Rights Agreement;
- (iv) make loans, advances or other similar payments to any third party;
- (v) redeem, purchase or otherwise acquire any of its outstanding shares or other securities including, without limitation, under an issuer bid;
- (vi) split, combine or reclassify any of its shares;
- (vii) adopt a plan of liquidation or resolutions providing for the liquidation, dissolution, merger, consolidation or reorganization of itself or any of its Subsidiaries;
- (viii) enter into or modify any contract, agreement, commitment or arrangement with respect to any of the foregoing, except as permitted above; or
- (ix) enter into any transaction or material contract, except in the ordinary course of business, or engage in any business enterprise or activity different from that carried on as of the date hereof, without the prior written consent of the other Party (which consent shall not be unreasonably withheld or delayed);
- (b) in the case of EnviroGold, it shall, and shall cause its Subsidiaries to conduct business in, and not take any action except in, the usual and ordinary course of business, with the exception of reasonable costs incurred in connection with the Business Combination, and it shall and shall cause its Subsidiaries to use all commercially reasonable efforts to maintain and preserve its business organization, assets, employees and advantageous business relationships and it shall not, and shall cause its Subsidiaries to not, without the prior written consent of the other Parties, enter into any contract in respect of its business or assets, other than in the ordinary course of business, in each case without the prior written consent of Range, such consent not to be unreasonably withheld; and
- (c) in the case of Range, it shall, and shall cause its Subsidiaries to conduct business in, and not take any action except in, the usual and ordinary course of business, with the exception of reasonable costs incurred in connection with the Business Combination, and it shall and shall cause its Subsidiaries to use all commercially reasonable efforts to maintain and preserve its business organization, assets, employees and advantageous business relationships and it shall not, and shall cause its Subsidiaries to not, without the prior written consent of the other Parties, enter into any contract in respect of its business or assets, other than in the ordinary course of business, in each case without the prior written consent of EnviroGold, such consent not to be unreasonably withheld.

ARTICLE 5 COVENANTS

5.1 Waiver of Notice of Subco Shareholder Meeting and Resolution in Lieu of Meeting by Range

Range, as sole shareholder of Subco, shall waive notice of and its attendance at a meeting of the shareholders of Subco to approve the Amalgamation and shall sign a resolution in writing of the sole shareholder of Subco approving the Amalgamation.

5.2 Covenants Regarding Representations and Warranties

- (a) EnviroGold covenants and agrees that from the date hereof until the termination of this Agreement it shall not take any action, or fail to take any action, which would or may reasonably be expected to result in the representations and warranties set out in Section 3.1 being untrue in any material respect.
- (b) EnviroGold covenants and agrees to use its commercially reasonable efforts to obtain employment agreements with EnviroGold senior officers (the “**EnviroGold Employment Agreements**”) in a form reasonably satisfactory to Range.
- (c) Range covenants and agrees that, from the date hereof until the termination of this Agreement it shall not take any action, or fail to take any action, which would or may reasonably be expected to result in the representations and warranties set out in Section 3.2 being untrue in any material respect.

5.3 Notice of Material Change

- (a) From the date hereof until the termination of this Agreement, each Party shall promptly notify the other Party in writing of:
 - (i) any material change (actual, anticipated, contemplated or, to the knowledge of such Party or any of its Subsidiaries, threatened, financial or otherwise) in the business, affairs, operations, assets, liabilities (contingent or otherwise) or capital of such Party and its Subsidiaries, taken as whole;
 - (ii) any change in the facts relating to any representation or warranty set out in Sections 3.1 or 3.2 hereof, as applicable, which change is or may be of such a nature as to render any such representation or warranty misleading or untrue in a material respect; or
 - (iii) any material fact which arises and which would have been required to be stated herein had the fact arisen on or prior to the date of this Agreement.
- (b) Each of the Parties shall in good faith discuss with the other any change in circumstances (actual, anticipated, contemplated or, to its knowledge of its or any of its Subsidiaries, threatened, financial or otherwise) which is of such a nature that there may be a reasonable question as to whether notice need to be given to the other pursuant to this Section.

5.4 Non-Solicitation

Neither of the Parties will solicit, initiate, knowingly encourage, cooperate with or facilitate (including by way of furnishing any non-public information or entering into any form of agreement, arrangement or understanding) the submission, initiation or continuation of any oral or written inquiries or proposals or expressions of interest regarding, constituting or that may reasonably be expected to lead to any activity, arrangement or transaction or propose any activities or solicitations in opposition to or in competition with the Business Combination, and without limiting the generality of the foregoing, not to induce or attempt to induce any other person to initiate any shareholder proposal or “takeover bid,” exempt or otherwise, within the meaning of the *Securities Act* (Ontario), for their respective securities or assets, nor to undertake any transaction or negotiate any transaction which would be or potentially could be in conflict with the Business Combination, including, without limitation, allowing access to any third party to conduct due diligence, nor to permit any of its officers or directors to authorize such access, except as required by statutory obligations. In the event a Party, including any of its officers or directors, receives any form of offer or inquiry, such Party shall forthwith (in any event within one business day following receipt) notify the other Party of such offer or inquiry and provide such other Party with such details as it may request.

5.5 Other Covenants

Each of the Parties covenants and agrees that it shall:

- (a) use all commercially reasonable efforts to consummate the Business Combination and all matters described in the Listing Statement, subject only to the terms and conditions hereof and thereof;

- (b) use all commercially reasonable efforts to obtain all appropriate Regulatory Approvals;
- (c) not, other than in connection with the Business Combination or as otherwise contemplated herein, split, consolidate or reclassify any of its outstanding securities, nor declare, set aside or pay any dividends on or make any other distributions on or in respect of its outstanding securities; and
- (d) not, other than in connection with the Business Combination, reorganize, amalgamate or merge with any other person, nor acquire by amalgamating, merging or consolidating with, purchasing a majority of the voting securities or substantially all of the assets of or otherwise, any business or Person which acquisition or other transaction would reasonably be expected to prevent or materially delay the Business Combination contemplated hereby.

ARTICLE 6 MUTUAL COVENANTS

6.1 Other Filings

The Parties shall use all commercially reasonable efforts, as promptly as practicable hereafter, to prepare and file all filings required under any securities Laws, the policies of the CSE or any other applicable Laws relating to the Business Combination contemplated hereby.

6.2 Additional Agreements

Subject to the terms and conditions of this Agreement and subject to fiduciary obligations under applicable Laws, each of the Parties hereto agrees to use all commercially reasonable efforts to take, or cause to be taken, all action and to do, or cause to be done, all things necessary, proper or advisable to consummate and make effective as promptly as practicable the Business Combination contemplated by this Agreement and to cooperate with each other in connection with the foregoing, including using commercially reasonable efforts:

- (a) to obtain all necessary waivers, consents and approvals from other Parties to material agreements, leases and other contracts or agreements;
- (b) to defend all lawsuits or other legal proceedings challenging this Agreement or the consummation of the Business Combination contemplated hereby;
- (c) to cause to be lifted or rescinded any injunction or restraining order or other order adversely affecting the ability of the Parties to consummate the Business Combination contemplated hereby;
- (d) to effect all necessary registrations and other filings and submissions of information requested by the CSE;
- (e) to effect all necessary registrations and other filings and submissions of information requested by Governmental Authorities; and
- (f) to fulfill all conditions and satisfy all provisions of this Agreement.

For purposes of the foregoing, the obligation to use “commercially reasonable efforts” to obtain waivers, consents and approvals to loan agreements, leases and other contracts shall not include any obligation to agree to a materially adverse modification of the terms of such documents or to prepay or incur additional material obligations to such other Parties.

ARTICLE 7 CONDITIONS AND CLOSING MATTERS

7.1 Mutual Conditions Precedent

The respective obligations of the Parties hereto to complete the Business Combination contemplated by this Agreement shall be subject to the satisfaction, on or before the Effective Date, of the following conditions precedent, each of which may be waived only by the mutual consent of the Parties:

- (a) Range, upon completion of the Business Combination, will meet the minimum original listing requirements of the CSE and the CSE shall have conditionally approved the listing of the Post-Conversion Range Shares to be issued in connection with the Business Combination on the CSE following the Business Combination, subject to completion of the Business Combination and completion of the customary listing requirements of the CSE;
- (b) there shall not be in force any order or decree restraining or enjoining the consummation of the Business Combination;
- (c) this Agreement shall not have been terminated pursuant to Article 8;
- (d) all Regulatory Approvals and corporate approvals shall have been obtained;
- (e) the requisite approval of the EnviroGold Shareholders of the Amalgamation shall have been obtained;
- (f) the receipt of all necessary regulatory, corporate and third-party approvals, including the approval of the CSE for the Business Combination, the requisite approval of the shareholders of EnviroGold and Range and compliance with all applicable regulatory requirements and conditions in connection with the Business Combination;
- (g) the Financing shall have been completed for minimum gross proceeds of \$500,000; and
- (h) all the conditions for the release of the gross proceeds from the Financing from escrow shall have been satisfied or waived.

If any of the above conditions shall not have been complied with or waived by the Parties on or before the Completion Deadline or, if earlier, the date required for the performance thereof, then a Party may terminate this Agreement in circumstances where the failure to satisfy any such condition is not the result, directly or indirectly, of a breach of this Agreement by the Party terminating the Agreement. In the event that the failure to satisfy any one or more of the above conditions precedent results from a material default by a Party of its obligations under this Agreement and if such condition(s) precedent would have been satisfied but for such default, such defaulting Party shall not rely on such failure (to satisfy one or more of the above conditions) as a basis for its own non-compliance with its obligations under this Agreement.

7.2 Additional Conditions Precedent to the Obligations of EnviroGold

The obligations of EnviroGold to complete the Business Combination contemplated by this Agreement shall also be subject to the satisfaction, on or before the Effective Date, of each of the following conditions precedent (each of which is for the exclusive benefit of EnviroGold and may be waived by EnviroGold):

- (a) on or prior to the Effective Date, and effective upon completion of the Amalgamation, each of the directors and officers of Range shall have tendered their resignations and provided mutual releases in a form acceptable to EnviroGold such that the board of directors and officers of Range, subject to the approval of the CSE, shall be reconstituted, and the officers shall be appointed, as set forth in Section 2.3;
- (b) no Material Adverse Change with respect to Range shall have occurred between the date hereof and the Effective Date;
- (c) Range completing the shares for debt conversions contemplated in the Debt Settlement Agreements;
- (d) Range shall have completed the Name Change;
- (e) at closing, Range will have no liabilities (other than ordinary course payables, not to exceed \$140,000 exclusive of HST thereon), obligations (contingent or otherwise) liens or encumbrances, as evidenced by an officer's certificate of Range to be tendered on closing of the Business Combination;
- (f) all Range Shareholders holding 10% or more of the issued and outstanding Range Shares, as at the time immediately prior to the Effective Time, will have entered into customary lock-up agreements in form and

substance acceptable to the EnviroGold pursuant to which they shall agree not to sell or dispose of any Range Shares following the Business Combination, provided that they will be permitted to sell 20% of their Range Shares on the closing date of the Business Combination, and will be permitted to sell an additional 20% of their Range Shares each three (3) months following the closing date of the Business Combination;

- (g) Range shall not have breached, or failed to comply with, in any material respect, any of its covenants or other obligations under this Agreement, and all representations and warranties of Range contained in this Agreement shall have been true and correct in all material respects as of the date of this Agreement and shall not have ceased to be true and correct in any material respect thereafter (provided, however, that if the breaching Party has been given written notice by the other Party specifying in reasonable detail any such misrepresentation, breach or non-performance, the breaching Party shall have had ten (10) days to cure such misrepresentation, breach or non-performance), and the Chief Executive Officer of Range or another officer satisfactory to EnviroGold shall so certify immediately prior to the Effective Date; and
- (h) the Range board of directors, and the Subco board of directors as necessary, shall have adopted all necessary resolutions and all other necessary corporate actions shall have been taken by Range to permit the consummation of the Business Combination and the transactions contemplated therewith.

If any of the above conditions shall not have been complied with or waived by EnviroGold on or before the Completion Deadline or, if earlier, the date required for the performance thereof, then, subject to the cure provision provided for in Section 7.2(g), EnviroGold may terminate this Agreement in circumstances where the failure to satisfy any such condition is not the result, directly or indirectly, of a breach of this Agreement by EnviroGold. In the event that the failure to satisfy any one or more of the above conditions precedent results from a material default by EnviroGold of its obligations under this Agreement and if such condition(s) precedent would have been satisfied but for such default, EnviroGold shall not rely on such failure (to satisfy one or more of the above conditions) as a basis for its own noncompliance with its obligations under this Agreement.

7.3 Additional Conditions Precedent to the Obligations of Range

The obligations of Range to complete the Business Combination contemplated by this Agreement shall also be subject to the satisfaction, on or before the Effective Date, of each of the following conditions precedent (each of which is for the exclusive benefit of Range and may be waived by Range):

- (a) no Material Adverse Change with respect to EnviroGold shall have occurred between the date hereof and the Effective Date;
- (b) EnviroGold shall not have breached, or failed to comply with, in any material respect, any of its covenants or other obligations under this Agreement, and all representations and warranties of EnviroGold contained in this Agreement shall have been true and correct in all material respects as of the date of this Agreement and shall not have ceased to be true and correct in any material respect thereafter (provided, however, that if the breaching Party has been given written notice by the other Party specifying in reasonable detail any such misrepresentation, breach or non-performance, the breaching Party shall have had ten (10) days to cure such misrepresentation, breach or non-performance), and the Chief Executive Officer of EnviroGold or another officer satisfactory to Range shall so certify immediately prior to the Effective Date;
- (c) the EnviroGold board of directors shall have adopted all necessary resolutions and all other necessary corporate actions shall have been taken by EnviroGold to permit the consummation of the Amalgamation, the Business Combination and the transactions contemplated therewith;
- (d) the latest financial statements of EnviroGold shall be true and correct and shall have been prepared in accordance with IFRS, consistently applied; and
- (e) the EnviroGold Employment Agreements shall have been entered into.

If any of the above conditions shall not have been complied with or waived by Range on or before the Completion Deadline or, if earlier, the date required for the performance thereof, then, subject to the cure provision provided for in Section 7.3(b), Range may terminate this Agreement in circumstances where the failure to satisfy any such condition is not the result, directly or indirectly, of a breach of this Agreement by Range. In the event that the failure to satisfy any one or more of the

above conditions precedent results from a material default by Range of its obligations under this Agreement and if such condition(s) precedent would have been satisfied but for such default, Range shall not rely on such failure (to satisfy one or more of the above conditions) as a basis for its own noncompliance with its obligations under this Agreement.

7.4 Merger of Conditions

The conditions set out in Sections 7.1, 7.2 and 7.3 shall be conclusively deemed to have been satisfied, waived or released by the Parties on the filing of the Articles of Amalgamation with the Director and such other documents as are required to be filed under the OBCA for acceptance by the Director to give effect to the Amalgamation.

7.5 Closing Matters

The completion of the transactions contemplated under this Agreement shall be effected via electronic exchange or at the offices of EnviroGold's counsel, Garfinkle Biderman LLP, at 1:00 p.m. (Toronto time) (or such other time as the Parties may agree upon) on the Effective Date.

ARTICLE 8 TERMINATION, AMENDMENT AND DISSENTING SHAREHOLDERS

8.1 Termination

This Agreement may be terminated by written notice promptly given to the other Party hereto, at any time prior to the Effective Date:

- (a) by mutual agreement in writing by the Parties; or
- (b) as set forth in Sections 7.1, 7.2 and 7.3 of this Agreement.

8.2 Effect of Termination

In the event of the termination of this Agreement as provided in Section 8.1 hereof, this Agreement shall forthwith have no further force or effect and there shall be no obligation on the part of Range or EnviroGold hereunder except as set forth in Sections 1.6, 1.7, 8.2, 8.3, 9.1, 9.3, 9.5, 9.6, 9.8 and 9.9.

8.3 Fees and Expenses

Each of EnviroGold and Range shall pay its own costs and expenses (including all legal, accounting and financial advisory fees and expenses) incurred in connection with the completion of the Business Combination, including without limitation, expenses related to the preparation, execution and delivery of all agreements including, without limitation, this Agreement and other documents referenced herein.

8.4 Amendment

This Agreement may, at any time on or before the Effective Date be amended by mutual agreement between the Parties hereto. This Agreement may not be amended except by an instrument in writing signed by the appropriate officers on behalf of each of the Parties.

8.5 Dissenting Shareholders

On the earlier of the Effective Date, the making of an agreement between a Dissenting Shareholder and EnviroGold for the purchase of their Dissenting EnviroGold Shares or the pronouncement of a court order pursuant to Section 185 of the OBCA, a Dissenting Shareholder shall cease to have any rights as a EnviroGold Shareholder other than the right to be paid the fair value of its Dissenting EnviroGold Shares in the amount agreed to or as ordered by the court, as the case may be. In the event that a Dissenting Shareholder fails to perfect or effectively withdraws the Dissenting Shareholder's claim under Section 185 of the OBCA or otherwise forfeits the Dissenting Shareholder's right to make a claim under Section 185 of the OBCA, the Dissenting Shareholder's Dissenting EnviroGold Shares shall thereupon be deemed to have been exchanged as of the Effective Date for Post-Conversion Range Shares on the basis set forth in Section 2.1 hereof.

8.6 Waiver

A Party may (i) extend the time for the performance of any of the obligations or other acts of the other Party, (ii) waive compliance with any of the other Party's agreements or the fulfillment of any of its conditions contained herein or (iii) waive inaccuracies in another Party's representations or warranties contained herein or in any document delivered by the other Party; provided, however, that any such extension or waiver shall be valid only if set forth in an instrument in writing signed on behalf of such Party.

ARTICLE 9 GENERAL

9.1 Notices

All notices and other communications given or made pursuant hereto shall be in writing and shall be deemed to have been duly given or made as of the date delivered or sent if delivered personally or sent by e-mail or sent by prepaid overnight courier to the Parties at the following addresses (or at such other addresses as shall be specified by the Parties by like notice):

If to EnviroGold:

EnviroGold Global (Can) Ltd.
Suite 801 - 1 Adelaide Street East
Toronto, Ontario, M5C 2V9

Attention: Sean Foley
E-mail: [Redacted]

with a copy (which shall not constitute notice) to:

Garfinkle Biderman LLP
Suite 801 - 1 Adelaide Street East
Toronto, Ontario, M5C 2V9

Attention: Grant Duthie
E-mail: [Redacted]

if to Range or Subco:

Range Energy Resources Inc.
Suite 810, 789 West Pender Street
Vancouver, BC V6C 1H2

Attention: Allan Bezanson
E-mail: [Redacted]

with a copy (which shall not constitute notice) to:

Harris + Harris LLP
295 The West Mall, 6th Floor
Toronto, Ontario M9C 4Z4

Attention: Derek Yu
E-mail: [Redacted]

9.2 Assignment

Except as expressly permitted by the terms hereof, neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by either of the Parties hereto without the prior written consent of the other Party.

9.3 Complete Agreement

This Agreement sets forth the entire understanding between the Parties hereto and supersedes all prior agreements, arrangements and communications, whether oral or written, with respect to the subject matter hereof. No other agreements, representations, warranties or other matters, whether oral or written, shall be deemed to bind the Parties hereto with respect to the subject matter hereof.

9.4 Further Assurances

Each Party hereto shall, from time to time, and at all times hereafter, at the request of the other Party hereto, but without further consideration, do all such further acts and execute and deliver all such further documents and instruments as shall be reasonably required in order to fully perform and carry out the terms and intent hereof.

9.5 Severability

Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable Law. Any provision of this Agreement that is invalid or unenforceable in any jurisdiction shall be ineffective to the extent of such invalidity or unenforceability without invalidating or rendering unenforceable the remaining provisions hereof, and any such invalidity or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

9.6 Counterpart Execution

This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same instrument.

9.7 Investigation by Parties

No investigations made by or on behalf of either Party or any of their respective authorized agents at any time shall have the effect of waiving, diminishing the scope of or otherwise affecting any representation, warranty or covenant made by the other Party in or pursuant to this Agreement.

9.8 No Contra Proferentem

This Agreement has been reviewed by each Party's professional advisors, and revised during the course of negotiations between the Parties. Each Party hereto acknowledges that this Agreement is the product of their joint efforts, that it expresses their intentions, and that, if there is any ambiguity in any of its provisions, no rule of interpretation favouring one Party over another based on authorship will apply.

9.9 Public Announcement; Disclosure and Confidentiality

- (a) Unless and until the transactions contemplated in this Agreement will have been completed, none of the Parties shall make any public announcement concerning this Agreement or the matters contemplated herein, their discussions or any other memoranda, letters or agreements between them relating to the matters contemplated herein without the prior consent of the other Parties, which consent shall not be unreasonably withheld, provided that no Party shall be prevented from making any disclosure which is required to be made by law or any rules of a stock exchange or similar organization to which it is bound.
- (b) All information provided to or received by the Parties hereunder shall be treated as confidential ("**Confidential Information**"). Subject to the provisions of this Section, no Confidential Information shall be published by any Party hereto without the prior written consent of the others, but such consent in respect of the reporting of factual data shall not be unreasonably withheld. The consent required by this Section shall not apply to a disclosure to: (a) comply with any applicable laws, stock exchange rules or a regulatory authority having jurisdiction; (b) a director, officer or employee of a Party; (c) an affiliate (within the meaning of the OBCA) of a Party; (d) a consultant, contractor or subcontractor of a party that has a *bona fide* need to be informed; or (e) any third party to whom the disclosing Party may assign any of its rights

under this Agreement; provided, however, that in the case of subsection (e) the third party or parties, as the case may be, agree to maintain in confidence any of the Confidential Information so disclosed to them.

- (c) The obligations of confidence and prohibitions against use of Confidential Information under this Agreement shall not apply to information that the disclosing Party can show by reasonable documentary evidence or otherwise: (a) as of the date of this Agreement, was in the public domain; (b) after the date of this Agreement, was published or otherwise became part of the public domain through no fault of the disclosing Party or an affiliate thereof (but only after, and only to the extent that, it is published or otherwise becomes part of the public domain); or (c) was information that the disclosing Party or its affiliates were required to disclose pursuant to the order of any Governmental authority or judicial authority.

[Remainder of page intentionally left blank. Signature page follows.]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

ENVIROGOLD GLOBAL (CAN) LTD.

Per:

(Signed) David Cam
Authorized Signatory

RANGE ENERGY RESOURCES INC.

Per:

(Signed) Allan Bezanson
Authorized Signatory

SCHEDULE "A"
AMALGAMATION AGREEMENT

See attached.

AMALGAMATION AGREEMENT

THIS AMALGAMATION AGREEMENT is made as of the _____ day of _____, 2021,

AMONG:

RANGE ENERGY RESOURCES INC.,
a corporation incorporated under the laws of the Province of British Columbia
("Range");

- and -

2826847 ONTARIO INC.,
a corporation incorporated under the laws of the Province of Ontario
("Subco");

- and -

ENVIROGOLD GLOBAL (CAN) LTD.,
a corporation incorporated under the laws of the Province of Ontario
("EnviroGold");

WHEREAS, EnviroGold and Range have agreed to effect an amalgamation of EnviroGold and Subco under the authority contained in the OBCA upon the terms and conditions hereinafter set out;

AND WHEREAS, EnviroGold and Subco are each incorporated under the OBCA;

AND WHEREAS, Subco is a wholly-owned subsidiary of Range;

AND WHEREAS, the authorized capital of EnviroGold consists of an unlimited number of EnviroGold Shares, of which [●] EnviroGold Shares are issued and outstanding at the date hereof as fully paid and non-assessable shares;

AND WHEREAS, the authorized capital of Subco consists of an unlimited number of Subco Shares, of which [●] Subco Share is issued and outstanding at the date hereof as a fully paid and non-assessable share, which is owned of record by Range;

AND WHEREAS, pursuant to the Amalgamation, and subject to the terms of this Agreement, EnviroGold and Subco shall amalgamate and continue as Amalco, which shall become a wholly-owned subsidiary of Range, and Range shall issue Post Conversion Range Shares to EnviroGold Shareholders on the basis of the Exchange Ratio;

AND WHEREAS EnviroGold, Range and Subco have each made full disclosure to the other of all their respective assets and liabilities;

NOW THEREFORE, in consideration of the mutual covenants and agreements contained herein and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged) the parties agree as follows:

1. Interpretation

In this Agreement, including the recitals hereto, the following words and expressions shall have the respective meanings ascribed to them below:

"**Agreement**" means this agreement, its recitals and exhibits, as the same may be amended, modified or supplemented from time to time.

"**Amalco**" means the corporation resulting from the Amalgamation and continuing the corporate existence of the Amalgamating Corporations.

“**Amalco Shareholder**” means a registered holder of Amalco Shares, from time to time, and “**Amalco Shareholders**” means all of such holders.

“**Amalco Shares**” means the common shares in the share capital of Amalco.

“**Amalgamating Corporations**” means EnviroGold and Subco, and “**Amalgamating Corporation**” means either of them as applicable.

“**Amalgamation**” means the amalgamation of the Amalgamating Corporations pursuant to the provisions of the OBCA in the manner contemplated in and pursuant to this Agreement.

“**Articles of Amalgamation**” means the articles of amalgamation giving effect to the Amalgamation to be filed with the Director pursuant to this Agreement, in the form attached hereto as Exhibit “A”.

“**Business Combination Agreement**” means the business combination agreement dated March 26, 2021 between EnviroGold and Range.

“**CDS**” means CDS Clearing and Depository Services Inc.

“**Certificate of Amalgamation**” means the certificate of amalgamation to be issued by the Director in respect of the Amalgamation.

“**Debt Settlement Agreements**” means the debt settlement agreements Range has entered into with various holders of debt in the aggregate approximate amount of \$25,000,000 whereby such debt will be converted into Post-Conversion Range Shares.

“**Director**” means the Director appointed under Section 278 of the OBCA.

“**Dissenting Shareholder**” means a registered EnviroGold Shareholder who, in connection with the special resolution of the EnviroGold Shareholders which approves and adopts this Agreement, has exercised the right to dissent pursuant to Section 185 of the OBCA in strict compliance with the provisions thereof and thereby becomes entitled to be paid the fair value of his, her or its EnviroGold Shares and who has not withdrawn the notice of the exercise of such right as permitted by Section 185 of the OBCA.

“**EnviroGold Compensation Warrants**” means the compensation warrants that may be issued to the Finders pursuant to the Financing, and each entitling the holder thereof to purchase one (1) EnviroGold Share and up to one (1) EnviroGold Financing Warrant at an exercise price equal to the issue price of the securities offered in the Financing.

“**EnviroGold Financing Warrants**” means the warrants of EnviroGold issued upon the due conversion of the EnviroGold Subscription Receipts, and each entitling the holder thereof to purchase one (1) EnviroGold Share at an exercise equal to no less than the issue price of the securities offered in the Financing.

“**EnviroGold Shares**” means the common shares in the capital of EnviroGold.

“**EnviroGold Shareholder**” means a registered holder of EnviroGold Shares, from time to time, and “**EnviroGold Shareholders**” means all of such holders.

“**EnviroGold Subscription Receipts**” means the subscription receipts of EnviroGold, each automatically converting into one (1) EnviroGold Share and up to one (1) EnviroGold Financing Warrant, on satisfaction of the conditions set forth in the certificates governing the EnviroGold Subscription Receipts.

“**Effective Date**” means the date shown on the Certificate of Amalgamation.

“**Effective Time**” means 12:01 a.m. (Toronto time) on the Effective Date or such other time on the Effective Date as may be agreed by EnviroGold and Range.

“**Exchange Ratio**” means such number of Post-Conversion Range Shares for each one (1) EnviroGold Share that will be required for the former shareholders of Range to hold 12.5% of the Post-Conversion Range Shares, and the former

shareholders of EnviroGold to hold 87.5% of the Post-Conversion Range Shares, in each case after giving effect to the Amalgamation but prior to giving effect to the Financing.

“**fair value**” where used in relation to a EnviroGold Share held by a Dissenting Shareholder, means fair value as determined by a court under Section 185 of the OBCA or as agreed between EnviroGold and the Dissenting Shareholder.

“**Financing**” means a non-brokered private placement of EnviroGold Subscription Receipts and/or units comprised of one EnviroGold Share and up to one EnviroGold Financing Warrant, and each at an issue price implied by a \$20,000,000 pre-money valuation of EnviroGold, for gross proceeds of a minimum of \$500,000.

“**OBCA**” means the *Business Corporations Act* (Ontario), R.S.O. 1990, c. B.16, as amended.

“**Parties**” means EnviroGold, Subco and Range, and “**Party**” means each of them as applicable.

“**Person**” means a natural person, partnership, limited liability partnership, corporation, joint stock company, trust, unincorporated association, joint venture or other entity, and pronouns have a similarly extended meaning.

“**Post-Conversion Range Shares**” collectively means the Range Shares after giving effect to the shares for debt conversions contemplated in the Debt Settlement Agreements, and individually a “**Post-Conversion Range Share**”.

“**Range Shares**” means the common shares in the capital of Range.

“**Subco Shareholder**” means the registered holder of Subco Shares, being Range.

“**Subco Shares**” means the common shares in the capital of Subco.

“**Transfer Agent**” means National Securities Administrators Ltd., at its principal office in Vancouver, British Columbia, being the transfer agent and registrar for the Range Shares.

2. Paramountcy

In the event of any conflict between the provisions of this Agreement and the provisions of the Business Combination Agreement, the provisions of this Agreement shall prevail.

3. Agreement to Amalgamate

Each of the Parties hereby agrees to the Amalgamation such that the Amalgamating Corporations shall amalgamate to create and continue as Amalco under the provisions of Section 174 of the OBCA, on the terms and conditions set out in this Agreement.

4. Filing of Articles

Following the approval of this Agreement by the shareholders of the Amalgamating Corporations in accordance with the OBCA, and in accordance with the terms and conditions of the Business Combination Agreement, including the satisfaction or waiver of all conditions precedent set forth in the Business Combination Agreement, EnviroGold shall file the Articles of Amalgamation with the Director as provided under the OBCA.

5. Conditions Precedent to the Amalgamation

The Amalgamation is subject to the satisfaction or waiver by the party entitled to make such waiver, of the conditions precedent set forth in Article 7 of the Business Combination Agreement. The signing and delivery of the Articles of Amalgamation by EnviroGold and Subco shall be conclusive evidence that such conditions have been satisfied to the satisfaction of EnviroGold and Range, or waived by the party entitled to make such waiver, and that EnviroGold and Subco may amalgamate in accordance with the provisions of this Agreement.

6. Amalgamation Events

Pursuant to the Amalgamation, on the Effective Date:

- (a) each issued and outstanding EnviroGold Share held by each Dissenting Shareholder will become an entitlement to be paid the fair value of such share;
- (b) each issued and outstanding Subco Share shall be exchanged for one (1) fully paid and non-assessable Amalco Share;
- (c) each issued and outstanding EnviroGold Share (other than those held by Dissenting Shareholders) shall receive a number of Post-Conversion Range Shares equal to the Exchange Ratio and the EnviroGold Shares shall be cancelled;
- (d) following the Effective Time, all outstanding options, warrants or other convertible securities of EnviroGold will be similarly exchanged or converted in accordance with the Exchange Ratio such that, following the Effective Date, such options, warrants or other convertible securities will entitle the holders thereof to acquire for the same aggregate consideration the number of Post-Conversion Range Shares that the holder would have been entitled to receive pursuant to the Business Combination had the holder exercised or converted its options, warrants or other convertible securities to become a EnviroGold Shareholder prior to the Effective Date;
- (e) as consideration for the issuance of Post-Conversion Range Shares in exchange for the EnviroGold Shares, Amalco shall issue to Range one (1) Amalco Share for each Post-Conversion Range Share so issued;
- (f) EnviroGold and Subco shall be amalgamated and continue as Amalco;
- (g) all of the property and assets of each of EnviroGold and Subco shall be the property and assets of Amalco and Amalco shall be liable for all of the liabilities and obligations of each of EnviroGold and Subco, including civil, criminal and quasi criminal, and all contracts, liabilities and debts of Subco and EnviroGold;
- (h) all rights of creditors against the property, assets, rights, privileges and franchises of Subco and EnviroGold and all liens upon their property, rights and assets shall be unimpaired by the Amalgamation and all debts, contracts, liabilities and duties of Subco and EnviroGold shall thenceforth attach to and be enforced against Amalco; and
- (i) no action or proceeding by or against Subco or EnviroGold shall abate or be affected by the Amalgamation but, for all purposes of such action or proceeding, the name of Amalco shall be substituted in such action or proceeding in place of Subco or EnviroGold, as the case may be.

7. Articles of Amalgamation

The Articles of Amalgamation of Amalco shall be in the form attached hereto as Exhibit "A".

8. Name

The Name of Amalco shall be "EnviroGold Private Limited", or such other name as mutually agreed to by the Parties.

9. Registered Office

Until changed in accordance with the OBCA, the registered office of Amalco shall be in the Province of Ontario.

10. Authorized Capital

The authorized capital of Amalco shall consist of an unlimited number of Amalco Shares, the rights, privileges, restrictions and conditions attaching to which shall be as set out in the Articles of Amalgamation attached hereto as Exhibit "A".

11. Share Transfer Restrictions

The Amalco Shares shall be subject to restrictions on transfer as set out in the Articles of Amalgamation attached hereto as Exhibit "A".

12. Business

There shall be no restrictions on the business which Amalco is authorized to carry on or the powers which Amalco may exercise.

13. Number of Directors

The board of directors of Amalco shall consist of not less than one (1) and not more than ten (10) directors, the exact number of which shall be determined by the directors from time to time.

14. First Directors

The first director(s) of Amalco shall be the person(s) whose names and residential addresses appear below:

| <u>Name</u> | <u>Address</u> | <u>Resident Canada</u> |
|------------------|--|------------------------|
| David Victor Cam | 239 Eastern Ave, PO Box 10-315 Grant Cayman KY1-1003 Cayman Islands | No |
| Grant Duthie | Suite 801 - 1 Adelaide Street East Toronto, Ontario, M5C 2V9 | Yes |

The above directors shall hold office from the Effective Date until the first annual meeting of Amalco Shareholders or until their successors are elected or appointed.

15. By-laws

The by-laws of Amalco shall be, to the extent not inconsistent with this Agreement, the by-laws of Subco, until repealed or amended.

16. Fractional Shares

No fractional Post-Conversion Range Shares or Amalco Shares will be issued or delivered to any former EnviroGold Shareholders or the former Subco Shareholder otherwise entitled thereto, if any. Instead, the number Post-Conversion Range Shares or Amalco Shares issued to each former holder of EnviroGold Shares or Subco Shares will be rounded down to the nearest whole number.

17. Stated Capital

The stated capital account in the records of Amalco for the Amalco Shares shall be equal to the stated capital attributed to the EnviroGold Shares and the Subco Shares, determined immediately before the Amalgamation.

18. Termination

Subject to the terms of the Business Combination Agreement, this Agreement may be terminated by the board of directors of each of the Amalgamating Corporations, notwithstanding the approval of this Agreement by the shareholders of the Amalgamating Corporations, at any time prior to the issuance of the Certificate of Amalgamation. If this Agreement is terminated pursuant to this Section, this Agreement shall forthwith become void and of no further force and effect.

19. Governing Law

This Agreement shall be governed by, and construed in accordance with, the laws of the Province of Ontario and the federal laws of Canada applicable therein. Each Party hereby irrevocably attorns to the jurisdiction of the courts of the

Province of Ontario sitting in and for the judicial district of Toronto in respect of all matters arising under or in relation to this Agreement.

20. Further Assurances

Each of the Parties agrees to execute and deliver such further instruments and to do such further reasonable acts and things as may be necessary or appropriate to carry out the intent of this Amalgamation Agreement.

21. Time of the Essence

Time shall be of the essence of this Agreement.

22. Amendments

This Agreement may only be amended or otherwise modified by written agreement executed by the Parties.

23. Counterparts

This Agreement may be signed in counterparts (including counterparts by facsimile), and all such signed counterparts, when taken together, shall constitute one and the same agreement, effective on this date.

[Remainder of page intentionally left blank. Signature page follows.]

IN WITNESS WHEREOF the Parties have executed this Agreement by their duly authorized officers as of the day and year first above written.

2826847 ONTARIO INC.

Per: _____
Authorized Signatory

ENVIROGOLD GLOBAL (CAN) LTD.

Per: _____
Authorized Signatory

RANGE ENERGY RESOURCES INC.

Per: _____
Authorized Signatory

EXHIBIT "A"
ARTICLES OF AMALGAMATION

(TO BE INSERTED)

5. Method of amalgamation, check A or B
 Méthode choisie pour la fusion – Cocher A ou B :

A - Amalgamation Agreement / Convention de fusion :



The amalgamation agreement has been duly adopted by the shareholders of each of the amalgamating corporations as required by subsection 176 (4) of the *Business Corporations Act* on the date set out below.

Les actionnaires de chaque société qui fusionne ont dûment adopté la convention de fusion conformément au paragraphe 176(4) de la *Loi sur les sociétés par actions* à la date mentionnée ci-dessous.

or
ou

B - Amalgamation of a holding corporation and one or more of its subsidiaries or amalgamation of subsidiaries / Fusion d'une société mère avec une ou plusieurs de ses filiales ou fusion de filiales :



The amalgamation has been approved by the directors of each amalgamating corporation by a resolution as required by section 177 of the *Business Corporations Act* on the date set out below.

Les administrateurs de chaque société qui fusionne ont approuvé la fusion par voie de résolution conformément à l'article 177 de la *Loi sur les sociétés par actions* à la date mentionnée ci-dessous.

The articles of amalgamation in substance contain the provisions of the articles of incorporation of
 Les statuts de fusion reprennent essentiellement les dispositions des statuts constitutifs de

and are more particularly set out in these articles.
 et sont énoncés textuellement aux présents statuts.

| Names of amalgamating corporations Dénomination sociale des sociétés qui fusionnent | Ontario Corporation Number Numéro de la société en Ontario | Date of Adoption/Approval Date d'adoption ou d'approbation | | |
|--|---|---|---------------|-------------|
| | | Year année | Month mois | Day jour |
| 2826847 ONTARIO INC. | 002826847 | | | |
| ENVIROGOLD GLOBAL (CAN) LTD. | 002799243 | | | |

6. Restrictions, if any, on business the corporation may carry on or on powers the corporation may exercise.
Limites, s'il y a lieu, imposées aux activités commerciales ou aux pouvoirs de la société.

There are no restrictions.

7. The classes and any maximum number of shares that the corporation is authorized to issue:
Catégories et nombre maximal, s'il y a lieu, d'actions que la société est autorisée à émettre :

The Corporation is authorized to issue an unlimited number of common shares.

8. Rights, privileges, restrictions and conditions (if any) attaching to each class of shares and directors authority with respect to any class of shares which may be issued in series:

Droits, privilèges, restrictions et conditions, s'il y a lieu, rattachés à chaque catégorie d'actions et pouvoirs des administrateurs relatifs à chaque catégorie d'actions qui peut être émise en série :

The common shares shall have the following rights, privileges, restrictions and conditions:

(a) The holders of the common shares shall be entitled to receive dividends if, as and when declared by the board of directors of the Corporation out of the assets of the Corporation properly applicable to the payment of dividends in such amount and payable at such times and at such place or places in Canada as the board of directors may from time to time determine. Subject to the rights of the holders of any other class of shares of the Corporation entitled to receive dividends in priority to or rateably with the common shares, the board of directors may in their sole discretion declare dividends on the common shares to the exclusion of any other class of shares of the Corporation.

(b) In the event of any liquidation, dissolution or winding-up of the Corporation or other distribution of the assets of the Corporation among its shareholders for the purpose of winding-up its affairs, the holders of common shares shall, subject to the rights of the holders of any class of shares of the Corporation entitled to receive the assets of the Corporation upon such a distribution in priority to the holders of the common shares, be entitled to share rateably share for share and without preference or distinction in any further distributions of the assets of the Corporation.

(c) The holders of the common shares shall be entitled to receive notice of and to attend all annual and special meetings of the shareholders of the Corporation and to one (1) vote in respect of each common share held at all meetings.

9. The issue, transfer or ownership of shares is/is not restricted and the restrictions (if any) are as follows:
L'émission, le transfert ou la propriété d'actions est/n'est pas restreint. Les restrictions, s'il y a lieu, sont les suivantes :

The right to transfer securities (including for greater certainty shares), other than non-convertible debt securities of the Corporation, shall be restricted in that no such securities shall be transferred without the consent of either:

(a) the directors expressed by resolution passed by the board of directors at a meeting of directors or by an instrument or instruments signed by a majority of directors; or

(b) the holder or holders of a majority of the outstanding securities entitled to vote expressed by resolution passed at a meeting of the shareholders or by an instrument or instruments signed by the holder or holders of a majority of such securities,

which consent may be given either prior or subsequent to the time of transfer of such securities.

10. Other provisions, (if any):
Autres dispositions, s'il y a lieu :

The Corporation shall be entitled to a lien on a share registered in the name of a shareholder or his legal representative for a debt of that shareholder to the Corporation.

11. The statements required by subsection 178(2) of the *Business Corporations Act* are attached as Schedule "A".
Les déclarations exigées aux termes du paragraphe 178(2) de la *Loi sur les sociétés par actions* constituent l'annexe A.
12. A copy of the amalgamation agreement or directors' resolutions (as the case may be) is/are attached as Schedule "B".
Une copie de la convention de fusion ou les résolutions des administrateurs (selon le cas) constitue(nt) l'annexe B.

These articles are signed in duplicate.
Les présents statuts sont signés en double exemplaire.

Name and **original signature** of a director or authorized signing officer of each of the amalgamating corporations. Include the name of each corporation, the signatories name and description of office (e.g. president, secretary). **Only a director or authorized signing officer can sign on behalf of the corporation.** / Nom et **signature originale** d'un administrateur ou d'un signataire autorisé de chaque société qui fusionne. Indiquer la dénomination sociale de chaque société, le nom du signataire et sa fonction (p. ex. : président, secrétaire). **Seul un administrateur ou un dirigeant habilité peut signer au nom de la société.**

2826847 ONTARIO INC.

Names of Corporations / Dénomination sociale des sociétés

By / Par

Signature / Signature

Print name of signatory /
Nom du signataire en lettres moulées

Description of Office / Fonction

ENVIROGOLD GLOBAL (CAN) LTD.

Names of Corporations / Dénomination sociale des sociétés

By / Par

Signature / Signature

Print name of signatory /
Nom du signataire en lettres moulées

Description of Office / Fonction

Names of Corporations / Dénomination sociale des sociétés

By / Par

Signature / Signature

Print name of signatory /
Nom du signataire en lettres moulées

Description of Office / Fonction

Names of Corporations / Dénomination sociale des sociétés

By / Par

Signature / Signature

Print name of signatory /
Nom du signataire en lettres moulées

Description of Office / Fonction

Names of Corporations / Dénomination sociale des sociétés

By / Par

Signature / Signature

Print name of signatory /
Nom du signataire en lettres moulées

Description of Office / Fonction

APPENDIX “B”

RANGE CONSOLIDATED FINANCIAL STATEMENTS

(the audited annual financial statements as at and for the years ended December 31, 2020, December 31, 2019 and December 31, 2018 and the unaudited financial statements as at and for the three months ended March 31, 2021)

[See attached.]

Range Energy Resources Inc.

Financial Statements

For the Years Ended December 31, 2020 and 2019

(Expressed in Canadian Dollars)

INDEPENDENT AUDITORS' REPORT

To the Shareholders and Directors of Range Energy Resources Inc.

Opinion

We have audited the financial statements of Range Energy Resources Inc. (the "Company") which comprise the statements of financial position as at December 31, 2020 and 2019, and the statements of comprehensive loss, cash flows and changes in shareholders' deficiency for the years then ended, and the related notes comprising a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2020 and 2019, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audits of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the accompanying financial statements which describes matters and conditions that indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information, which comprises the information included in the Company's Management Discussion & Analysis to be filed with the relevant Canadian securities commissions.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditors' report is Michael Ryan Ayre.

Manning Elliott LLP

CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, Canada
April 19, 2021

Range Energy Resources Inc.
Statements of Financial Position
(Expressed in Canadian Dollars)
As at December 31, 2020 and 2019

| | 2020 | 2019 |
|---|------------------|-----------------|
| Current assets | | |
| Cash | \$ 8,829 | \$ 3,941 |
| Loan receivable (note 5) | - | 1 |
| Prepaid expenses | 3,659 | 4,391 |
| | 12,488 | 8,333 |
| Non-current assets | | |
| Equipment | 62 | 88 |
| Long-term investment (note 6) | - | 1 |
| Total assets | \$ 12,550 | \$ 8,422 |
| Current liabilities | | |
| Accounts payable and accrued liabilities (note 10) | \$ 354,748 | \$ 199,911 |
| Loans payable (note 8) | 89,415 | - |
| Convertible loans payable (note 9) | 24,494,421 | 21,737,556 |
| | 24,938,584 | 21,937,467 |
| Non-current liabilities | | |
| Loan payable (note 8) | - | 51,254 |
| | 24,938,584 | 21,988,721 |
| Shareholders' Deficiency | | |
| Share capital (note 7(a) and (b)) | 49,791,768 | 49,791,768 |
| Reserves (note 7(c)) | 23,674,184 | 23,674,184 |
| Deficit | (98,391,986) | (95,446,251) |
| | (24,926,034) | (21,980,299) |
| Total liabilities and shareholders' deficiency | \$ 12,550 | \$ 8,422 |

Nature of operations and going concern (note 1)
Commitment (note 11)
Contingent liability (note 14)
Subsequent events (note 16)

Approved on Behalf of the Board of Directors:

(signed) Rick W Pawluk

(signed) Allan Bezanson

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

Range Energy Resources Inc.
Statements of Comprehensive Loss
(Expressed in Canadian Dollars)
For the years ended December 31, 2020 and 2019

| | 2020 | 2019 |
|---|-----------------------|-----------------------|
| Expenses | | |
| Audit and accounting fees (note 10) | \$ 105,762 | \$ 92,925 |
| Depreciation | 26 | 38 |
| General and administrative | 22,609 | 59,487 |
| Interest (notes 8 and 9) | 2,760,026 | 2,429,517 |
| Legal fees | 590 | 892 |
| Management fees (note 10) | 44,310 | 44,520 |
| Transfer agent and filing fees | 13,831 | 18,227 |
| Loss before other items | (2,947,154) | (2,645,606) |
| Other items | | |
| Foreign exchange gain | 1,421 | 1,432 |
| Write off of loan receivable | (1) | - |
| Write off of investment | (1) | - |
| Other items | 1,419 | 1,432 |
| Net loss and comprehensive loss for the year | \$ (2,945,735) | \$ (2,644,174) |
| Loss per share - basic and diluted | \$ (0.69) | \$ (0.62) |
| Weighted average number of common shares outstanding - basic and diluted | 4,281,136 | 4,281,136 |

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

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

| | Share capital | | Reserves | | | | Total deficiency |
|-----------------------------------|------------------|---------------|--------------|---------------------|---------------------------------------|-----------------|------------------|
| | Number of shares | Amount | Warrants | Contributed surplus | Equity component of convertible loans | Deficit | |
| Balance, December 31, 2018 | 4,281,136 | \$ 49,791,768 | \$ 5,379,075 | \$ 14,489,560 | \$ 3,805,549 | \$ (92,802,077) | \$ (19,336,125) |
| Warrants expired (note 7(d)) | - | - | (1,937,927) | 1,937,927 | - | - | - |
| Warrants cancelled | - | - | (3,441,148) | 3,441,148 | - | - | - |
| Net loss for the year | - | - | - | - | - | (2,644,174) | (2,644,174) |
| 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 year | - | - | - | - | - | (2,945,735) | (2,945,735) |
| Balance, December 31, 2020 | 4,281,136 | \$ 49,791,768 | \$ - | \$ 19,868,635 | \$ 3,805,549 | \$ (98,391,986) | \$ (24,926,034) |

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 financial statements.

Range Energy Resources Inc.
Statements of Cash Flows
(Expressed in Canadian Dollars)
For the years ended December 31, 2020 and 2019

| | 2020 | 2019 |
|--|-----------------|------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Net loss | \$ (2,945,735) | \$ (2,644,174) |
| Add items not involving cash: | | |
| Write-off of long-term investment | 2 | - |
| Depreciation | 26 | 38 |
| Accrued interest | 2,760,026 | 2,429,517 |
| Foreign exchange | 1,421 | 1,432 |
| | (184,260) | (213,187) |
| Changes in non-cash working capital items: | | |
| Prepaid expenses | 732 | 39,130 |
| Accounts payable and accrued liabilities | 153,416 | 68,063 |
| Cash used in operating activities | (30,112) | (105,994) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Loan and interest paid | - | (33,808) |
| Proceeds from loans payable | 35,000 | 83,299 |
| Cash provided by financing activities | 35,000 | 49,491 |
| Increase (Decrease) in cash | 4,888 | (56,503) |
| Cash - beginning of year | 3,941 | 60,444 |
| Cash - end of year | \$ 8,829 | \$ 3,941 |
| Supplemental cash disclosures | | |
| Interest paid | - | 356 |
| Income tax paid | \$ - | \$ - |

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

Range Energy Resources Inc.
Notes to the Financial Statements
For the years ended December 31, 2020 and 2019

(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. 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 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 no realistic alternative but to do so. During the year ended December 31, 2020, the Company incurred a net loss totalling \$2,945,735 and as at December 31, 2020, the Company has a working capital deficiency of \$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. Management intends to finance operating costs over the next twelve months with loans from directors and companies controlled by directors and to restructure the Company's debt.

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 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 financial statements.

2. Statement of compliance

These financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Committee ("IFRIC").

These financial statements have been authorized for release by the Company's Board of Directors on April 19, 2021.

3. Significant accounting policies

(a) Basis of presentation

The 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.

(Expressed in Canadian Dollars)

3. Significant accounting policies – continued

(a) Basis of presentation (continued)

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

(b) Foreign currency transactions

Transactions in currencies other than the functional currency of the reporting entity are recorded at rates of exchange prevailing on the dates of such transactions. Monetary assets and liabilities that are denominated in currencies other than the functional currency are translated at rates prevailing at the end of each reporting period. Non-monetary items that are measured in terms of historical cost in the foreign currency are not re-translated.

(c) Cash and cash equivalents

Cash and cash equivalents include cash on deposit and term deposits with banks with maturities of 90 days or less at inception. The Company does not have any cash equivalents as at December 31, 2020 and 2019.

(d) Equipment

Equipment is stated at cost of acquisition less accumulated depreciation and impairment losses. Depreciation is provided for on a declining balance basis at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life. The residual value is the estimated amount that would currently be obtained from disposal of the asset if the asset was already of the age and in the condition expected at the end of its useful life.

Computer hardware and software are being depreciated at the rate of 30% per annum on a declining balance basis.

The carrying value of equipment is assessed annually and any impairment charged to the statement of comprehensive loss. The expected useful life of equipment is reviewed annually.

An item of equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. 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 item) is included in comprehensive loss in the year the item is derecognized.

(e) Share-based payment transactions

The Company grants stock options to directors, officers, employees and service providers. Each tranche in an award is considered a separate award with its own vesting period and fair values. The Company applies the fair-value method of accounting for share-based payments. The fair value is calculated using the Black-Scholes Option Pricing Model (“Black-Scholes”).

Share-based payments for employees and others providing similar services are determined based on the grant date fair value. Share-based payments for non-employees is determined based on the fair value of the goods or services received or if the fair value of the services received cannot be reliably measured, the options granted are measured at the date on which the Company obtains the goods or services.

Share-based compensation expense is recognized over each tranche’s vesting period in the statement of comprehensive loss, or capitalized as appropriate, based on the number of awards that vest less the estimated forfeitures. The number of forfeitures likely to occur is estimated on the grant date. If stock options are ultimately exercised, the applicable amounts of contributed surplus are transferred to share capital.

(Expressed in Canadian Dollars)

3. Significant accounting policies – continued

(g) Share capital

Proceeds from the exercise of stock options and warrants, in addition to the estimated fair value attributable to these equity instruments, are recorded as share capital when exercised. In a unit offering, the Company prorates the proceeds between common shares and warrants using the relative fair value method. Share issuance costs are recorded as a reduction of share capital.

(h) Income taxes

Income tax comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax expense is the expected payable on the taxable income for the period using tax rates enacted or substantively enacted at year-end, adjusted for amendments to tax payable with regards to previous years.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent it is no longer probable that the related tax benefit will be realized.

Deferred tax assets and liabilities are offset when there is legally enforceable right to set off current tax assets against current tax liabilities, when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Deferred tax is provided on temporary differences arising between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes using the liability method. Deferred tax is not recognized for temporary differences which arise on the initial recognition of assets or liabilities in a transaction that is not a business combination that affect neither accounting nor taxable loss. Deferred tax is also not recognized for temporary differences relating to investments in subsidiaries to the extent that it is probable they will not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using rates enacted or substantively enacted at the statement of financial position date.

(i) Financial instruments

(i) Recognition and initial measurement

Trade receivables and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument. A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value net of transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at: (i) amortized cost; (ii) fair value through other comprehensive income ("FVOCI"); or (iii) fair value through profit or loss ("FVTPL"). Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

(Expressed in Canadian Dollars)

3. Significant accounting policies – continued

- (i) Financial instruments (continued)
- (ii) Classification and subsequent measurement (continued)

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis. All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost, FVOCI, or FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

- Financial assets at FVTPL: These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in the statement of comprehensive loss. The Company's cash and long-term investment are measured at FVTPL.
- Financial assets at amortized cost: These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in the statement of comprehensive loss. Any gain or loss on derecognition is recognized in the statement of comprehensive loss. The Company's loan receivable is measured at amortized cost.
- Debt investments at FVOCI: These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in the statement of comprehensive loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to the statement of comprehensive loss. The Company does not have any assets classified as debt investments at FVOCI.
- Equity investments at FVOCI: These assets are subsequently measured at fair value. Dividends are recognized as income in the statement of comprehensive loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to the statement of comprehensive loss. The Company does not have any assets classified as equity investments at FVOCI.

(Expressed in Canadian Dollars)

3. Significant accounting policies – continued

(j) Financial instruments (continued)

Financial liabilities

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in the statement of comprehensive loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in the statement of comprehensive loss. Any gain or loss on derecognition is also recognized in the statement of comprehensive loss. The Company's accounts payable, loans payable and convertible loans are measured at amortized cost.

(iii) Derecognition

Financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. The Company enters into transactions whereby it transfers assets recognized in its statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled, or expire. The Company also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in the statement of comprehensive loss, unless the transaction involves a creditor that is also a direct or indirect shareholder of the Company that is also acting in its capacity as such, in which case the difference is recognized in the statement of equity.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

(v) Impairment

Financial assets and contract assets

The Company recognizes loss allowances for expected credit losses ("ECLs") on:

- financial assets measured at amortized cost;
- debt investments measured at FVOCI; and

(Expressed in Canadian Dollars)

3. Significant accounting policies – continued

(i) Financial instruments (continued)

(v) Impairment (continued)

- contract assets (as defined in IFRS 15).

The Company measures loss allowances at an amount equal to lifetime ECL, except for the following, which are measured as 12-month ECL:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECL. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realizing security (if any is held); or
- the financial asset is more than 90 days past due.

The Company considers a debt security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECL's that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the entity expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortized cost and debt securities at FVOCI are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

(Expressed in Canadian Dollars)

3. Significant accounting policies – continued

(j) Financial instruments (continued)

(v) Impairment (continued)

Credit-impaired financial assets (continued)

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

For debt securities at FVOCI, the loss allowance is charged to the statement of comprehensive loss and is recognized in OCI.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

(k) 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.

(l) Segment reporting

The Company operates in a single reportable operating segment – investing in entities involved in the acquisition, exploration and development of oil and gas properties.

(Expressed in Canadian Dollars)

3. Significant accounting policies – continued

(m) Related parties

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

(n) Convertible loans

Convertible loans, where applicable, are separated into their financial liability and equity instrument components and accounted for using the effective interest rate method. The fair value of the liability component at the time of issue is determined based on an estimated interest rate of the convertible loan without the conversion feature. The fair value of the equity component is determined as the difference between the face value and the fair value of the liability component. Issuance costs of the convertible loans are applied as a reduction of proceeds and split pro-rata between the liability and equity components. The issuance costs applied to the liability component are recognized as accretion expense over the term of the convertible loan.

(o) Debt issuance costs

Debt issue costs are recognized in connection with proposed financing transactions which are specifically identified in that the form of debt issuances is known and completion of the financing is probable. When the financing is completed, these costs are recognized and netted against the value of the debt for debt transactions. The debt is subsequently accreted to face value at maturity. The accretion amounts are included in interest and bank charges expense over the life of the debt. Debt issue costs include only those costs which are incremental and directly attributable to the proposed financing transaction. In the event that the transaction is abandoned, previously capitalized debt issue costs are expensed through the statement of comprehensive loss.

(p) Lease

The Company recognizes a right-of-use asset and a lease liability based on the present value of the future lease payments at the commencement date. The commencement date is when the lessor makes the leased asset available for use by the Company, typically the possession date. The discount rate used in the present value calculation for lease payments is the incremental borrowing rate for each leased asset or portfolio of leased assets with similar characteristics by reference to the Company's creditworthiness, the original term of the lease, the quality of the underlying leased asset, and the economic environment where the leased asset is located. The lease term is determined as the non-cancellable periods of a lease, together with periods covered by a renewal option if the Company is reasonably certain to exercise that option and a termination option if the Company is reasonably certain not to exercise that option.

Lease payments for short-term leases with a term of 12 months or less and leases of low-value assets are treated as operating leases, with rent expense recognized in cost of sales or selling, general and administrative expenses on a straight-line or other systematic basis.

Lease liabilities are measured at the present value of future lease payments, discounted using the Company's incremental borrowing rates, and include the fixed payments, variable lease payments that depend on an index or a rate, less any lease incentives receivable. Subsequent to initial measurement, the Company measures lease liabilities at amortized cost using the effective interest rate method. Lease liabilities are remeasured when there are changes to the lease payments, a change in lease term, a change in the assessment of an option to purchase the underlying asset, a change in expected residual value guarantee, or a change in future lease payments due to a change in index or rate tied to the payment.

(Expressed in Canadian Dollars)

3. Significant accounting policies – continued

(p) Lease (continued)

Right-of-use assets are measured at the initial amount of the lease liabilities, lease payments made at or before the commencement date less any lease incentives received, initial direct costs if any, and decommissioning costs to restore the site to the condition required by the terms and conditions of the lease. Subsequent to initial measurement, the Company applies the cost model to the right of- use assets and measures the asset at cost less any accumulated depreciation, accumulated impairment losses in accordance with IAS 36, and any remeasurements of the lease liabilities. Assets are depreciated from the commencement date on a straight-line basis over the earlier of the end of the assets' useful lives or the end of the lease terms.

During the year ended December 31, 2020, the Company's leases are short-term leases with a term of 12 months or less. Lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

(q) Accounting standards adopted during the year

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 financial statements.

(r) Accounting standards and amendments issued but not yet adopted

A number of new standards and amendments to existing standards have been issued by the IASB that are mandatory for accounting periods beginning on or after January 1, 2020, or later periods. The Company has not early adopted these new standards in preparing these financial statements. There new standards are either not applicable or are not expected to have a significant impact on the Company's financial statements.

4. Significant accounting estimates and judgments

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the 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.

(Expressed in Canadian Dollars)

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. Loan receivable

On March 3, 2012, the Company entered into a Letter of Intent ("LOI") with Blackstairs Energy PLC ("Blackstairs") whereby the Company proposed to acquire 100% of the issued share capital of Blackstairs subject to a number of conditions set out in the LOI, including, satisfactory completion by the Company of its due diligence review of Blackstairs on or before April 30, 2012, entering into a Definitive Agreement and obtaining requisite regulatory and shareholders' approvals, if required. Under the terms of the LOI, the Company loaned Blackstairs US\$500,000 for working capital purposes. As security for this loan, certain shares in Blackstairs were pledged to the Company.

The Company continued to consider what, if any actions it may take to obtain recovery out of the liquidation of Blackstairs' assets of all or some portion of the outstanding principal and accrued and unpaid interest, the loan and accrued interest remain unpaid, and as the fair value of the pledged collateral is indeterminable, the loan was written down by \$575,347 to a nominal amount of \$1 due to the Company for the year ended December 31, 2013. As at December 31, 2019, total principal and US\$500,000 and accrued interest of US\$40,944, was due to the Company.

During the year ended December 31, 2020, the nominal amount of \$1 was written off to \$nil as the Company had no reasonable expectations of recovering the financial asset in its entirety or a portion thereof.

6. Long-term investment

Khalakan Block, Kurdistan Region of Iraq

The Company's investment in New Age Al Zarooni 2 Limited, which held an indirect interest in an oil and gas resource property referred to as the Khalakan Block domiciled in the Kurdistan Region of Iraq, was impaired during the years ended December 31, 2017 and 2018, resulting in a nominal \$1 carrying value for the year ended December 31, 2019. During the year ended December 31, 2020, the nominal amount of \$1 was written off to \$nil as the Company had no reasonable expectations of recovering the financial asset in its entirety or a portion thereof.

Range Energy Resources Inc.
Notes to the Financial Statements
For the years ended December 31, 2020 and 2019

(Expressed in Canadian Dollars)

7. 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 years ended December 31, 2020 and 2019.

(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.

(d) Warrants

| | December 31, 2020 | | December 31, 2019 | |
|--------------------|--------------------|--------|--------------------|--------------|
| | Number of warrants | Amount | Number of warrants | Amount |
| Opening balance | - | \$ - | 2,005,241 | \$ 5,379,075 |
| Warrants expired | - | - | (373,959) | (1,937,927) |
| Warrants cancelled | - | - | (1,631,282) | (3,441,148) |
| Closing balance | - | \$ - | - | \$ - |

At December 31, 2020 there were no warrants outstanding.

During the year ended December 31, 2019, 373,959 warrants expired and \$1,937,927 was transferred from warrants reserve to contributed surplus on the statement of changes in shareholders' deficiency.

On July 31, 2019, 1,631,282 warrants at an exercise price of \$10.00 were cancelled pursuant to the Share and Loan Purchase agreement between Gulf LNG America, LLC ("Gulf") and 2706791 Ontario Inc. and \$3,441,148 was transferred from warrants reserve to contributed surplus on the statement of changes in shareholders' deficiency.

(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.

Range Energy Resources Inc.
Notes to the Financial Statements
For the years ended December 31, 2020 and 2019

(Expressed in Canadian Dollars)

7. Equity

(e) Stock options (continued)

The following table summarizes stock option activity during the year ended December 31, 2020 and the year ended December 31, 2019:

| | December 31, 2020 | | December 31, 2019 | |
|-------------------|-------------------|--|-------------------|--|
| | Number of options | Weighted average exercise price of options exercisable | Number of options | Weighted average exercise price of options exercisable |
| Opening balance | 21,250 | \$20.00 | 51,250 | \$20.00 |
| Options cancelled | - | - | 30,000 | \$20.00 |
| Options expired | 21,250 | \$20.00 | - | - |
| Closing balance | - | - | 21,250 | \$20.00 |

During the year ended December 31 2020, 21,250 options at an exercise price of \$20.00 expired unexercised. During the year ended December 31, 2019, 30,000 options at an exercise price of \$20.00 were cancelled.

At December 31, 2020, there were no options outstanding.

8. Loans payable

On April 22, 2020 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 January 9, 2020 the Company entered into a loan agreement with 2706791 Ontario Inc. for the amount of \$20,000 payable on demand. The loan is unsecured and interest free.

On August 1, 2019, the Company entered into a loan agreement with 2706791 Ontario Inc. in the principal amount of \$50,000. The loan is unsecured and interest bearing at a rate of 6% per annum compounded monthly and matures on August 1, 2021. Proceeds from this loan were partially used to repay the below mentioned US\$25,000 loan from Gulf LNG America, LLC. Interest of \$3,161 accrued for the year ended December 31, 2020.

On April 11, 2019, the Company entered into a loan agreement with Gulf LNG America, LLC in the amount of US\$25,000. The loan was interest bearing at a rate of 13% per annum and was due to mature on January 13, 2020.

| | December 31, 2020 | | December 31, 2019 | |
|--------------------------------|-------------------|---------------|-------------------|---------------|
| Opening Balance | \$ | 51,254 | \$ | - |
| Loan payable issued | | 35,000 | | 83,299 |
| Loan and interest paid | | - | | (33,808) |
| Interest | | 3,161 | | 1,610 |
| Foreign exchange | | - | | 153 |
| Closing Balance | \$ | 89,415 | \$ | 51,254 |
| Current Liabilities | \$ | 89,415 | \$ | - |
| Non-Current Liabilities | \$ | - | \$ | 51,254 |

Range Energy Resources Inc.
Notes to the Financial Statements
For the years ended December 31, 2020 and 2019

(Expressed in Canadian Dollars)

9. Convertible loans payable

On July 31, 2019, 2706791 Ontario Inc., a company controlled by a director of the Company, entered into a Share and Loan Purchase agreement with Gulf whereby 2706791 Ontario Inc. acquired from Gulf 3,046,755 common shares of the Company and all secured convertible promissory notes in the aggregate principal amount of \$15,982,472 (see Note 10). Upon completion of the transaction, 2706791 Ontario Inc. became the parent of the Company (See note 1). As at December 31, 2020 and December 31, 2019, the loans were in default.

- (b) The fair value of the liability component at the time of issue was determined based on an estimated rate of 20% for loans without the conversion feature. The fair value of the equity component was determined as the difference between the face value of the loans and the fair value of the liability component. After initial recognition the liability component is carried on an amortized cost basis and will be accreted to its face value over the term to maturity of the convertible loan at an effective interest rate of approximately between 18.37% and 18.98%. The carrying value and face value of convertible loans payable, including convertible accrued interest, is \$24,494,422 at December 31, 2020 (2019 - \$21,737,556). During the year ended December 31, 2020, the Company accrued interest expense of \$2,756,866 (2019 - \$2,427,907) related to these loans.

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 years ended December 31, 2020 and 2019:

| | Liability Component | Equity Component |
|-----------------------------------|----------------------------|-------------------------|
| Balance, December 31, 2018 | 19,309,649 | 3,805,549 |
| Interest | 2,427,907 | - |
| Balance, December 31, 2019 | 21,737,556 | 3,805,549 |
| Interest | 2,756,865 | - |
| Balance, December 31, 2020 | \$ 24,494,421 | \$ 3,805,549 |

10. 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 11).

Range Energy Resources Inc.
Notes to the Financial Statements
For the years ended December 31, 2020 and 2019

(Expressed in Canadian Dollars)

10. Related party transactions and balances – continued)

Details of related party compensation are as follows:

| Years ended December 31, | 2020 | | 2019 | |
|---------------------------------|-------------|---------|-------------|---------|
| Services provided: | | | | |
| Accounting fees | \$ | 63,000 | \$ | 63,000 |
| Management fees | | 44,310 | | 44,520 |
| Rent and storage | | 12,600 | | 12,600 |
| Related parties' compensation | \$ | 119,910 | \$ | 120,120 |

| As at | December 31, | | December 31, | |
|-------------------------------------|---------------------|---------|---------------------|---------|
| | 2020 | | 2019 | |
| Balances payable to related parties | \$ | 187,425 | \$ | 175,553 |

On July 31, 2019, 2706791 Ontario Inc., a company controlled by a director of the Company, entered into a Share and Loan Purchase agreement with Gulf whereby 2706791 Ontario Inc. acquired from Gulf 3,046,755 common shares and certain secured convertible promissory notes of the Company in the aggregate principal amount of \$15,982,472 plus accrued interest. Under the terms of the acquisition, 2706791 Ontario Inc. became the administrative agent for all the convertible loans, including those of Harrington Global Opportunities Fund S.A.R.L. ("Harrington"). (Note 9). Upon completion of the transaction, 2706791 Ontario Inc. became the parent of the Company (See note 1).

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 \$3,161 accrued for the year ended December 31, 2020 (note 8).

On January 9, 2020 the Company entered into a loan agreement with 2706791 Ontario Inc. for the amount of \$20,000 payable on demand. The loan is interest free (note 8).

On April 22, 2020 the Company entered into a loan agreement with 2706791 Ontario Inc. for the amount of \$15,000 payable on demand. The loan is interest free (note 8).

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

11. Commitment

The Company is party to a corporate management and accounting services agreement which automatically renewed for additional 12 months until December 31, 2021 (note 10). The future minimum payments are \$114,000 for the remainder of the year ending December 31, 2021. Under the agreement, the Company is required to pay 24 months of fees in the event of a change in control.

Range Energy Resources Inc.
Notes to the Financial Statements
For the years ended December 31, 2020 and 2019

(Expressed in Canadian Dollars)

12. Financial instruments

The Company's financial instruments include cash, loan receivable, long-term investment, 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. Loan receivable and long-term investment were written off during the year ended December 31, 2020.

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 |
| Loan receivable | Amortized cost | n/a |
| Long-term investment | FVTPL | Level 3 |
| Accounts payable | Amortized cost | n/a |
| Loan payable | Amortized cost | n/a |
| Convertible loans payable | Amortized cost | n/a |

The Company holds a long-term investment in NAAZ2 that is considered to be classified as Level 3. As at December 31, 2019, the fair value of \$1 has been estimated by management using the Company's proportion of the discounted cash flows expected to be recovered from the bankruptcy proceedings of GPK plus the net assets of NAAZ2. During the year ended December 31, 2020, the long-term investment in NAAZ2 was written off to \$Nil.

The following table reconciles the Company's Level 3 fair value investment:

| | Year ended December 31, 2020 | Year ended December 31, 2019 |
|-------------------|------------------------------------|------------------------------------|
| Beginning balance | \$ 1 | \$ 1 |
| Impairment | (1) | - |
| Ending balance | \$ - | \$ 1 |

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 December 31, 2020, the Company's maximum credit risk is the carrying value of cash.

Range Energy Resources Inc.
Notes to the Financial Statements
For the years ended December 31, 2020 and 2019

(Expressed in Canadian Dollars)

12. Financial instruments – continued

(b) Commodity price risk

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

(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 December 31, 2020, the Company has a working capital deficiency of \$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 December 31, 2020 are as follows:

| | Carrying value \$ | Less than 1 year \$ | Between 2 – 5 years \$ | More than 5 years \$ | Total |
|---------------------------|-------------------------|---------------------------|------------------------------|----------------------------|------------|
| Accounts payable | 354,748 | 354,748 | - | - | 354,748 |
| Loans payable | 89,415 | 89,415 | - | - | 89,415 |
| Convertible loans payable | 24,494,421 | 24,494,421 | - | - | 24,494,421 |

Contractual undiscounted cash flow requirements of financial liabilities at December 31, 2019 are as follows:

| | Carrying value \$ | Less than 1 year \$ | Between 2 – 5 years \$ | More than 5 years \$ | Total |
|---------------------------|-------------------------|---------------------------|------------------------------|----------------------------|------------|
| Accounts payable | 199,911 | 199,911 | - | - | 199,911 |
| Loan payable | 51,254 | - | 51,254 | - | 51,254 |
| Convertible loans payable | 21,737,556 | 21,737,556 | - | - | 21,737,556 |

(d) Interest rate risk

As at December 31, 2020 and December 31, 2019, 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 December 31, 2020, 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.

Range Energy Resources Inc.
Notes to the Financial Statements
For the years ended December 31, 2020 and 2019

(Expressed in Canadian Dollars)

13. 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.

14. 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.

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

15. Income taxes

The Company's provision for income taxes differs from amounts computed by applying the combined Canadian federal and provincial income tax rates, as a result of the following:

| Year ended December 31, | 2020 | 2019 |
|---|-------------|--------------|
| Enacted rates | 27.00% | 27.00% |
| Income tax recovery computed at statutory rates | \$ 795,349 | \$ 713,927 |
| Change in tax rates and other | - | (18,670,164) |
| Change in deferred assets not recognized | 795,349 | 17,956,237 |
| Recovery of (provision for) income taxes | \$ - | \$ - |

The tax effects of temporary timing differences that give rise to significant components of the deferred tax assets and deferred tax liabilities are as follows:

| Year ended December 31, | 2020 | 2019 |
|------------------------------------|-------------|-------------|
| Deferred tax assets | | |
| Financing costs | \$ 1,217 | \$ 3,492 |
| Non-capital loss carry forwards | 6,618,412 | 5,820,795 |
| Other | 4,472 | 4,465 |
| Total gross deferred tax assets | 6,624,101 | 5,828,752 |
| Deferred tax assets not recognized | (6,624,101) | (5,828,752) |
| Net deferred tax assets | \$ - | \$ - |

Range Energy Resources Inc.
Notes to the Financial Statements
For the years ended December 31, 2020 and 2019

(Expressed in Canadian Dollars)

15. Income taxes – continued

At December 31, 2020, the Company has non-capital losses of approximately \$24,512,648 which may be carried forward to apply against future year's income for Canadian income tax purposes, subject to final determination by taxation authorities, expiring as follows:

| | | |
|------|----|--------------|
| 2026 | \$ | 250,451 |
| 2027 | | 1,447,618 |
| 2028 | | 958,035 |
| 2029 | | 1,987,052 |
| 2030 | | 2,448,244 |
| 2031 | | 804,696 |
| 2032 | | 2,316,825 |
| 2033 | | 2,422,371 |
| 2034 | | 955,440 |
| 2035 | | 1,298,808 |
| 2036 | | 494,196 |
| 2037 | | 1,345,295 |
| 2038 | | 2,174,328 |
| 2039 | | 2,655,144 |
| 2040 | | 2,954,145 |
| | | <hr/> |
| | | \$24,512,648 |

16. Subsequent events

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.

As initially disclosed in its press release on March 10, 2021, 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"). As at April 19, 2021, there are currently 4,281,136 Range Shares issued and outstanding and 18,259,519 Range shares are expected to be outstanding immediately after the completion of the Range Debt Settlement.

Subsequent to the year-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.

(Expressed in Canadian Dollars)

16. Subsequent events – continued

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 eighteen (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.

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 \$20,000,000, and for gross proceeds of a minimum of \$500,000.

Range Energy Resources Inc.

Consolidated Financial Statements

For the Years Ended December 31, 2019 and 2018

(Expressed in Canadian Dollars)

INDEPENDENT AUDITORS' REPORT

To the Shareholders and Directors of Range Energy Resources Inc.

Opinion

We have audited the consolidated financial statements of Range Energy Resources Inc.. (the "Company") which comprise the statements of financial position as at December 31, 2019 and 2018, and the consolidated statements of comprehensive loss, cash flows and changes in shareholders' deficiency for the years then ended, and the related notes comprising a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2019 and 2018, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audits of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the accompanying consolidated financial statements, which indicates that the Company incurred a net loss of \$2,644,174 for the year ended December 31, 2019 and, as of that date, the Company had a working capital deficiency of \$21,929,134. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information, which comprises the information included in the Company's Management Discussion & Analysis to be filed with the relevant Canadian securities commissions.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditors' report is Michael Ryan Ayre.

Manning Elliott LLP

CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, Canada
April 8, 2020

Range Energy Resources Inc.
Consolidated Statements of Financial Position

Expressed in Canadian Dollars

| | December 31, 2019 | December 31, 2018 |
|---|----------------------|----------------------|
| Current assets | | |
| Cash | \$ 3,941 | \$ 60,444 |
| Loan receivable (note 5) | 1 | 1 |
| Prepaid expenses | 4,391 | 43,521 |
| | 8,333 | 103,966 |
| Non-current assets | | |
| Equipment | 88 | 126 |
| Long-term investment (note 6) | 1 | 1 |
| Total assets | \$ 8,422 | \$ 104,093 |
| Current liabilities | | |
| Accounts payable and accrued liabilities (note 10) | \$ 199,911 | \$ 130,569 |
| Convertible loans payable (note 9) | 21,737,556 | 19,309,649 |
| | 21,937,467 | 19,440,218 |
| Non-current liabilities | | |
| Loan payable (note 8) | 51,254 | - |
| | 21,988,721 | 19,440,218 |
| Shareholders' Deficiency | | |
| Share capital (note 7(a) and (b)) | 49,791,768 | 49,791,768 |
| Reserves (note 7(c)) | 23,674,184 | 23,674,184 |
| Deficit | (95,446,251) | (92,802,077) |
| | (21,980,299) | (19,336,125) |
| Total liabilities and shareholders' deficiency | \$ 8,422 | \$ 104,093 |

Nature of operations and going concern (note 1)
 Commitment (note 11)
 Subsequent event (note 15)

Approved on Behalf of the Board of Directors:

(signed) Rick W Pawluk

(signed) Allan Bezanson

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

Range Energy Resources Inc.
Consolidated Statements of Comprehensive Loss

Expressed in Canadian Dollars

| | For the Years Ended December 31, | |
|---|---|------------------------|
| | 2019 | 2018 |
| Expenses | | |
| Audit and accounting fees (note 10) | \$ 92,925 | \$ 97,655 |
| Accretion expenses | - | 1,081,164 |
| Consulting | - | 33,753 |
| Depreciation | 38 | 54 |
| General and administrative | 59,487 | 72,738 |
| Interest (notes 8 and 9) | 2,429,517 | 1,892,651 |
| Legal fees | 892 | 1,149 |
| Management fees (note 10) | 44,520 | 45,182 |
| Transfer agent and filing fees | 18,227 | 20,325 |
| Loss before other items | (2,645,606) | (3,244,671) |
| Other items | | |
| Foreign exchange gain | 1,432 | 3,742 |
| Gain on debt forgiveness (note 9) | - | 2,981 |
| Impairment of long-term investment (note 6) | - | (42,176,999) |
| Other items | 1,432 | (45,170,276) |
| Net loss and comprehensive loss for year | \$ (2,644,174) | \$ (45,414,947) |
| Loss per share - basic and diluted | \$ (0.00) | \$ (0.05) |
| Weighted average number of common shares outstanding - basic and diluted | 856,225,977 | 856,225,977 |

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

Range Energy Resources Inc.
Consolidated Statements of Changes in Shareholders' Deficiency

Expressed in Canadian Dollars

| | Share capital | | Reserves | | | | Total equity (deficiency) |
|-----------------------------------|--------------------|----------------------|---------------------|----------------------|---------------------------------------|------------------------|---------------------------|
| | Number of shares | Amount | Warrants | Contributed surplus | Equity component of convertible loans | Deficit | |
| Balance, December 31, 2017 | 856,225,977 | \$ 49,791,768 | \$ 9,032,924 | \$ 10,221,676 | \$ 3,805,549 | \$ (47,387,130) | \$ 25,464,787 |
| Warrants expired (note 7(d)) | - | - | (3,653,849) | 3,653,849 | - | - | - |
| Loan modifications (note 8(d)) | - | - | - | 614,035 | - | - | 614,035 |
| Net loss for the year | - | - | - | - | - | (45,414,947) | (45,414,947) |
| Balance, December 31, 2018 | 856,225,977 | \$ 49,791,768 | \$ 5,379,075 | \$ 14,489,560 | \$ 3,805,549 | \$ (92,802,077) | \$ (19,336,125) |
| Balance, December 31, 2018 | 856,225,977 | \$ 49,791,768 | \$ 5,379,075 | \$ 14,489,560 | \$ 3,805,549 | \$ (92,802,077) | \$ (19,336,125) |
| Warrants expired (note 7(d)) | - | - | (1,937,927) | 1,937,927 | - | - | - |
| Warrants cancelled | - | - | (3,441,148) | 3,441,148 | - | - | - |
| Net loss for the year | - | - | - | - | - | (2,644,174) | (2,644,174) |
| Balance, December 31, 2019 | 856,225,977 | \$ 49,791,768 | \$ - | \$ 19,868,635 | \$ 3,805,549 | \$ (95,446,251) | \$ (21,980,299) |

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

Range Energy Resources Inc.
Consolidated Statements of Cash Flows

Expressed in Canadian Dollars

| | For the Years Ended December 31, | |
|---|---|------------------|
| | 2019 | 2018 |
| Operating activities | | |
| Net loss for the year | \$ (2,644,174) | \$ (45,414,947) |
| Depreciation | 38 | 54 |
| Accretion expense | - | 1,081,164 |
| Accrued interest | 2,429,517 | 1,892,651 |
| Gain on debt forgiveness | - | (2,981) |
| Impairment of long-term investment | - | 42,176,999 |
| Foreign exchange | 1,432 | - |
| | (213,187) | (267,060) |
| Changes in non-cash working capital items: | | |
| Prepaid expenses | 39,130 | (1,585) |
| Accounts payable and accrued liabilities | 68,063 | (8,820) |
| Cash used in operating activities | (105,994) | (277,465) |
| Financing activities | | |
| Loan and interest paid | (33,808) | - |
| Proceeds from loans payable | 83,299 | - |
| Cash provided by financing activities | 49,491 | - |
| Decrease in cash | (56,503) | (277,465) |
| Cash - beginning of year | 60,444 | 337,909 |
| Cash - end of year | \$ 3,941 | \$ 60,444 |
| Supplemental cash disclosures | | |
| Interest paid | \$ 356 | \$ - |
| Income tax paid | \$ - | \$ - |

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

Range Energy Resources Inc.
Notes to the Consolidated Financial Statements
For the Years Ended December 31, 2019 and 2018

(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 a development stage company engaged in investing in entities involved in the acquisition, exploration and development of oil and gas properties. 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 consolidated 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 no realistic alternative but to do so. During the year ended December 31, 2019, the Company incurred a net loss totalling \$2,644,174 and as at December 31, 2019, the Company has a working capital deficiency of \$21,929,134. 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. Management intends to finance operating costs over the next twelve months with loans from directors and companies controlled by directors and to restructure the Company's debt. These consolidated 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 consolidated financial statements.

2. Statement of compliance

These consolidated financial statements are prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and interpretations of the International Financial Reporting Committee (“IFRIC”).

These consolidated financial statements have been authorized for release by the Company's Board of Directors on April 8, 2020.

3. Significant accounting policies

(a) Basis of presentation

The consolidated 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 consolidated 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 consolidated financial statements are prepared in Canadian dollars. The functional currency of the Company and its subsidiaries is the Canadian dollar.

(b) Consolidation

These consolidated financial statements consolidate the accounts of the Company and its wholly-owned

Range Energy Resources Inc.
Notes to the Consolidated Financial Statements
For the Years Ended December 31, 2019 and 2018

(Expressed in Canadian Dollars)

3. Significant accounting policies – continued

(b) Consolidation (continued)

subsidiary, Faucon Hec Resources Ltd. (formerly Range Oil & Gas (North Iraq) Inc.). All intercompany transactions and balances are eliminated on consolidation. Faucon Hec Resources Ltd. had no transactions or activity for the years ended December 31, 2019 and 2018.

(c) Foreign currency transactions

Transactions in currencies other than the functional currency of the reporting entity are recorded at rates of exchange prevailing on the dates of such transactions. Monetary assets and liabilities that are denominated in currencies other than the functional currency are translated at rates prevailing at the end of each reporting period. Non-monetary items that are measured in terms of historical cost in the foreign currency are not re-translated.

(d) Cash and cash equivalents

Cash and cash equivalents includes cash on deposit and term deposits with banks with maturities of 90 days or less at inception. The Company does not have any cash equivalents as at December 31, 2019 and 2018.

(e) Equipment

Equipment is stated at cost of acquisition less accumulated depreciation and impairment losses. Depreciation is provided for on a declining balance basis at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life. The residual value is the estimated amount that would currently be obtained from disposal of the asset if the asset was already of the age and in the condition expected at the end of its useful life.

Computer hardware and software are being depreciated at the rate of 30% per annum on a declining balance basis.

The carrying value of equipment is assessed annually and any impairment charged to the consolidated statement of comprehensive loss. The expected useful life of equipment is reviewed annually.

An item of equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. 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 item) is included in comprehensive loss in the year the item is derecognized.

(f) Share-based payment transactions

The Company grants stock options to directors, officers, employees and service providers. Each tranche in an award is considered a separate award with its own vesting period and fair values. The Company applies the fair-value method of accounting for share-based payments. The fair value is calculated using the Black-Scholes Option Pricing Model ("Black-Scholes").

Share-based payments for employees and others providing similar services are determined based on the grant date fair value. Share-based payments for non-employees is determined based on the fair value of the goods or services received or if the fair value of the services received cannot be reliably measured, the options granted are measured at the date on which the Company obtains the goods or services.

Share-based compensation expense is recognized over each tranche's vesting period in the consolidated statement of comprehensive loss, or capitalized as appropriate, based on the number of awards that vest less the estimated forfeitures. The number of forfeitures likely to occur is estimated on the grant date. If stock options are

Range Energy Resources Inc.
Notes to the Consolidated Financial Statements
For the Years Ended December 31, 2019 and 2018

(Expressed in Canadian Dollars)

3. Significant accounting policies – continued

(f) Share-based payment transactions (continued)

ultimately exercised, the applicable amounts of contributed surplus are transferred to share capital.

(g) Share capital

Proceeds from the exercise of stock options and warrants, in addition to the estimated fair value attributable to these equity instruments, are recorded as share capital when exercised. In a unit offering, the Company prorates the proceeds between common shares and warrants using the relative fair value method. Share issuance costs are recorded as a reduction of share capital.

(h) Income taxes

Income tax comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax expense is the expected payable on the taxable income for the period using tax rates enacted or substantively enacted at year-end, adjusted for amendments to tax payable with regards to previous years.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent it is no longer probable that the related tax benefit will be realized.

Deferred tax assets and liabilities are offset when there is legally enforceable right to set off current tax assets against current tax liabilities, when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Deferred tax is provided on temporary differences arising between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes using the liability method. Deferred tax is not recognized for temporary differences which arise on the initial recognition of assets or liabilities in a transaction that is not a business combination that affect neither accounting nor taxable loss. Deferred tax is also not recognized for temporary differences relating to investments in subsidiaries to the extent that it is probable they will not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using rates enacted or substantively enacted at the consolidated statement of financial position date.

(i) Financial instruments

(i) Recognition and initial measurement

Trade receivables and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument. A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value net of transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at: (i) amortized cost; (ii) fair value through other comprehensive income ("FVOCI"); or (iii) fair value through profit or loss ("FVTPL"). Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for

(Expressed in Canadian Dollars)

3. Significant accounting policies - continued

(ii) Classification and subsequent measurement (continued)

Financial assets (continued)

managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis. All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost, FVOCI, or FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

- Financial assets at FVTPL: These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in the consolidated statement of comprehensive loss. The Company's cash and long-term investment are measured at FVTPL.
- Financial assets at amortized cost: These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in the consolidated statement of comprehensive loss. Any gain or loss on derecognition is recognized in the consolidated statement of comprehensive loss. The Company's loan receivable is measured at amortized cost.
- Debt investments at FVOCI: These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in the consolidated statement of comprehensive loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to the consolidated statement of comprehensive loss. The Company does not have any assets classified as debt investments at FVOCI.
- Equity investments at FVOCI: These assets are subsequently measured at fair value. Dividends are recognized as income in the consolidated statement of comprehensive loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to the consolidated statement of comprehensive loss. The Company does not have any assets classified as equity investments at FVOCI.

(Expressed in Canadian Dollars)

3. Significant accounting policies - continued

(i) Financial instruments (continued)

(ii) Classification and subsequent measurement (continued)

Financial liabilities

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in the consolidated statement of comprehensive loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in the consolidated statement of comprehensive loss. Any gain or loss on derecognition is also recognized in the consolidated statement of comprehensive loss. The Company's accounts payable and convertible loans are measured at amortized cost.

(iii) Derecognition

Financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. The Company enters into transactions whereby it transfers assets recognized in its consolidated statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled, or expire. The Company also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in the consolidated statement of comprehensive loss, unless the transaction involves a creditor that is also a direct or indirect shareholder of the Company that is also acting in its capacity as such, in which case the difference is recognized in the consolidated statement of equity.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the consolidated statement of financial position when, and only when, the Company has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

(Expressed in Canadian Dollars)

3. Significant accounting policies - continued

(i) Financial instruments (continued)

(v) Impairment

Financial assets and contract assets

The Company recognizes loss allowances for expected credit losses ("ECLs") on:

- financial assets measured at amortized cost;
- debt investments measured at FVOCI; and
- contract assets (as defined in IFRS 15).

The Company measures loss allowances at an amount equal to lifetime ECL, except for the following, which are measured as 12-month ECL:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECL. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realizing security (if any is held); or
- the financial asset is more than 90 days past due.

The Company considers a debt security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECL's that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

(Expressed in Canadian Dollars)

3. Significant accounting policies - continued

(i) Financial instruments (continued)

(v) Impairment (continued)

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the entity expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortized cost and debt securities at FVOCI are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECL in the consolidated statement of financial position

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

For debt securities at FVOCI, the loss allowance is charged to the consolidated statement of comprehensive loss and is recognized in OCI.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

(j) 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.

Range Energy Resources Inc.
Notes to the Consolidated Financial Statements
For the Years Ended December 31, 2019 and 2018

(Expressed in Canadian Dollars)

3. Significant accounting policies - continued

(k) Segment reporting

The Company operates in a single reportable operating segment – investing in entities involved in the acquisition, exploration and development of oil and gas properties.

(l) Related parties

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

(m) Convertible loans

Convertible loans, where applicable, are separated into their financial liability and equity instrument components and accounted for using the effective interest rate method. The fair value of the liability component at the time of issue is determined based on an estimated interest rate of the convertible loan without the conversion feature. The fair value of the equity component is determined as the difference between the face value and the fair value of the liability component. Issuance costs of the convertible loans are applied as a reduction of proceeds and split pro-rata between the liability and equity components. The issuance costs applied to the liability component are recognized as accretion expense over the term of the convertible loan.

(n) Debt issuance costs

Debt issue costs are recognized in connection with proposed financing transactions which are specifically identified in that the form of debt issuances is known and completion of the financing is probable. When the financing is completed, these costs are recognized and netted against the value of the debt for debt transactions. The debt is subsequently accreted to face value at maturity. The accretion amounts are included in interest and bank charges expense over the life of the debt. Debt issue costs include only those costs which are incremental and directly attributable to the proposed financing transaction. In the event that the transaction is abandoned, previously capitalized debt issue costs are expensed through the consolidated statement of comprehensive loss.

(o) Lease

The Company recognizes a right-of-use asset and a lease liability based on the present value of the future lease payments at the commencement date. The commencement date is when the lessor makes the leased asset available for use by the Company, typically the possession date. The discount rate used in the present value calculation for lease payments is the incremental borrowing rate for each leased asset or portfolio of leased assets with similar characteristics by reference to the Company's creditworthiness, the original term of the lease, the quality of the underlying leased asset, and the economic environment where the leased asset is located. The lease term is determined as the non-cancellable periods of a lease, together with periods covered by a renewal option if the Company is reasonably certain to exercise that option and a termination option if the Company is reasonably certain not to exercise that option.

Lease payments for short-term leases with a term of 12 months or less and leases of low-value assets are treated as operating leases, with rent expense recognized in cost of sales or selling, general and administrative expenses on a straight-line or other systematic basis.

(Expressed in Canadian Dollars)

3. Significant accounting policies - continued

(o) Lease (continued)

Lease liabilities are measured at the present value of future lease payments, discounted using the Company's incremental borrowing rates, and include the fixed payments, variable lease payments that depend on an index or a rate, less any lease incentives receivable. Subsequent to initial measurement, the Company measures lease liabilities at amortized cost using the effective interest rate method. Lease liabilities are remeasured when there are changes to the lease payments, a change in lease term, a change in the assessment of an option to purchase the underlying asset, a change in expected residual value guarantee, or a change in future lease payments due to a change in index or rate tied to the payment.

Right-of-use assets are measured at the initial amount of the lease liabilities, lease payments made at or before the commencement date less any lease incentives received, initial direct costs if any, and decommissioning costs to restore the site to the condition required by the terms and conditions of the lease. Subsequent to initial measurement, the Company applies the cost model to the right of- use assets and measures the asset at cost less any accumulated depreciation, accumulated impairment losses in accordance with IAS 36, and any remeasurements of the lease liabilities. Assets are depreciated from the commencement date on a straight-line basis over the earlier of the end of the assets' useful lives or the end of the lease terms.

During the year ended December 31, 2019, all of the Company's leases are short-term leases with a term of 12 months or less and are recorded as operating leases.

(p) Accounting standards adopted during the period

The Company has adopted the following new standards, along with any consequential amendments effective January 1, 2019.

IFRS 16 Leases - IFRS 16 supersedes IAS 17 Leases and requires how leases will be recognized, measured, presented and disclosed. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is twelve months or less or the underlying asset has a low value.

On adoption of IFRS 16, the Company used the following additional practical expedients:

- Applied a single discount rate to a portfolio of leases with similar characteristics;
- Applied the exemption not to recognize right-of-use assets and lease liabilities for short-term leases with terms less than 12 months and leases of low-value assets. The Company recognizes the lease payments associated with these leases as an expense on a straight-line or other systematic basis over the lease term;
- Excluded initial direct costs from the measurement of the right-of-use asset at the date of initial application; and
- Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

The Company chose to adopt the modified retrospective approach on transition to IFRS 16 on January 1, 2019. Accordingly, the comparative information presented for the prior period has not been restated and is presented as previously reported under IAS 17 and related interpretations. As at December 31, 2018, all of the Company's leases are short-term leases with a term of 12 months or less and recorded as operating leases. As such the cumulative effect of initial application recognized in retained earnings at January 1, 2019 is \$nil.

Range Energy Resources Inc.
Notes to the Consolidated Financial Statements
For the Years Ended December 31, 2019 and 2018

(Expressed in Canadian Dollars)

3. Significant accounting policies - continued

(q) Accounting standards and amendments issued but not yet adopted

A number of new standards and amendments to existing standards have been issued by the IASB that are mandatory for accounting periods beginning on or after January 1, 2020, or later periods. The Company has not early adopted these new standards in preparing these financial statements. These new standards are either not applicable or are not expected to have a significant impact on the Company's financial statements.

4. Significant accounting estimates and judgments

The preparation of the condensed interim consolidated financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities at the date of the consolidated 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 consolidated statement of financial position in future periods.

Significant areas requiring the use of management estimates include the valuation of the long-term investment, the initial carrying value of convertible loans given the requirement to determine an appropriate discount rate based on similar instruments with no conversion features, valuation of warrants and share-based payments, recognition of deferred income tax assets, and deferred income tax rates.

Significant areas requiring management judgement 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.

Impairment assessment of loan receivable

Application of the factors of impairment to the facts and circumstances pertaining to the loan receivable requires a significant amount of management judgement.

Utilization of deferred income tax assets

Deferred tax assets require management judgement in order to determine the amounts to be recognized and the likelihood that there will be future taxable income for 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.

(Expressed in Canadian Dollars)

4. Significant accounting estimates and judgments - continued

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).

Convertible loans

In accordance with the substance of the contractual arrangement, convertible loans are compound financial instruments that are accounted for separately by their financial liability and equity instrument components. The identification of convertible loan components is based on interpretations of the substance of the underlying contractual arrangement and therefore requires management's judgment. The separation of the components affects the initial recognition of the convertible loans at issuance and the subsequent recognition of interest on the liability component. The determination of the fair value of the liability is also based on a number of assumptions, including contractual future cash flows, discount factors, and the presence of any derivative financial instruments.

Modification versus extinguishment of financial liability

Management's judgment is required in applying IFRS 9 in determining whether the amended and/or restated terms of existing loan agreements are a substantial modification of an existing financial liability and whether such should be accounted for as an extinguishment of the original financial liability.

Management's judgment is also required in assessing whether a modification or extinguishment of an existing financial liability involving a creditor that is also a direct or indirect shareholder of the Company, is one in which the creditor is also acting in its capacity as such.

Share-based payments

The fair value of stock options granted is calculated using the Black-Scholes Option Pricing Model and requires the use of highly subjective estimates and assumptions including the expected stock price volatility. Changes in the underlying assumptions can materially affect the fair value estimates.

5. Loan receivable

On March 3, 2012, the Company entered into a Letter of Intent ("LOI") with Blackstairs Energy PLC ("Blackstairs") whereby the Company proposed to acquire 100% of the issued share capital of Blackstairs subject to a number of conditions set out in the LOI, including, satisfactory completion by the Company of its due diligence review of Blackstairs on or before April 30, 2012, entering into a Definitive Agreement and obtaining requisite regulatory and shareholders' approvals, if required. Under the terms of the LOI, the Company loaned Blackstairs US\$500,000 for working capital purposes. As security for this loan, certain shares in Blackstairs were pledged to the Company.

Range Energy Resources Inc.
Notes to the Consolidated Financial Statements
For the Years Ended December 31, 2019 and 2018

(Expressed in Canadian Dollars)

5. Loan receivable - continued

As the structure of a Definitive Agreement could not be agreed upon, the LOI was terminated on March 29, 2012 and as such, the loan became repayable within 180 days from April 30, 2012, bearing interest at the rate of US prime plus 1.5% per annum compounded monthly until repayment.

Blackstairs failed to repay the loan when due. The Company subsequently took the steps necessary to cause the pledged shares to be transferred to the Company and registered in the name of the Company on Blackstairs' share register.

By letter dated December 22, 2014, the Company was informed that Deloitte & Touche was appointed liquidator of Blackstairs.

On December 21, 2015, the annual general meeting of Blackstairs's creditors was held. The Blackstairs liquidator disclosed at that meeting that the liquidation process is continuing. On December 20, 2016, the liquidator's lawyer wrote a letter to the Company's lawyer stating that the liquidator concluded that Blackstairs's sale of its only asset—a production sharing contract with the government of Senegal—to New Horizon Oil and Gas Limited (trading a T5 Oil and Gas) and the consideration received for that sale represented the best price achievable for this asset. The letter also said that the liquidator has sought court relief under applicable law from its duties as liquidator.

The Company continues to consider what, if any, actions it may take to obtain recovery out of Blackstairs's assets of all or some portion of the outstanding principal of, and accrued and unpaid interest on, the loan.

As the fair value of the pledged shares is indeterminable, the loan receivable was written down by \$575,347 to a nominal amount during the year ended December 31, 2013. As at December 31, 2019, total principal of US\$500,000 and accrued interest of US\$40,944, is due to the Company.

6. Long-term investment

On November 6, 2009, the Company entered into a share acquisition agreement with a privately held company (the "Vendor") under which the Company purchased 49.9% of the common shares of New Age Al Zarooni 2 Limited ("NAAZ2"), a company domiciled in Jersey, Channel Islands. The consideration paid for the shares was as follows:

- (a) \$16,862,774 (US\$16,367,000) cash;
- (b) 2,000,000 common shares of the Company with an estimated fair value of \$400,000 measured on the date of issuance;
- (c) 1,500,000 warrants to purchase 1,500,000 common shares of the Company exercisable for a term of five years at a price of \$0.30 per share, valued at \$509,293 measured on the date of issuance using the Black-Scholes Option-Pricing Model. These warrants expired unexercised; and,
- (d) \$46,728 (US\$44,000) of expenses reimbursed to the Vendor.

The transaction closed on November 17, 2009. In connection with the transaction, the Company issued 3,250,000 common shares of the Company for corporate advisory services to unrelated third parties. The estimated fair value of these shares was \$650,000 measured on the date of issuance and recorded as transaction costs in the consolidated statement of operations and comprehensive loss during the year ended December 31, 2009.

NAAZ2 owns 50% of the common shares of Gas Plus Khalakan Limited ("GPK"), a company domiciled in Jersey, Channel Islands. GPK holds an 80% interest in the Khalakan production sharing contract ("PSC") for an oil and gas resource property ("Khalakan Block") and the Kurdistan Regional Government of Iraq holds the remaining 20% interest. The Khalakan Block consists of two concessions, Blocks 28 and 29 (sometimes referred to as Blocks 6 and 7) and originally comprised 624 square kilometres located in the central part of the Kurdistan Region of Iraq.

Range Energy Resources Inc.
Notes to the Consolidated Financial Statements
For the Years Ended December 31, 2019 and 2018

(Expressed in Canadian Dollars)

6. Long-term investment - continued

Under the GPK shareholders agreement, a company beneficially owned by a third party is entitled to a 40% interest in the net profits ("NPI") of the project. At any time, the 40% NPI may be exchanged for 40% of the issued common shares of GPK for a price equal to US\$1 per common share. In addition, a 3.5% interest in the net profits is payable to the current operator under a management services agreement.

The NAAZ2 shareholders agreement requires each shareholder to fund its cash calls based on its ownership interest. If a shareholder fails to fund its portion of these cash calls, the non-defaulting shareholder has the option to fund any shortfalls and thereby increase its relative interest in NAAZ2, and in turn its indirect interest in GPK. Should the non-defaulting shareholder decline to fund any shortfalls, a buy-out event may be triggered under which the defaulting party's interest may be purchased by the non-defaulting party for a price pre-determined by a formula in the shareholders agreement. During the year ended December 31, 2019 and 2018, the Company did not fund any cash calls made by NAAZ2. The Company did not participate in certain requested cash calls towards the end of fiscal 2017, nor in any requested cash calls during fiscal 2018 and 2019. As a result, the Company's interest has been reduced to 44.99% as at December 31, 2019 and December 31, 2018. Management does not currently intend to fund any additional cash calls in the foreseeable future, and consequently the Company's interest is expected to be further reduced. Refer to *Impairment*, below.

The GPK shareholders agreement requires each shareholder to fund its proportional share of cash calls based on its shareholdings. If a shareholder fails to fund its portion of these cash calls, the non-defaulting shareholder will have the option to fund any shortfalls and thereby increase its relative interest in GPK. Should the non-defaulting shareholder decline to fund any shortfalls, a buy-out event may be triggered under which the defaulting party's interest may be purchased by the non-defaulting party for a price pre-determined by a formula in the shareholders agreement.

Impairment

As at December 31, 2017, the Company determined there was objective evidence of impairment in the carrying value of its long-term investment and recognized an impairment loss of \$28,907,723 in 2017. During the year ended December 31, 2018, GPK filed for a court order winding up which the Company has no future plans to protest due to the Company's restricted voting rights under the shareholders agreement. As a result, the Company recognized an impairment loss of \$42,176,999 during the year ended December 31, 2018 thereby reducing the carrying value to \$1, being management's best estimate of its fair value.

7. 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.

(b) Private placements

There was no share capital activity for the years ended December 31, 2019 and 2018.

(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.

Range Energy Resources Inc.
Notes to the Consolidated Financial Statements
For the Years Ended December 31, 2019 and 2018

(Expressed in Canadian Dollars)

7. Equity - continued

(d) Warrants

| | December 31, 2019 | | December 31, 2018 | |
|--------------------|--------------------|--------------|--------------------|--------------|
| | Number of warrants | Amount | Number of warrants | Amount |
| Opening balance | 401,048,137 | \$ 5,379,075 | 523,048,137 | \$ 9,032,924 |
| Warrants expired | (74,791,726) | (1,937,927) | (122,000,000) | (3,653,849) |
| Warrants cancelled | (326,256,411) | (3,441,148) | - | - |
| Closing balance | - | \$ - | 401,048,137 | \$ 5,379,075 |

At December 31, 2019 there were no warrants outstanding.

During the year ended December 31, 2019, 74,791,726 warrants expired and \$1,937,927 was transferred from warrants reserve to contributed surplus on the consolidated statement of changes in deficiency.

On July 31, 2019, 326,256,411 warrants at an exercise price of \$0.05 were cancelled pursuant to the Share and Loan Purchase agreement between Gulf and 2706791 Ontario Inc. and \$3,441,148 was transferred from warrants reserve to contributed surplus on the consolidated statement of changes in deficiency.

During the year ended December 31, 2018, 122,000,000 finders' warrants expired and \$3,653,849 was transferred from warrants reserve to contributed surplus on the consolidated statement of changes in deficiency.

(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 86,995,435 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.

The following table summarizes stock option activity during the year ended December 31, 2019 and year ended December 31, 2018:

| | December 31, 2019 | | December 31, 2018 | |
|-------------------|-------------------|--|-------------------|--|
| | Number of options | Weighted average exercise price of options exercisable | Number of options | Weighted average exercise price of options exercisable |
| Opening balance | 10,250,000 | \$0.10 | 10,250,000 | \$0.10 |
| Options cancelled | 6,000,000 | \$0.10 | - | - |
| Closing balance | 4,250,000 | \$0.10 | 10,250,000 | \$0.10 |

During the year ended December 31, 2019, 6,000,000 options at an exercise price of \$0.10 were cancelled.

Range Energy Resources Inc.
Notes to the Consolidated Financial Statements
For the Years Ended December 31, 2019 and 2018

(Expressed in Canadian Dollars)

7. Equity - continued

(e) Stock options (continued)

At December 31, 2019, the following stock options were outstanding:

| Number of options outstanding and exercisable | Exercise prices | Expiry date |
|--|------------------------|--------------------|
| 4,250,000 | \$0.10 | September 11, 2020 |

8. Loan payable

On April 11, 2019, the Company entered into a loan agreement with Gulf LNG America, LLC in the amount of US\$25,000. The loan was interest bearing at a rate of 13% per annum and was due to mature on January 13, 2020.

On August 1, 2019, the Company entered into a loan agreement with 2706791 Ontario Inc. in the principal amount of \$50,000. The loan is interest bearing at a rate of 6% per annum compounded monthly and matures in on August 1, 2021. Proceeds from this loan were partially used to repay the above mentioned US\$25,000 loan from Gulf LNG America, LLC.

| | | |
|--|-----------|---------------|
| Balance, December 31, 2017 and 2018 | \$ | - |
| Loan payable issued | | 83,299 |
| Loan and interest paid | | (33,808) |
| Interest | | 1,610 |
| Foreign exchange | | 153 |
| Balance, December 31, 2019 | \$ | 51,254 |

9. Convertible loans payable

(a) 2706791 Ontario Inc.

During the year ended December 31, 2016, the Company received four unsecured loans in the aggregate principal amount of \$4,257,218 from a related party Gulf LNG America, LLC, which holds 71.02% of the Company's issued and outstanding common shares ("Gulf"). Each of the four loans was interest bearing at a rate of 7% per annum. Per the amended agreements, the first three loans, together with all accrued and unpaid interest, were due on September 26, 2016. Per the original agreement, the fourth loan, together with all accrued and unpaid interest, was due on December 23, 2016. The Company was unable to repay any of the loans by their respective due dates. As a result, the Company was in default on each loan and the overdue amount of each loan accrued interest at 9% per annum from the date of such non-payment.

On January 11, 2017, the Company received an additional unsecured loan in the amount of \$1,175,512 from Gulf. The loan was interest bearing at a rate of 7% per annum and was due on February 11, 2017.

(Expressed in Canadian Dollars)

9. Convertible loans payable - continued

On February 14, 2017, the Company and Gulf entered into a new loan agreement under which Gulf will purchase from time to time secured convertible loans (the "Gulf Secured Convertible Loan Agreement") from the Company. Also on that date, the Company entered into an amendment and restatement agreement with Gulf pursuant to which all existing short-term loans and accrued interest from Gulf described above, in an aggregate amount of \$5,603,371, was converted into secured convertible loans under the Gulf Secured Convertible Loan Agreement, and the existing short-term loan agreements were terminated. The promissory note evidencing this loan matures on February 14, 2018, accrues interests compounded monthly at the rate of 10% per annum, and is convertible at the option of Gulf into common shares of the Company at \$0.02 per share. In the event of default, the interest is compounded monthly at a rate of 12% per annum. On February 12, 2018, the maturity date was extended to May 15, 2018, on May 9, 2018, it was further extended to August 13, 2018 and on August 10, 2018, it was further extended to November 12, 2018.

On February 15, 2017, the Company received a secured convertible loan of \$1,319,749 from Gulf made under the Gulf Secured Convertible Loan Agreement. The loan is evidenced by a secured promissory note in favour of Gulf for the principal amount of \$1,319,749. The maturity date of the principal amount, interest and any fees of the loan is February 15, 2018, accrues interests compounded monthly at the rate of 10% per annum, and the loan is convertible into common shares of the Company at \$0.02 per share. In the event of default, the interest is compounded monthly at a rate of 12% per annum. On February 12, 2018, the maturity date was extended to May 16, 2018, on May 9, 2018, it was further extended to August 14, 2018 and on August 10, 2018, it was further extended to November 12, 2018.

On March 3, 2017, the Company received a secured convertible loan of \$2,007,600 from Gulf made under the Gulf Secured Convertible Loan Agreement. The loan is evidenced by a secured promissory note in favour of Gulf for the principal amount of \$2,007,600. The maturity date of the principal amount, interest and any fees of the loan is March 5, 2018, accrues interests compounded monthly at the rate of 10% per annum, and the loan is convertible into common shares of the Company at \$0.02 per share. In the event of default, the interest is compounded monthly at a rate of 12% per annum. On March 19, 2018, the maturity date was extended to May 16, 2018, on May 9, 2018, it was further extended to August 14, 2018 and on August 10, 2018, it was further extended to November 12, 2018.

On May 25, 2017, the Company received a secured convertible loan of \$2,031,500 from Gulf made under the Gulf Secured Convertible Loan Agreement. The loan is evidenced by a secured promissory note in favour of Gulf for the principal amount of \$2,031,500. The maturity date of the principal amount, interest and any fees of the loan is May 25, 2018, accrues interests compounded monthly at the rate of 10% per annum, and the loan is convertible into common shares of the Company at \$0.02 per share. In the event of default, the interest is compounded monthly at a rate of 12% per annum. On May 9, 2018, the maturity date was extended to August 23, 2018 and on August 10, 2018, it was further extended to November 12, 2018.

On June 28, 2017, the Company received a secured convertible loan of \$1,175,826 from Gulf made under the Gulf Secured Convertible Loan Agreement. The loan is evidenced by a secured promissory note in favour of Gulf for the principal amount of \$1,175,826. The maturity date of the principal amount, interest and any fees of the loan is June 28, 2018, accrues interests compounded monthly at the rate of 10% per annum, and the loan is convertible into common shares of the Company at \$0.02 per share. In the event of default, the interest is compounded monthly at a rate of 12% per annum. On May 9, 2018, the maturity date was extended to September 26, 2018 and on August 10, 2018, it was further extended to November 12, 2018.

Range Energy Resources Inc.
Notes to the Consolidated Financial Statements
For the Years Ended December 31, 2019 and 2018

(Expressed in Canadian Dollars)

9. Convertible loans payable - continued

(a) 2706791 Ontario Inc. (continued)

On August 2, 2017, the Company received a secured convertible loan of \$1,251,400 from Gulf made under the Gulf Secured Convertible Loan Agreement. The loan is evidenced by a secured promissory note in favour of Gulf for the principal amount of \$1,251,400. The maturity date of the principal amount, interest and any fees of the loan is August 2, 2018, accrues interests compounded monthly at the rate of 10% per annum, and the loan is convertible into common shares of the Company at \$0.02 per share. In the event of default, the interest is compounded monthly at a rate of 12% per annum. On August 10, 2018, the maturity date was extended to November 12, 2018.

On September 11, 2017, the Company received a secured convertible loan of \$605,386 from Gulf made under the Gulf Secured Convertible Loan Agreement. The loan is evidenced by a secured promissory note in favour of Gulf for the principal amount of \$605,386. The maturity date of the principal amount, interest and any fees of the loan is September 11, 2018, accrues interests compounded monthly at the rate of 10% per annum, and the loan is convertible into common shares of the Company at \$0.02 per share. In the event of default, the interest is compounded monthly at a rate of 12% per annum. On September 11, 2018, the maturity date was extended to November 12, 2018.

On September 25, 2017, the Company received a secured convertible loan of \$740,340 from Gulf made under the Gulf Secured Convertible Loan Agreement. The loan is evidenced by a secured promissory note in favour of Gulf for the principal amount of \$740,340. The maturity date of the principal amount, interest and any fees of the loan is September 25, 2018, accrues interests compounded monthly at the rate of 10% per annum, and the loan is convertible into common shares of the Company at \$0.02 per share. In the event of default, the interest is compounded monthly at a rate of 12% per annum. On September 11, 2018, the maturity date was extended to November 12, 2018.

On October 13, 2017, the Company received a secured convertible loan of \$1,247,300 from Gulf made under the Gulf Secured Convertible Loan Agreement. The loan is evidenced by a secured promissory note in favour of Gulf for the principal amount of \$1,247,300. The maturity date of the principal amount, interest and any fees of the loan is October 15, 2018, accrues interests compounded monthly at the rate of 10% per annum, and the loan is convertible into common shares of the Company at \$0.02 per share. In the event of default, the interest is compounded monthly at a rate of 12% per annum.

All or any portion of the principal amount, accrued interest and fees outstanding under the notes is convertible by Gulf into common shares of the Company at any time before the maturity date, at a conversion price per share set out in the notes, subject to adjustment upon certain events occurring. The conversion price for the loans was approved by the Company's board and by the CSE.

The loans are secured by a general security agreement.

On July 31, 2019, 2706791 Ontario Inc., a company controlled by a director of the Company, entered into a Share and Loan Purchase agreement with Gulf whereby 2706791 Ontario Inc. acquired from Gulf 609,351,075 common shares of the Company and all secured convertible promissory notes in the aggregate principal amount of \$15,982,472 (see Note 10). Upon completion of the transaction, 2706791 Ontario Inc. became the parent of the Company (See note 1). As at December 31, 2019, the loans were in default.

Range Energy Resources Inc.
Notes to the Consolidated Financial Statements
For the Years Ended December 31, 2019 and 2018

(Expressed in Canadian Dollars)

9. Convertible loans payable - continued

(b) Harrington Global Opportunities Fund S.A.R.L.

On January 11, 2017, the Company received an unsecured loan in the amount of \$140,000 from Harrington Global Opportunities Fund S.A.R.L., a significant shareholder of the Company ("Harrington"). The loan was interest bearing at a rate of 7% per annum and was due on February 11, 2017.

On February 14, 2017, the Company and Harrington entered into a new loan agreement under which Harrington will provide from time to time secured convertible loans (the "Harrington Secured Convertible Loan Agreement"). Also on that date, the Company entered into an amendment and restatement agreement with Harrington, pursuant to which all existing short-term loans from Harrington, in an aggregate amount of \$140,936, were amended and restated into secured convertible loans under the Harrington Secured Convertible Loan Agreement, and the existing short-term loan agreement was terminated. The promissory note evidencing this loan matures on February 14, 2018, accrues interests compounded monthly at the rate of 10% per annum, and is convertible into common shares of the Company at \$0.02 per share. In the event of default, the interest is compounded monthly at a rate of 12% per annum. On February 12, 2018, the maturity date was extended to May 15, 2018. As at December 31, 2019, the loan was in default.

On February 14, 2017, the Company received a secured convertible loan of \$160,000 from Harrington made under the Harrington Secured Convertible Loan Agreement. The loan is evidenced by a secured promissory note in favour of Harrington for the principal amount of \$160,000. The maturity date of the principal amount, interest and any fees of the loan is February 15, 2018, accrues interests compounded monthly at the rate of 10% per annum, and the loan is convertible into common shares of the Company at \$0.02 per share. In the event of default, the interest is compounded monthly at a rate of 12% per annum. On February 12, 2018, the maturity date was extended to May 16, 2018. As at December 31, 2019, the loan was in default.

All or any portion of the principal amount, accrued interest and fees outstanding under the notes is convertible by Harrington into common shares of the Company at any time before the maturity date, at a conversion price per share set out in the notes, subject to adjustment upon certain events occurring. The conversion price for the loans was approved by the Company's board and by the CSE.

The loans are secured by a general security agreement.

- (c) The fair value of the liability component at the time of issue was determined based on an estimated rate of 20% for loans without the conversion feature. The fair value of the equity component was determined as the difference between the face value of the loans and the fair value of the liability component. After initial recognition the liability component is carried on an amortized cost basis and will be accreted to its face value over the term to maturity of the convertible loan at an effective interest rate of approximately between 18.37% and 18.98%. The carrying value of convertible loans payable, including convertible accrued interest, is \$21,737,556 at December 31, 2019 (2018 - \$19,309,649). During the year ended December 31, 2019, the Company accrued interest and accretion expense of \$2,427,907 (2018 - \$2,973,815) related to these loans.

Range Energy Resources Inc.
Notes to the Consolidated Financial Statements
For the Years Ended December 31, 2019 and 2018

(Expressed in Canadian Dollars)

9. Convertible loans payable - continued

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 years ended December 31, 2019 and 2018:

| | Liability Component | Equity Component |
|-----------------------------------|----------------------------|-------------------------|
| Balance, December 31, 2017 | \$ 16,949,869 | \$ 3,805,549 |
| Modification of loans | (614,035) | - |
| Interest | 1,892,651 | - |
| Accretion | 1,081,164 | - |
| Balance, December 31, 2018 | 19,309,649 | 3,805,549 |
| Interest | 2,427,907 | - |
| Balance, December 31, 2019 | \$ 21,737,556 | \$ 3,805,549 |

- (d) The Company determined that the extension of maturity dates during the year ended December 31, 2018 relating to convertible loans described in Notes 9(a) and 9(b) represented non-substantial modifications of financial liabilities under IFRS 9, as the respective differences between the net present value of the cash flows under the modified terms was less than 10 percent different from the net present value of the remaining cash flows of the convertible loans prior to modification, both discounted at the original effective interest rate. As these transactions involve creditors that are also direct shareholders of the Company that are also acting in their capacity as such, the resulting difference of \$614,035 was recognized in the consolidated statement of equity.

10. Related party transactions and balances

Key management personnel are those persons that have the authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly. Key management personnel 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 11).

Details of key management personnel compensation are as follows:

| Years ended December 31, | 2019 | 2018 |
|--|-------------|-------------|
| Services provided: | | |
| Accounting fees | \$ 63,000 | \$ 63,000 |
| Management fees | 44,520 | 45,182 |
| Rent and storage | 12,600 | 12,600 |
| Key management personnel compensation | \$ 120,120 | \$ 120,782 |
| As at December 31, | 2019 | 2018 |
| Balances payable to key management personnel | \$ 175,553 | \$ 109,887 |

Range Energy Resources Inc.
Notes to the Consolidated Financial Statements
For the Years Ended December 31, 2019 and 2018

(Expressed in Canadian Dollars)

10. Related party transactions - continued

On July 31, 2019, 2706791 Ontario Inc., a company controlled by a director of the Company, entered into a Share and Loan Purchase agreement with Gulf whereby 2706791 Ontario Inc. acquired from Gulf 609,351,075 common shares and certain secured convertible promissory notes of the Company in the aggregate principal amount of \$15,982,472 (Note 9). Upon completion of the transaction, 2706791 Ontario Inc. became the parent of the Company (See note 1).

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 (Note 8).

The amount payable to key management personnel is included in accounts payable and accrued liabilities on the consolidated statements of financial position. A director of the Company agreed to forgive an amount of \$2,981 owing to him during the year ended December 31, 2018.

11. Commitment

The Company is party to a corporate management and accounting services agreement which automatically renewed for additional 12 months until December 31, 2020 (Note 10). The future minimum payments are \$114,000 for the remainder of the year ending December 31, 2020.

12. Financial instruments

The Company's financial instruments include cash, loan receivable, long-term investment, accounts payable, loan payable and convertible loans. The carrying value of cash, amounts receivable, accounts payable, loan payable and convertible loans payable as presented in these consolidated 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.

Range Energy Resources Inc.
Notes to the Consolidated Financial Statements
For the Years Ended December 31, 2019 and 2018

(Expressed in Canadian Dollars)

12. Financial instruments - continued

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

| Financial instrument | Classification | Fair value hierarchy |
|---------------------------|----------------|----------------------|
| Cash | FVTPL | Level 1 |
| Loan receivable | Amortized cost | n/a |
| Long-term investment | FVTPL | Level 3 |
| Accounts payable | Amortized cost | n/a |
| Loan payable | Amortized cost | n/a |
| Convertible loans payable | Amortized cost | n/a |

The Company holds a long-term investment in NAAZ2 that is considered to be classified as Level 3. The fair value of \$1 has been estimated by management using the Company's proportion of the discounted cash flows expected to be recovered from the bankruptcy proceedings of GPK plus the net assets of NAAZ2.

The following table reconciles the Company's Level 3 fair value investment:

| Year ended December 31, | 2019 | 2018 |
|-------------------------|------|---------------|
| Beginning balance | \$ 1 | \$ 42,177,000 |
| Impairment | - | (42,176,999) |
| Ending balance | \$ 1 | \$ 1 |

See the Company's consolidated statement of financial position for financial instrument balances as at December 31, 2019 and December 31, 2018.

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 December 31, 2019, the Company's maximum credit risk is the carrying value of cash and loan receivable.

(b) Commodity price risk

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

Range Energy Resources Inc.
Notes to the Consolidated Financial Statements
For the Years Ended December 31, 2019 and 2018

(Expressed in Canadian Dollars)

12. 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 December 31, 2019, the Company has a working capital deficiency of \$21,929,134 (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 December 31, 2019 are as follows:

| | Carrying value \$ | Less than 1 year \$ | Between 2 – 5 years \$ | More than 5 years \$ | Total |
|---------------------------|-------------------------|---------------------------|------------------------------|----------------------------|------------|
| Accounts payable | 199,911 | 199,911 | - | - | 199,911 |
| Loan payable | 51,254 | - | 51,254 | - | 51,254 |
| Convertible loans payable | 21,737,556 | 21,737,556 | - | - | 21,737,556 |

(d) Interest rate risk

As at December 31, 2019, 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. The Company is required to make regular cash contributions denominated in United States dollars to fund the companies underlying its long-term investment (note 6) and repay its loan payable in United States dollars. 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 December 31, 2019, a strengthening (weakening) of the Canadian dollar against the United States dollar of 10% would have an insignificant impact on the Company's consolidated statements of comprehensive loss.

13. Management of capital

The Company manages its capital to ensure it will be able to continue as a going concern and continue the funding of its long-term investment. The Company has no operations that generate cash flow and depends on financings to fund its long-term investment and administrative expenses. The success of each financing depends on numerous factors including a positive oil and gas environment, 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.

Range Energy Resources Inc.
Notes to the Consolidated Financial Statements
For the Years Ended December 31, 2019 and 2018

(Expressed in Canadian Dollars)

14. Income taxes

The Company's provision for income taxes differs from amounts computed by applying the combined Canadian federal and provincial income tax rates, as a result of the following:

| Year ended December 31, | 2019 | 2018 |
|---|--------------|---------------|
| Enacted rates | 27.00% | 27.00% |
| Income tax recovery computed at statutory rates | \$ 713,927 | \$ 12,262,843 |
| Permanent differences | - | (291,914) |
| Change in tax rates and other | (18,670,164) | (637,142) |
| Change in deferred assets not recognized | 17,956,237 | (11,333,787) |
| Recovery of (provision for) income taxes | \$ - | \$ - |

The tax effects of temporary timing differences that give rise to significant components of the deferred tax assets and deferred tax liabilities are as follows:

| Year ended December 31, | 2019 | 2018 |
|---|-------------|--------------|
| Deferred tax assets | | |
| Financing costs | \$ 3,492 | \$ 6,464 |
| Non-capital loss carry forwards | 5,820,795 | 5,103,907 |
| Convertible loans | - | (817,085) |
| Tax value of long-term investment in excess of book value | - | 19,271,366 |
| Other | 4,465 | 220,337 |
| Total gross deferred tax assets | 5,828,752 | 23,784,989 |
| Deferred tax assets not recognized | (5,828,752) | (23,784,989) |
| Net deferred tax assets | \$ - | \$ - |

At December 31, 2019, the Company has non-capital losses of approximately \$21,558,503 which may be carried forward to apply against future year's income for Canadian income tax purposes, subject to final determination by taxation authorities, expiring as follows:

| | |
|------|---------------------|
| 2026 | \$ 250,451 |
| 2027 | 1,447,618 |
| 2028 | 958,035 |
| 2029 | 1,987,052 |
| 2030 | 2,448,244 |
| 2031 | 804,696 |
| 2032 | 2,316,825 |
| 2033 | 2,422,371 |
| 2034 | 955,440 |
| 2035 | 1,298,808 |
| 2036 | 494,196 |
| 2037 | 1,345,295 |
| 2038 | 2,174,328 |
| 2039 | 2,655,144 |
| | \$21,558,503 |

Range Energy Resources Inc.
Notes to the Consolidated Financial Statements
For the Years Ended December 31, 2019 and 2018

(Expressed in Canadian Dollars)

15. Subsequent event

Subsequent to December 31, 2019, the Company entered into a loan agreement with 2706791 Ontario Inc. for the amount of \$20,000 payable on demand.

APPENDIX “C”

EGGL CONSOLIDATED FINANCIAL STATEMENTS

(the audited financial statements of EGGL, EGGL AUS and EGGL US as at and for the period ended December 31, 2020 and the unaudited consolidated financial statements of EGGL as at and for three months ended March 31, 2021)

[See attached.]

EnviroGold Global (CAN) Ltd

Financial Statements

For the Period Ended 31 December 2020

EnviroGold Global (CAN) Ltd

Contents

For the Period Ended 31 December 2020

| | Page |
|--|------|
| Financial Statements | |
| Directors' Report | 1 |
| Statement of Profit or Loss and Other Comprehensive Income | 4 |
| Statement of Financial Position | 5 |
| Statement of Changes in Equity | 6 |
| Statement of Cash Flows | 7 |
| Notes to the Financial Statements | 8 |
| Directors' Declaration | 17 |
| Auditor's Independence Declaration | 18 |
| Independent Auditor's Report | 19 |

EnviroGold Global (CAN) Ltd

Directors' Report

31 December 2020

The directors present their report on EnviroGold Global (CAN) Ltd ("the Company") for the financial period ended 31 December 2020. EnviroGold Global (CAN) Ltd was incorporated on 10 December 2020 under the Business Corporations Act (Ontario).

1. General information

Information on directors

The names of each person who has been a director during the period and to the date of this report are:

David Cam

Sean Foley

Harold Wolkin

Directors have been in office since the start of the financial period to the date of this report unless otherwise stated.

Principal activities

The principal activity of EnviroGold Global (CAN) Ltd during the financial period was the start-up process associated with the Company's intention to develop environmental technology.

No significant changes in the nature of the Company's activity occurred during the financial period.

2. Operating results and review of operations for the year

Operating results

The loss of the Company after providing for income tax amounted to \$ (367,566), which reflects the start-up operations of the Company.

At balance date, the Company has a net asset deficiency of \$367,556. As part of the start-up process, the Company has entered into arrangements for funding which will result in capitalisation of the Company. The financial statements are prepared on a going concern basis.

Dividends paid or recommended

No dividends were paid or declared since the start of the financial period.

Review of operations

The Company has been established for the purpose of acquiring shares in EnviroGold Global Pty Ltd and EnviroGold Global US Inc, and is in a start-up phase. No trading was undertaken in the financial period, and arrangements for funding and establishment of operations are continuing.

3. Other items

Significant changes in state of affairs

As set out above, the Company was incorporated on 10 December 2020. 100 ordinary shares were issued on incorporation.

EnviroGold Global (CAN) Ltd

Directors' Report

31 December 2020

3. Other items

Events after the reporting date

Since balance date, the Company has acquired 100% of the share capital of EnviroGold Global Pty Ltd (incorporated in Australia) and 100% of the share capital of EnviroGold Global US Inc (incorporated in Delaware, USA) in exchange for the issuance of shares in EnviroGold Global (CAN) Ltd. This group restructure resulted in the issuance of 35,957,513 shares for \$3,049,197 to Director Mr. David Cam.

Related to this group restructure the Company has undertaken the following transactions:

- Issue of 3,713,257 shares to raise \$315,000.
- Issue of 13,622,352 shares to settle liabilities with Royalty Holders totaling \$1,155,600 owed by EnviroGold Global Pty Ltd.
- Issue of 28,686,845 shares as consideration for the acquisition of Intellectual Property from Director Mr. David Cam to the value of \$2,432,644.
- Issue of 45,835,918 shares to settle liabilities totaling \$386,106 for supplier services rendered to the Company.

Since balance date the Company's related entity EnviroGold Global Pty Ltd has entered into arrangements to restructure its capital and borrowings. By way of Debt Settlement agreements dated March 16th 2021, each Royalty Holder settled their debt in exchange for common shares in EnviroGold Global (CAN) Ltd, the sole owner of the Company.

On March 26th 2021, the Company announced that it had entered into a business combination agreement with Range Energy Resources Inc. a Canadian Securities Exchange listed entity. The business combination will be completed by way of a transaction that will constitute a reverse takeover of the Range Energy Resources Inc. by EnviroGold Global (CAN) Ltd. This transaction will include 100% owned related entities EnviroGold Global Pty Ltd and EnviroGold Global US Inc. The proposed transaction is awaiting approval from the Canadian Securities Exchange, at the date of this report.

The Company has also undertaken a capital raising with \$4,592,791 of cash subscription received at a price of \$0.14 per share, totalling 32,805,651 shares. The Company issued 1,794,200 broker warrants in conjunction with this placement.

In addition to the above transactions, the Company issued 250,000 options to acquire 250,000 shares at an exercise price of \$0.20 per share, exercisable on or before May 3rd 2023.

Except for the above, no other matters or circumstances have arisen since the end of the financial period which significantly affected or could significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

Future developments and results

The Company will continue its start-up arrangements in relation to its principal activity, including the transactions outlined above.

Environmental issues

The Company's operations are not regulated by any significant environmental regulations under a law of Canada.

Options

Other than reported above in respect of the issue of 250,000 options since balance date, no options over issued shares or interests in the Company were granted during or since the end of the financial period and there were no options outstanding at the date of this report.

Directors' Report

31 December 2020

Indemnification and insurance of officers and auditors

No indemnities have been given or insurance premiums paid, during or since the end of the financial period, for any person who is or has been an officer or auditor of EnviroGold Global (CAN) Ltd.

Proceedings on behalf of company

No person has applied for leave of court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings.

Auditor's independence declaration

The lead auditor's independence declaration for the period ended 31 December 2020 has been received and can be found on page 18 of the financial report.

Signed in accordance with a resolution of the Board of Directors:

Type text here

Director:signed "David Cam".....
David Cam

Dated 04 May 2021

Statement of Profit or Loss and Other Comprehensive Income
For the Period Ended 31 December 2020

| | 2020 |
|---|--------------------------------|
| | Note |
| | \$ |
| Revenue | - |
| Administrative expenses | <u>(367,566)</u> |
| Profit / (Loss) before income tax | (367,566) |
| Income tax expense | <u>-</u> |
| Profit / (Loss) from continuing operations | <u>(367,566)</u> |
| Profit / (Loss) for the period | <u>(367,566)</u> |
| Other comprehensive income / (Loss) for the year, net of tax | <u>-</u> |
| Total comprehensive income / (Loss) for the year | <u><u>(367,566)</u></u> |

EnviroGold Global (CAN) Ltd

Statement of Financial Position

As At 31 December 2020

ASSETS

CURRENT ASSETS

Cash and cash equivalents 6 10

TOTAL CURRENT ASSETS 10

TOTAL NON-CURRENT ASSETS -

TOTAL ASSETS 10

LIABILITIES

CURRENT LIABILITIES

Trade and other payables 7 367,566

TOTAL CURRENT LIABILITIES 367,566

TOTAL NON-CURRENT LIABILITIES -

TOTAL LIABILITIES 367,566

NET ASSETS (367,556)

EQUITY

Issued capital 8 10

Retained earnings (367,566)

TOTAL EQUITY (367,556)

The accompanying notes form part of these financial statements.

EnviroGold Global (CAN) Ltd

Statement of Changes in Equity
For the Period Ended 31 December 2020

| | Ordinary Shares | Retained Earnings | Total |
|---|--------------------|----------------------|------------------|
| Note | \$ | \$ | \$ |
| Profit/(Loss) attributable to members | - | (367,566) | (367,566) |
| Transactions with owners in their capacity as owners | | | |
| Contribution of equity, net of transaction costs | 8 10 | - | 10 |
| Balance at 31 December 2020 | 10 | (367,566) | (367,556) |

The accompanying notes form part of these financial statements.

EnviroGold Global (CAN) Ltd

Statement of Cash Flows

For the Period Ended 31 December 2020

| | 2020 |
|---|--------------------|
| Note | \$ |
| CASH FLOWS FROM OPERATING ACTIVITIES: | |
| Net cash provided by/(used in) operating activities | <u>-</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES: | |
| Net cash provided by/(used in) investing activities | <u>-</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES: | |
| Proceeds from issue of shares | <u>10</u> |
| Net cash provided by/(used in) financing activities | <u>10</u> |
| Net increase/(decrease) in cash and cash equivalents held | <u>10</u> |
| Cash and cash equivalents at end of the period | 6 <u><u>10</u></u> |

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Period Ended 31 December 2020

The financial report covers EnviroGold Global (CAN) Ltd as an individual entity for the period from 10 December 2020 to 31 December 2020. EnviroGold Global (CAN) Ltd is a for-profit Company, The Company was incorporated by articles of incorporation dated December 10, 2020 ("date of incorporation") under the Business Corporations Act (Ontario).

The functional and presentation currency of EnviroGold Global (CAN) Ltd is Canadian dollars.

The financial report was authorised for issue by the Directors on the date of signing the Directors' Declaration.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the International Financial Reporting Standards as issued by the International Accounting Standards Board, Interpretations of the International Financial Reporting Interpretations Committee, and to meet the needs of shareholders and related entities.

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

2 Company Funding and deficiency of equity

The Company incurred a loss of \$367,566 in the financial period, and has a deficiency of equity of \$367,556. The Company's financial position is reflective of its incorporation nature.

As set out in note 14, since balance date, the Company has entered into arrangements to restructure its capital. The Directors have concluded that it is reasonable to adopt the going concern basis in preparation of the financial statements on the basis of funds currently available and arrangements in place to restructure its capital.

The financial statements have been prepared on a going concern basis which contemplates that the Company will continue to meet its commitments and can therefore continue normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

The outbreak of the novel strain of coronavirus, specifically identified as 'COVID-19', has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposing quarantine period and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilise economic conditions. The duration and impact of the COVID-19 outbreak is unknown currently, as is the efficacy of the government and central bank interventions. 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 in future periods.

3 Summary of Significant Accounting Policies

(a) Income Tax

Current income tax expense

The tax expense recognised in the statement of profit or loss and other comprehensive income comprises current income tax expense plus deferred tax expense.

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (loss) for the period and is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the tax rates and laws that have been enacted or substantively enacted by the end of the reporting period. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the

Notes to the Financial Statements

For the Period Ended 31 December 2020

3 Summary of Significant Accounting Policies

(a) Income Tax

Current income tax expense

relevant taxation authority.

Deferred tax is not provided for the following:

- The initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).
- Taxable temporary differences arising on the initial recognition of goodwill.
- Temporary differences related to investment in subsidiaries, associates and jointly controlled entities to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and losses can be utilised.

Current and deferred tax is recognised as income or an expense and included in profit or loss for the period except where the tax arises from a transaction which is recognised in other comprehensive income or equity, in which case the tax is recognised in other comprehensive income or equity respectively.

(b) Financial instruments

Financial instruments are recognised initially on the date that the Company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets.

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and

Notes to the Financial Statements

For the Period Ended 31 December 2020

3 Summary of Significant Accounting Policies

(b) Financial instruments

Financial assets

interest on the principal amount outstanding.

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis

When determining whether the credit risk of a financial assets has increased significant since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Company's historical experience and informed credit assessment and including forward looking information.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable, then the gross carrying amount is written off against the associated allowance.

Financial liabilities

The Company measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

(c) Impairment of non-financial assets

At the end of each reporting period the Company determines whether there is an evidence of an impairment indicator for non-financial assets.

Where an indicator exists and regardless for indefinite life intangible assets and intangible assets not yet available for use, the recoverable amount of the asset is estimated.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

(d) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Notes to the Financial Statements

For the Period Ended 31 December 2020

3 Summary of Significant Accounting Policies

(e) Foreign currency transactions and balances

Transaction and balances

Foreign currency transactions are recorded at the spot rate on the date of the transaction.

At the end of the reporting period:

- Foreign currency monetary items are translated using the closing rate;
- Non-monetary items that are measured at historical cost are translated using the exchange rate at the date of the transaction; and
- Non-monetary items that are measured at fair value are translated using the rate at the date when fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition or in prior reporting periods are recognised through profit or loss, except where they relate to an item of other comprehensive income or whether they are deferred in equity as qualifying hedges.

(f) Adoption of new and revised accounting standards

The Company has adopted all standards which became effective for the first time at 31 December 2020, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Company

(g) New Accounting Standards and Interpretations

The IASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Company has decided not to early adopt these Standards.

4 Critical Accounting Estimates and Judgments

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The key estimates/judgement taken in preparation of the financial statements relates to the going concern assumption (note 2).

Notes to the Financial Statements
For the Period Ended 31 December 2020

5 Income Tax Expense

(a) Reconciliation of income tax to accounting profit:

(b) Reconciliation of income tax to accounting profit:

| | 2020 |
|--|-----------------|
| | \$ |
| Prima facie tax payable on profit from ordinary activities before income tax at 26.5%. | (97,405) |
| Add: | |
| Tax effect of: | |
| - Temporary differences and tax losses not recognised | 97,405 |
| Income tax expense | - |

The Company has unconfirmed carry forward losses of \$366,566. The tax benefits of losses will only be obtained if the conditions in Note 3 (a) are satisfied: the Company derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the losses to be realised and if the Company continues to comply with the conditions for deductibility imposed by the relevant tax legislation.

6 Cash and Cash Equivalents

| | 2020 |
|--------------------------|-------------|
| | \$ |
| Cash at bank and in hand | 10 |
| Total | 10 |

7 Trade and Other Payables

| | 2020 |
|----------------|----------------|
| | \$ |
| CURRENT | |
| Trade payables | 367,566 |

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

Notes to the Financial Statements

For the Period Ended 31 December 2020

8 Issued Capital

| | 2020 \$ |
|------------------------------------|-------------------|
| Ordinary shares | <u>10</u> |
| Total | <u><u>10</u></u> |
| (a) Ordinary shares | |
| Shares issued on incorporation | <u>100</u> |
| At the end of the reporting period | <u><u>100</u></u> |

The holders of ordinary shares are entitled to participate in dividends and the proceeds on winding up of the Company. On a show of hands at meetings of the Company, each holder of ordinary shares has one vote in person or by proxy, and upon a poll each share is entitled to one vote.

(b) Capital Management

The key objectives of the Company when managing capital is to safeguard its ability to continue as a going concern and maintain optimal benefits to stakeholders. The Company defines capital as its equity and net debt.

The Company was incorporated in December 2020 and to date capital management has related to its start-up phase. The Company has entered into arrangements for further capital funding as set out in note 14.

9 Financial Risk Management

The Company is exposed to a variety of financial risks through its use of financial instruments.

The Company's financial instruments consist mainly of cash at bank and payables as set out in the statement of financial position, and are all short-term.

The Company's overall risk management plan seeks to minimise potential adverse effects due to the unpredictability of financial markets.

The most significant financial risks to which the Company is exposed to are described below:

Specific risks

- Liquidity risk

Notes to the Financial Statements

For the Period Ended 31 December 2020

9 Financial Risk Management

Objectives, policies and processes

The Board of Directors have overall responsibility for the establishment of EnviroGold Global (CAN) Ltd's financial risk management framework. This includes the development of policies covering specific areas such as foreign exchange risk, interest rate risk, liquidity risk, credit risk and the use of derivatives.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The day-to-day risk management is carried out by the Company's finance function under policies and objectives which have been approved by the Board of Directors.

Mitigation strategies for specific risks faced are described below:

Liquidity risk

Liquidity risk arises from the Company's management of working capital. It is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due.

The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities as and when they fall due. As set out in Note 2, the Company is in its start-up phase and has entered into arrangements since balance sheet date to restructure its capital.

10 Dividends

No dividends were paid or provided for during the period to 31 December 2020.

11 Auditors' Remuneration

| | 2020 |
|--|---------------------|
| | \$ |
| Remuneration of the auditor Nexia Brisbane Audit Pty Ltd for: - auditing the financial statements at 31 December 2020 | <u>3,927</u> |
| Total | <u><u>3,927</u></u> |

12 Contingencies and Commitments

In the opinion of the Directors, the Company did not have any contingencies or commitments at 31 December 2020

Notes to the Financial Statements
For the Period Ended 31 December 2020

13 Related Parties

(a) The Company's main related parties are as follows:

- Shareholders
- Key management personnel
- Close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members

14 Events Occurring After the Reporting Date

Since balance date, the Company has acquired 100% of the share capital of EnviroGold Global Pty Ltd (incorporated in Australia) and 100% of the share capital of EnviroGold Global US Inc (incorporated in Delaware, USA) in exchange for the issuance of shares in EnviroGold Global (CAN) Ltd. This group restructure resulted in the issuance of 35,957,513 shares for \$3,049,197 to Director Mr. David Cam.

Related to this group restructure the Company has undertaken the following transactions:

- Issue of 3,713,257 shares to raise \$315,000.
- Issue of 13,622,352 shares to settle liabilities with Royalty Holders totaling \$1,155,600 owed by EnviroGold Global Pty Ltd.
- Issue of 28,686,845 shares as consideration for the acquisition of Intellectual Property from Director Mr. David Cam to the value of \$2,432,644.
- Issue of 45,835,918 shares to settle liabilities totaling \$386,106 for supplier services rendered to the Company.

Since balance date the Company's related entity EnviroGold Global Pty Ltd has entered into arrangements to restructure its capital and borrowings. By way of Debt Settlement agreements dated March 16th 2021, each Royalty Holder settled their debt in exchange for common shares in EnviroGold Global (CAN) Ltd, the sole owner of the Company.

On March 26th 2021, the Company announced that it had entered into a business combination agreement with Range Energy Resources Inc. a Canadian Securities Exchange listed entity. The business combination will be completed by way of a transaction that will constitute a reverse takeover of the Range Energy Resources Inc. by EnviroGold Global (CAN) Ltd. This transaction will include 100% owned related entities EnviroGold Global Pty Ltd and EnviroGold Global US Inc. The proposed transaction is awaiting approval from the Canadian Securities Exchange, at the date of this report.

The Company has also undertaken a capital raising with \$4,592,791 of cash subscription received at a price of \$0.14 per share, totalling 32,805,651 shares. The Company issued 1,794,200 broker warrants in conjunction with this placement.

In addition to the above transactions, the Company issued 250,000 options to acquire 250,000 shares at an exercise price of \$0.20 per share, exercisable on or before May 3rd 2023.

Except for the above, no other matters or circumstances have arisen since the end of the financial period which significantly affected or could significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

EnviroGold Global (CAN) Ltd

Notes to the Financial Statements

For the Period Ended 31 December 2020

15 Statutory Information

The registered office and principal place of business of the company is:

EnviroGold Global (CAN) Ltd
1 Adelaide Street East, Suite 801
Toronto
Ontario M5C 2V9

EnviroGold Global (CAN) Ltd

Directors' Declaration

The directors of the Company declare that:

1. the financial statements and notes for the year ended 31 December 2020
 - a. comply with International Financial Reporting Standards (IFRS); and
 - b. give a true and fair view of the financial position and performance of the Company;
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable with the continuing support of creditors.

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

signed "David Cam"

Director
David Cam

Dated 04 May 2021

Auditor's Independence Declaration

To the Board of Directors of EnviroGold Global (CAN) Ltd

As lead audit director for the audit of the financial statements of EnviroGold Global (CAN) Ltd for the financial period ended 31 December 2020, I declare that to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements as set out in any applicable code of professional conduct in relation to the audit.

Nexia Brisbane Audit Pty Ltd

Nexia Brisbane Audit Pty Ltd

Nigel Bamford

N D Bamford

Director

Date: 4 May 2021

Nexia Brisbane Audit Pty Ltd

Registered Audit Company 299289

Level 28, 10 Eagle Street

Brisbane QLD 4000

GPO Box 1189

Brisbane QLD 4001

p +61 7 3229 2022

f +61 7 3229 3277

e email@nexiabrisbane.com.au

w nexia.com.au

Nexia Brisbane Audit Pty Ltd (ABN 49 115 261 722) is an independent firm of Chartered Accountants and is a member of the Nexia Australia Pty Ltd Umbrella Group. Nexia Australia Pty Ltd is a member of Nexia International, a leading, global network of independent accounting and consulting firms. For more information please see www.nexia.com.au/legal. Neither Nexia International nor Nexia Australia Pty Ltd provide services to clients.

Liability limited under a scheme approved under Professional Standards Legislation.

Independent Auditor's Report to the Members of EnviroGold Global (CAN) Ltd

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of EnviroGold Global (CAN) Ltd (the Company), which comprises the statement of financial position as at 31 December 2020, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the period then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of EnviroGold Global (CAN) Ltd as at 31 December 2020, and its financial performance and its cash flows for the financial period then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Company funding and deficiency of equity

We draw attention to Note 2 in the financial report, which indicates that the Company during the period ended 31 December 2020 and at that date has a deficiency of equity of \$3,917, which is reflective of its incorporation nature. As set out in the note, since balance date the Company has entered into arrangements to restructure its capital. Our opinion is not modified in respect of this matter.

Other Information

The directors are responsible for the other information. The other information comprises the information in the Company's annual report for the period ended 31 December 2020, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Nexia Brisbane Audit Pty Ltd

Registered Audit Company 299289

Level 28, 10 Eagle Street

Brisbane QLD 4000

GPO Box 1189

Brisbane QLD 4001

p +61 7 3229 2022

f +61 7 3229 3277

e email@nexiabrisbane.com.au

w nexia.com.au

Nexia Brisbane Audit Pty Ltd (ABN 49 115 261 722) is an independent firm of Chartered Accountants and is a member of the Nexia Australia Pty Ltd Umbrella Group. Nexia Australia Pty Ltd is a member of Nexia International, a leading, global network of independent accounting and consulting firms. For more information please see www.nexia.com.au/legal. Neither Nexia International nor Nexia Australia Pty Ltd provide services to clients.

Liability limited under a scheme approved under Professional Standards Legislation.

Independent Auditor's Report to the Members of EnviroGold Global (CAN) Ltd (continued)

If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with IFRS, and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the International Standards On Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

**Independent Auditor's Report to the Members of EnviroGold Global (CAN) Ltd
(continued)**

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Nexia Brisbane Audit Pty Ltd

Nexia Brisbane Audit Pty Ltd

Nigel Bamford

N D Bamford

Director

Level 28, 10 Eagle Street
Brisbane QLD 4000

Date: 4 May 2021

EnviroGold Global Pty Ltd

ABN: 81 638 459 604

Financial Statements

For the Period Ended 31 December 2020

EnviroGold Global Pty Ltd

ABN: 81 638 459 604

Contents

For the Period Ended 31 December 2020

| | Page |
|--|------|
| Financial Statements | |
| Directors' Report | 1 |
| Statement of Profit or Loss and Other Comprehensive Income | 4 |
| Statement of Financial Position | 5 |
| Statement of Changes in Equity | 6 |
| Statement of Cash Flows | 7 |
| Notes to the Financial Statements | 8 |
| Directors' Declaration | 21 |
| Auditor's Independence Declaration | 22 |
| Independent Auditor's Report | 23 |

EnviroGold Global Pty Ltd

ABN: 81 638 459 604

Directors' Report

31 December 2020

The directors present their report on EnviroGold Global Pty Ltd ("the Company") for the financial period ended 31 December 2020. EnviroGold Global Pty Ltd was incorporated on 14 January 2020. This report covers the period from incorporation until 31 December 2020.

1. General information

Information on directors

The names of each person who has been a director during the period and to the date of this report are:

| | |
|-------------------|--|
| Lisa Reading | appointed 14 January 2020 - resigned 14 January 2021 |
| Meghan McSweeney | appointed 14 January 2020 - resigned 20 May 2020 |
| James Canning-Ure | appointed 20 May 2020 - resigned 26 March 2021 |
| R Sean Foley | appointed 21 May 2020 |
| David Cam | appointed 1 March 2021 |

Directors have been in office since the start of the financial period to the date of this report unless otherwise stated.

Principal activities

The principal activity of EnviroGold Global Pty Ltd during the financial period was the start-up process associated with the Company's intention to develop environmental technology.

No significant changes in the nature of the Company's activity occurred during the financial period.

2. Operating results and review of operations for the year

Operating results

The loss of the Company after providing for income tax amounted to \$ (329,976), which reflects the start-up operations of the company.

At balance date the Company has a deficiency of equity of \$329,975. As part of the start-up process the Company has entered into arrangements for funding which will result in capitalisation of the Company. The financial statements are prepared on a going concern basis given these arrangements.

Dividends paid or recommended

No dividends were paid or declared during or since the end of the financial period.

Review of operations

The Company has been established for the purpose of developing environmental technology, and is in a start-up phase. Minimal trading was undertaken in the financial period, and arrangements for funding and establishment of operations are continuing.

3. Other items

Significant changes in state of affairs

As set out above the Company was incorporated on 14 January 2020. 1 ordinary share was issued on incorporation.

EnviroGold Global Pty Ltd

ABN: 81 638 459 604

Directors' Report

31 December 2020

3. Other items

Events after the reporting date

Since balance date the Company has entered into arrangements to restructure its capital and borrowings. The owners of the Company have entered into arrangements to sell the issued capital of the Company to EnviroGold Global (CAN) Ltd, which will be the sole owner of the Company. By way of Debt Settlement agreements dated March 16th 2021, each Royalty Holder settled their debt in exchange for common shares in EnviroGold Global (CAN) Ltd. The Company has no further obligations under this agreement for repayment of any further principal, interest or royalties on revenue.

On March 26th 2021, the Company's related entity EnviroGold Global (CAN) Ltd announced that it had entered into a business combination agreement with Range Energy Resources Inc. a Canadian Securities Exchange listed entity. The business combination will be completed by way of transaction that will constitute a reverse takeover of Range Energy Resources Inc. by EnviroGold Global (CAN) Ltd. This transaction will include the Company and its related entity EnviroGold Global US Inc. The proposed transaction is awaiting approval from the Canadian Securities Exchange, at the date of this report.

Except for the above, no other matters or circumstances have arisen since the end of the financial period which significantly affected or could significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

Future developments and results

The Company will continue its start-up arrangements in relation to its principal activity, including the transactions outlined above.

Environmental issues

The Company's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory of Australia.

Options

No options over issued shares or interests in the Company were granted during or since the end of the financial period and there were no options outstanding at the date of this report.

Indemnification and insurance of officers and auditors

No indemnities have been given or insurance premiums paid, during or since the end of the financial period, for any person who is or has been an officer or auditor of EnviroGold Global Pty Ltd

Proceedings on behalf of company

No party has applied for leave of court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the period

EnviroGold Global Pty Ltd

ABN: 81 638 459 604

Directors' Report
31 December 2020

Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the period ended 31 December 2020 has been received and can be found on page 22 of the financial report.

Signed in accordance with a resolution of the Board of Directors:

signed "R. Sean Foley"

Director:

R Sean Foley

Dated 04 May 2021

EnviroGold Global Pty Ltd

ABN: 81 638 459 604

Statement of Profit or Loss and Other Comprehensive Income For the Period Ended 31 December 2020

| | | 2020 |
|--|------|--------------------------------|
| | Note | \$ |
| Sales revenue | 5 | 12,500 |
| Cost of sales | | <u>(5,850)</u> |
| Gross profit | | 6,650 |
| Foreign exchange gain | | 19,688 |
| Administrative expenses | | (50,978) |
| Business development expenses | | (202,361) |
| Legal expenses | | (93,809) |
| Finance expenses | 6 | <u>(9,166)</u> |
| Profit / (Loss) before income tax | 7 | (329,976) |
| Income tax expense | 8 | <u>-</u> |
| Profit / (Loss) for the period | | <u>(329,976)</u> |
| Other comprehensive income for the year, net of tax | | <u>-</u> |
| Total comprehensive income / (loss) for the year | | <u><u>(329,976)</u></u> |

The accompanying notes form part of these financial statements.

EnviroGold Global Pty Ltd

ABN: 81 638 459 604

Statement of Financial Position

As At 31 December 2020

| | Note | 2020 \$ |
|-------------------------------|------|-------------------------|
| ASSETS | | |
| CURRENT ASSETS | | |
| Cash and cash equivalents | 9 | 17,641 |
| Trade and other receivables | 10 | 931,333 |
| Other assets | 11 | 7,500 |
| TOTAL CURRENT ASSETS | | <u>956,474</u> |
| NON-CURRENT ASSETS | | |
| TOTAL NON-CURRENT ASSETS | | <u>-</u> |
| TOTAL ASSETS | | <u><u>956,474</u></u> |
| LIABILITIES | | |
| CURRENT LIABILITIES | | |
| Trade and other payables | 12 | 96,873 |
| Contract liabilities | 13 | 25,000 |
| Borrowings | 14 | 1,164,576 |
| TOTAL CURRENT LIABILITIES | | <u>1,286,449</u> |
| NON-CURRENT LIABILITIES | | |
| TOTAL NON-CURRENT LIABILITIES | | <u>-</u> |
| TOTAL LIABILITIES | | <u><u>1,286,449</u></u> |
| NET ASSETS | | <u><u>(329,975)</u></u> |
| EQUITY | | |
| Issued capital | 15 | 1 |
| Retained earnings | | <u>(329,976)</u> |
| TOTAL EQUITY | | <u><u>(329,975)</u></u> |

The accompanying notes form part of these financial statements.

EnviroGold Global Pty Ltd

ABN: 81 638 459 604

Statement of Changes in Equity For the Period Ended 31 December 2020

| | Ordinary Shares | Retained Earnings | Total |
|---|--------------------|----------------------|------------------|
| Note | \$ | \$ | \$ |
| Profit/(Loss) attributable to members | - | (329,976) | (329,976) |
| Transactions with owners in their capacity as owners | | | |
| Issue of shares | 1 | - | 1 |
| Balance at 31 December 2020 | 1 | (329,976) | (329,975) |

The accompanying notes form part of these financial statements.

EnviroGold Global Pty Ltd

ABN: 81 638 459 604

Statement of Cash Flows For the Period Ended 31 December 2020

| | Note | 2020 \$ |
|---|------|----------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES: | | |
| Receipts from customers | | 37,500 |
| Payments to suppliers and employees | | <u>(288,457)</u> |
| Net cash provided by/(used in) operating activities | 22 | <u>(250,957)</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | |
| Net cash provided by/(used in) investing activities | | <u>-</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES: | | |
| Proceeds from issue of shares | 15 | 1 |
| Proceeds from borrowings | 14 | 1,213,310 |
| Payments to related entity | 10 | <u>(944,713)</u> |
| Net cash provided by/(used in) financing activities | | <u>268,598</u> |
| Net increase/(decrease) in cash and cash equivalents held | | <u>17,641</u> |
| Cash and cash equivalents at end of the period | 9 | <u><u>17,641</u></u> |

The accompanying notes form part of these financial statements.

EnviroGold Global Pty Ltd

ABN: 81 638 459 604

Notes to the Financial Statements For the Period Ended 31 December 2020

The financial report covers EnviroGold Global Pty Ltd as an individual entity for the period from 14 January 2020 to 31 December 2020. EnviroGold Global Pty Ltd is a for-profit proprietary Company, incorporated and domiciled in Australia. EnviroGold Global Pty Ltd was incorporated on 14 January 2020.

The functional and presentation currency of EnviroGold Global Pty Ltd is Australian dollars.

The financial report was authorised for issue by the Directors on the date of signing the Directors' Declaration.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards and the *Corporations Act 2001*. The Company is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

These financial statements comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

2 Company funding and deficiency of equity

The Company incurred a loss of \$(329,976) in the financial period, and at balance date has a deficiency of equity of \$329,975. The Company's financial position reflects its start-up nature.

As set out in note 23, since balance date the Company has entered into arrangements to restructure its capital and borrowings, primarily by way of conversion of the Royalty Hybrid payable into equity of a newly incorporated entity, EnviroGold Global (CAN) Ltd which will then acquire the Company.

The Directors have concluded that it is reasonable to adopt the going concern basis in preparation of the financial statements on the basis of funds currently available and arrangements in place to restructure its capital.

The financial statements have been prepared on a going concern basis which contemplates that the Company will continue to meet its commitments and can therefore continue normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

3 Summary of Significant Accounting Policies

(a) Revenue and other income

Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer
2. Identify the performance obligations

Notes to the Financial Statements

For the Period Ended 31 December 2020

3 Summary of Significant Accounting Policies

(a) Revenue and other income

Revenue from contracts with customers

3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

No revenue streams of the Company have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Statement of financial position balances relating to revenue recognition

Contract assets and liabilities

Where the amounts billed to customers are based on the achievement of various milestones established in the contract, the amounts recognised as revenue in a given period do not necessarily coincide with the amounts billed to or certified by the customer.

When a performance obligation is satisfied by transferring a promised good or service to the customer before the customer pays consideration or the before payment is due, the Company presents the contract as a contract asset, unless the Company's rights to that amount of consideration are unconditional, in which case the Company recognises a receivable.

When an amount of consideration is received from a customer prior to the entity transferring a good or service to the customer, the Company presents the contract as a contract liability.

(b) Income Tax

The tax expense recognised in the statement of profit or loss and other comprehensive income comprises current income tax expense plus deferred tax expense.

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (loss) for the period and is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the tax rates and laws that have been enacted or substantively enacted by the end of the reporting period. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and losses can be utilised.

Notes to the Financial Statements For the Period Ended 31 December 2020

3 Summary of Significant Accounting Policies

(b) Income Tax

Current and deferred tax is recognised as income or an expense and included in profit or loss for the period except where the tax arises from a transaction which is recognised in other comprehensive income or equity, in which case the tax is recognised in other comprehensive income or equity respectively.

(c) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(d) Financial instruments

Financial instruments are recognised initially on the date that the Company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets.

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Notes to the Financial Statements

For the Period Ended 31 December 2020

3 Summary of Significant Accounting Policies

(d) Financial instruments

Financial assets

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis.

When determining whether the credit risk of a financial assets has increased since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Company's historical experience and informed credit assessment and including forward looking information.

Impairment of receivables has been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Financial liabilities

The Company measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

(e) Impairment of non-financial assets

At the end of each reporting period the Company determines whether there is an evidence of an impairment indicator for non-financial assets.

Where an indicator exists the recoverable amount of the asset is estimated.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

(f) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(g) Foreign currency transactions and balances

Transaction and balances

Foreign currency transactions are recorded at the spot rate on the date of the transaction.

At the end of the reporting period:

- Foreign currency monetary items are translated using the closing rate;

Notes to the Financial Statements

For the Period Ended 31 December 2020

3 Summary of Significant Accounting Policies

(g) Foreign currency transactions and balances

Transaction and balances

- Non-monetary items that are measured at historical cost are translated using the exchange rate at the date of the transaction; and
- Non-monetary items that are measured at fair value are translated using the rate at the date when fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition or in prior reporting periods are recognised through profit or loss, except where they relate to an item of other comprehensive income or whether they are deferred in equity as qualifying hedges.

(h) Adoption of new and revised accounting standards

The Company has adopted all standards which became effective for the first time at 31 December 2020, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Company.

(i) New Accounting Standards and Interpretations for application in future periods

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the company for the period ended 31 December 2020. The Company's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the company, are set out below:

Conceptual Framework for Financial Reporting (Conceptual Framework)

The revised Conceptual Framework is applicable to annual reporting periods beginning on or after 1 July 2021 and early adoption is permitted. The Conceptual Framework contains new definition and recognition criteria as well as new guidance on measurement that affects several Accounting Standards. Where the company has relied on the existing framework in determining its accounting policies for transactions, events or conditions that are not otherwise dealt with under the Australian Accounting Standards, the company may need to review such policies under the revised framework. At this time, the application of the Conceptual Framework is not expected to have a material impact on the company's financial statements.

4 Critical Accounting Estimates and Judgments

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The key estimates and judgements taken in preparation of the financial statements relates to the going concern assumption (Note 2).

EnviroGold Global Pty Ltd

ABN: 81 638 459 604

Notes to the Financial Statements For the Period Ended 31 December 2020

5 Revenue and Other Income

| | 2020 |
|---|---------------|
| | \$ |
| Revenue from contracts with customers | |
| - Provision of consulting services | 12,500 |
| Total Revenue (recognised over time) | 12,500 |

6 Finance Income and Expenses

Finance expenses

| | 2020 |
|--------------------------------|-------|
| | \$ |
| Interest expense on borrowings | 9,166 |

7 Result for the Year

The result for the year includes the following specific expenses:

| | 2020 |
|---------------------------|--------|
| | \$ |
| Other expenses: | |
| Employee benefit expenses | 25,000 |

8 Income Tax Expense

(a) Reconciliation of income tax to accounting profit:

| | |
|---|----------|
| Prima facie tax payable on result from ordinary activities before income tax at 26% | (85,794) |
| Add: | |
| Tax effect of: | |
| - Temporary differences and tax losses not recognised | 85,794 |
| Income tax expense | - |

The Company has unconfirmed carry forward losses of \$329,976. The tax benefits of losses will only be obtained if the conditions in Note 3 (b) are satisfied: the Company derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the losses to be realised and if the Company continues to comply with the conditions for deductibility imposed by the relevant tax legislation. Deferred tax assets total \$4,290 relating to provisions.

EnviroGold Global Pty Ltd

ABN: 81 638 459 604

Notes to the Financial Statements For the Period Ended 31 December 2020

9 Cash and Cash Equivalents

| | 2020 |
|--------------------------|---------------|
| | \$ |
| Cash at bank and in hand | 17,641 |
| | <u>17,641</u> |

10 Trade and Other Receivables

| | 2020 |
|--|-----------------------|
| | \$ |
| CURRENT | |
| GST receivable | 22,289 |
| Receivable from EnviroGold Global US Inc | 21 <u>909,044</u> |
| Total current trade and other receivables | <u>931,333</u> |

The carrying value of trade and other receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances. All receivables are recorded at amortised cost and are unsecured.

11 Other current assets

| | 2020 |
|-------------|--------------|
| | \$ |
| CURRENT | |
| Prepayments | <u>7,500</u> |

12 Trade and Other Payables

| | 2020 |
|--------------------------------|----------------------|
| | \$ |
| CURRENT | |
| Trade payables | 39,599 |
| Employee benefits | 16,500 |
| Amounts payable to Shareholder | 21 <u>40,774</u> |
| | <u>96,873</u> |

Trade and other payables are unsecured and non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances, and are recorded at amortised cost.

EnviroGold Global Pty Ltd

ABN: 81 638 459 604

Notes to the Financial Statements For the Period Ended 31 December 2020

13 Contract liabilities

| | 2020 \$ |
|---|---------------|
| Revenue received in advance | <u>25,000</u> |
| Contract liabilities represents revenue received in advance of services to be rendered (refer Note 3(a)). | |

14 Borrowings

| | 2020 \$ |
|---------------------------------|-------------------------|
| CURRENT | |
| Unsecured liabilities: | |
| Royalty hybrid payable | (a) <u>1,164,576</u> |
| Total current borrowings | <u><u>1,164,576</u></u> |

(a) Summary of borrowings

Royalty Hybrid Payable

Royalty Hybrid payable are unsecured borrowings with interest payable at 3% per annum up to the commencement of the royalty period. From this date the royalty fee is paid at 2.5%. Amounts have been received from 12 June 2020 through to balance date. The term of the borrowing is for three years from the commencement of the first royalty period. The Royalty period is the successive financial quarters, or part thereof, commencing from the end of the month in which EnviroGold Global Pty Ltd first announces generation of revenue from the implementation of the Environmental Recovery Technology. As set out in Note 23 since balance date arrangements have been entered into to restructure these borrowings.

15 Issued Capital

| | 2020 \$ |
|-----------------|-----------------|
| Ordinary shares | <u>1</u> |
| Total | <u><u>1</u></u> |

(a) Ordinary shares

| | 2020 No. |
|--|-----------------|
| At the beginning of the reporting period | - |
| Shares issued on incorporation | <u>1</u> |
| At the end of the reporting period | <u><u>1</u></u> |

The holders of ordinary shares are entitled to participate in dividends and the proceeds on winding up of the Company. On a show of hands at meetings of the Company, each holder of ordinary shares has one vote in person or by proxy, and upon a poll each share is entitled to one vote.

Notes to the Financial Statements

For the Period Ended 31 December 2020

15 Issued Capital

(b) Capital Management

The key objectives of the Company when managing capital is to safeguard its ability to continue as a going concern and maintain optimal benefits to stakeholders. The Company defines capital as its equity and net debt.

The Company was incorporated in January 2020 and to date capital management has related to its start-up phase. The Company has entered into arrangements for further capital funding as set out in note 23.

16 Financial Risk Management

The Company is exposed to a variety of financial risks through its use of financial instruments.

The Company's financial instruments consist mainly of cash at bank, receivables, borrowings and payables, as set out in the statement of financial position, and are all short-term.

The Company's overall risk management plan seeks to minimise potential adverse effects due to the unpredictability of financial markets.

The most significant financial risks to which the Company is exposed to are described below:

Specific risks

- Liquidity risk
- Credit risk
- Market risk - currency risk and interest rate risk

Objectives, policies and processes

The Board of Directors have overall responsibility for the establishment of EnviroGold Global Pty Ltd's financial risk management framework. This includes the development of policies covering specific areas such as foreign exchange risk, interest rate risk, liquidity risk and, credit risk.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and EnviroGold Global Pty Ltd's activities.

The day-to-day risk management is carried out by EnviroGold Global Pty Ltd's finance function under policies and objectives which have been approved by the Board of Directors.

Mitigation strategies for specific risks faced are described below:

Liquidity risk

Liquidity risk arises from the Company's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due.

The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities as and when

EnviroGold Global Pty Ltd

ABN: 81 638 459 604

Notes to the Financial Statements For the Period Ended 31 December 2020

16 Financial Risk Management

Liquidity risk

they fall due. As set out in note 2, the Company is in its start-up phase and has entered into arrangements since balance date to restructure its capital and borrowings, primarily by way of conversion of the Royalty Hybrid payable into equity of a newly incorporated entity, EnviroGold Global (CAN) Ltd which will then acquire the Company.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Company.

Credit risk arises from cash and cash equivalents, as well as credit exposure from amounts receivable. The Company has a concentration of credit risk - as set out in note 10 an amount of \$909,044 is receivable from related parties

Management considers that all the financial assets are of good credit quality and therefore no credit loss has been recognised..

The Company does not hold any financial assets with terms that have been renegotiated, but which would otherwise be past due or impaired.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

(i) Foreign exchange risk

Exposure to foreign exchange risk may result in the fair value or future cash flows of a financial instrument fluctuating due to movement in foreign exchange rates of currencies in which EnviroGold Global Pty Ltd holds financial instruments which are other than the AUD functional currency of EnviroGold Global Pty Ltd.

Foreign currency denominated in \$US financial assets and liabilities are as follows,

| | 2020 |
|-----------------------|-------------------------|
| | \$ |
| Financial assets | 909,044 |
| Financial liabilities | <u>(1,164,576)</u> |
| Exposure | <u>(255,532)</u> |

A movement of +/- 5% in the exchange rate will impact profit and equity by +/- \$12,776.

(ii) Interest rate risk

The Company is not exposed to interest rate risk as funds are borrowed at fixed rates, as follows:

| | 2020 |
|-------------------------------|------------------|
| | \$ |
| Fixed rate instruments | |
| Borrowings | <u>1,164,576</u> |

EnviroGold Global Pty Ltd

ABN: 81 638 459 604

Notes to the Financial Statements For the Period Ended 31 December 2020

17 Dividends

No dividends have been paid or provided for during the period ended 31 December 2020

18 Key Management Personnel Remuneration

The totals of remuneration paid to the key management personnel of EnviroGold Global Pty Ltd during the period are as follows:

| | |
|----------------------------------|---------------|
| | 2020 |
| | \$ |
| Short-term employee remuneration | 25,000 |

19 Auditors' Remuneration

| | |
|--|--------------|
| | 2020 |
| | \$ |
| Remuneration of the auditor - Nexia Brisbane Audit Pty Ltd for: | |
| - auditing the financial statements at 30 November 2020 | 4,000 |
| - auditing the financial statements at 31 December 2020 | 4,000 |
| Total | 8,000 |

20 Contingencies and commitments

In the opinion of the Directors, the Company did not have any contingencies and commitments at 31 December 2020.

21 Related Parties

(a) **The Company's main related parties are as follows:**

- Shareholders
- Key management personnel - being the directors of the Company.
- Close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

Notes to the Financial Statements

For the Period Ended 31 December 2020

21 Related Parties

(b) Transactions with related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

The following transactions occurred with related parties:

| | Balance outstanding | |
|---|------------------------------------|------------------------------------|
| | Owed to the company | Owed by the company |
| | \$ | \$ |
| Other related parties | | |
| Receivable from related entities - note 10 | 909,044 | - |
| Amounts payable to related entities (note 12) | - | (40,774) |

22 Cash Flow Information

(a) Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net income to net cash provided by operating activities:

| | 2020 |
|--|-------------------------|
| | \$ |
| Profit for the year | (329,976) |
| Cash flows excluded from profit attributable to operating activities | |
| Non-cash flows in profit: | |
| - net foreign exchange gain | (22,231) |
| - interest accrued on financing liabilities | 9,166 |
| Changes in assets and liabilities: | |
| - (increase)/decrease in trade and other receivables | (22,289) |
| - (increase)/decrease in prepayments | (7,500) |
| - increase/(decrease) in trade and other payables | 96,873 |
| - increase/(decrease) in contract liabilities | 25,000 |
| Cashflows from operations | <u>(250,957)</u> |

EnviroGold Global Pty Ltd

ABN: 81 638 459 604

Notes to the Financial Statements For the Period Ended 31 December 2020

22 Cash Flow Information

(b) Changes in liabilities arising from financing activities

| | 2019 | Cash flows | Acquisition | Non-cash changes Foreign exchange movement | Fair value changes | Other non-cash movement | 2020 |
|-----------------------|------|------------|-------------|---|--------------------|-------------------------|-----------|
| | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| Short term borrowings | - | 1,213,310 | - | (57,900) | - | 9,166 | 1,164,576 |

23 Events Occurring After the Reporting Date

Since balance date the Company has entered into arrangements to restructure its capital and borrowings. The owners of the Company have entered into arrangements to sell the issued capital of the Company to EnviroGold Global (CAN) Ltd, which will be the sole owner of the Company. By way of Debt Settlement agreements dated 16th March 2021, each Royalty Holder settled their debt in exchange for common shares in EnviroGold Global (CAN) Ltd. The Company has no further obligations under this agreement for repayment of any further principal, interest or royalties on revenue.

On 26th March 2021, the Company's related entity EnviroGold Global (CAN) Ltd announced that it had entered into a business combination agreement with Range Energy Resources Inc. a Canadian Securities Exchange listed entity. The business combination will be completed by way of transaction that will constitute a reverse takeover of Range Energy Resources Inc. by EnviroGold Global (CAN) Ltd. This transaction will include the Company and its related entity EnviroGold Global US Inc. The proposed transaction is awaiting approval from the Canadian Securities Exchange, at the date of this report.

Except for the above, no other matters or circumstances have arisen since the end of the financial period which significantly affected or could significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

24 Statutory Information

The registered office and principal place of business of the company is:

EnviroGold Global Pty Ltd
Suite 3
56 - 58 Santa Cruz Boulevard
Clear Island Waters, QLD, 4226

EnviroGold Global Pty Ltd

ABN: 81 638 459 604

Directors' Declaration

The directors of the Company declare that:

1. the financial statements and notes for the period ended 31 December 2020 are in accordance with the Corporations Act 2001 and:
 - a. comply with Accounting Standards, which, as stated in basis of preparation Note 1 to the financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS); and
 - b. give a true and fair view of the financial position and performance of the Company;
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

signed "R. Sean Foley"

Director

R Sean Foley

Dated 04 May 2021

Auditor's Independence Declaration

Under section 307C of the Corporations Act 2001

To the Board of Directors of EnviroGold Global Pty Ltd

As lead audit director for the audit of the financial statements of EnviroGold Global Pty Ltd for the financial period ended 31 December 2020, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (a) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (b) any applicable code of professional conduct in relation to the audit.

Nexia Brisbane Audit Pty Ltd

Nexia Brisbane Audit Pty Ltd

Nigel Bamford

N D Bamford

Director

Date: 4 May 2021

Nexia Brisbane Audit Pty Ltd

Registered Audit Company 299289

Level 28, 10 Eagle Street

Brisbane QLD 4000

GPO Box 1189

Brisbane QLD 4001

p +61 7 3229 2022

f +61 7 3229 3277

e email@nexiabrisbane.com.au

w nexia.com.au

Nexia Brisbane Audit Pty Ltd (ABN 49 115 261 722) is an independent firm of Chartered Accountants and is a member of the Nexia Australia Pty Ltd Umbrella Group. Nexia Australia Pty Ltd is a member of Nexia International, a leading, global network of independent accounting and consulting firms. For more information please see www.nexia.com.au/legal. Neither Nexia International nor Nexia Australia Pty Ltd provide services to clients.

Liability limited under a scheme approved under Professional Standards Legislation.

Independent Auditor's Report to the Members of EnviroGold Global Pty Ltd

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of EnviroGold Global Pty Ltd (the Company), which comprises the statement of financial position as at 31 December 2020, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the period then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of EnviroGold Global Pty Ltd is in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the Company's financial position as at 31 December 2020 and of its financial performance for the period then ended; and
- (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Company funding and deficiency of equity

We draw attention to Note 2 in the financial report, which indicates that the Company incurred a loss of \$329,976 during the period ended 31 December 2020 and, as of that date, the Company has a deficiency of equity of \$329,975. As set out in the note, since balance date the Company has entered into arrangements to restructure its capital. Our opinion is not modified in respect of this matter.

Other Information

The directors are responsible for the other information. The other information comprises the information in the Company's annual report for the period ended 31 December 2020, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

Nexia Brisbane Audit Pty Ltd

Registered Audit Company 299289

Level 28, 10 Eagle Street

Brisbane QLD 4000

GPO Box 1189

Brisbane QLD 4001

p +61 7 3229 2022

f +61 7 3229 3277

e email@nexiabrisbane.com.au

w nexia.com.au

Nexia Brisbane Audit Pty Ltd (ABN 49 115 261 722) is an independent firm of Chartered Accountants and is a member of the Nexia Australia Pty Ltd Umbrella Group. Nexia Australia Pty Ltd is a member of Nexia International, a leading, global network of independent accounting and consulting firms. For more information please see www.nexia.com.au/legal. Neither Nexia International nor Nexia Australia Pty Ltd provide services to clients.

Liability limited under a scheme approved under Professional Standards Legislation.

Independent Auditor's Report to the Members of EnviroGold Global Pty Ltd (continued)

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

**Independent Auditor's Report to the Members of EnviroGold Global Pty Ltd
(continued)**

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Nexia Brisbane Audit Pty Ltd

Nexia Brisbane Audit Pty Ltd

Nigel Bamford

N D Bamford

Director

Level 28, 10 Eagle Street
Brisbane QLD 4000

Date: 4 May 2021

EnviroGold Global US Inc

Financial Statements

For the Period Ended 31 December 2020

EnviroGold Global US Inc

Contents

For the Period Ended 31 December 2020

| | Page |
|--|------|
| Financial Statements | |
| Directors' Report | 1 |
| Statement of Profit or Loss and Other Comprehensive Income | 4 |
| Statement of Financial Position | 5 |
| Statement of Changes in Equity | 6 |
| Statement of Cash Flows | 7 |
| Notes to the Financial Statements | 8 |
| Directors' Declaration | 16 |
| Auditor's Independence Declaration | 17 |
| Independent Auditor's Report | 19 |

EnviroGold Global US Inc

Directors' Report

For the Period Ended 31 December 2020

The directors present their report on EnviroGold Global US Inc ("the Company") for the financial period ended 31 December 2020. EnviroGold Global US Inc was incorporated in Delaware, United States of America on 19 May 2020. This Directors' Report covers the period from incorporation to 31 December 2020.

1. General information

Information on directors

The names of each person who has been a director during the period and to the date of this report are:

David Cam

Sean Foley

John Walsh

Directors have been in office since the start of the financial period to the date of this report unless otherwise stated.

Principal activities

The principal activity of the Company during the financial period was the start-up process associated with the Company's intention to develop environmental technology.

No significant changes in the nature of the Company's activity occurred during the financial period.

2. Operating results and review of operations for the year

Operating results

The loss of the Company after providing for income tax amounted to \$ (200,830), which reflects the start-up operations of the Company.

At balance date the Company has a deficiency of equity of \$200,810. As part of the start-up process the Company has entered into arrangements for funding which will result in capitalisation of the Company. The financial statements are prepared on a going concern basis.

Dividends paid or recommended

No dividends were paid or declared during or since the end of the financial period.

Review of operations

The Company has been established for the purpose of developing environmental technology, and is in start-up phase. No trading was undertaken in the financial period, and arrangements for funding and establishment of operations are continuing.

3. Other items

Significant changes in state of affairs

As set out above the Company was incorporated on 19 May 2020. 2,000 ordinary shares were issued on incorporation.

Directors' Report
For the Period Ended 31 December 2020

3. Other items

Events after the reporting date

Since balance date the Company has entered into arrangements to restructure its capital. The owners of the Company have entered into arrangements to sell the issued capital of the Company to EnviroGold Global (CAN) Ltd which will be the sole owner of the Company.

Since balance date the Company's related entity EnviroGold Global Pty Ltd. has entered into arrangements to restructure its capital and borrowings. By way of Debt Settlement agreements dated March 16th 2021, each Royalty Holder settled their debt in exchange for common shares in EnviroGold Global (CAN) Ltd, the sole owner of the Company.

On March 26th 2021, the Company's related entity EnviroGold Global (CAN) Ltd, the sole owner of the Company announced that it had entered into a business combination agreement with Range Energy Resources Inc. a Canadian Securities Exchange listed entity. The business combination will be completed by way of transaction that will constitute a reverse takeover of the Range Energy Resources Inc. by EnviroGold Global (CAN) Ltd. This transaction will include the Company and its related entity EnviroGold Global Pty Ltd. The proposed transaction is awaiting approval from the Canadian Securities Exchange, at the date of this report.

No other matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

Options

No options over issued shares or interests in the Company were granted during or since the end of the financial period and there were no options outstanding at the date of this report.

Future developments and results

The Company will continue its start-up arrangements in relation to its principal activity; including the transactions outlined above.

Environmental issues

The Company's operations are not regulated by any significant environmental regulations.

EnviroGold Global US Inc

Directors' Report

For the Period Ended 31 December 2020

Indemnification and insurance of officers and auditors

No indemnities have been given or insurance premiums paid, during or since the end of the financial period, for any person who is or has been an officer or auditor of EnviroGold Global US Inc.

Proceedings on behalf of company

No person has applied for leave of court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings.

Auditor's independence declaration

The lead auditor's independence declaration for the period ended 31 December 2020 has been received and can be found on page 17 of the financial report.

Signed in accordance with a resolution of the Board of Directors:

Director *signed "John Walsh"*
 John Walsh

Dated 04 May, 2021

EnviroGold Global US Inc

Statement of Profit or Loss and Other Comprehensive Income
For the Period Ended 31 December 2020

| | | 2020 |
|---|-------------|--------------------------------|
| | Note | \$ |
| Marketing expenses | | (178) |
| Administrative expenses | | (178,235) |
| Legal expenses | | <u>(22,417)</u> |
| Profit / (loss) before income tax | 5 | (200,830) |
| Income tax expense | 6 | <u>-</u> |
| Profit / (loss) for the period | | <u>(200,830)</u> |
| Other comprehensive income / (loss) for the year, net of tax | | <u>-</u> |
| Total comprehensive income / (loss) for the year | | <u><u>(200,830)</u></u> |

The accompanying notes form part of these financial statements.

EnviroGold Global US Inc

Statement of Financial Position

As At 31 December 2020

| | Note | 2020 \$ |
|--------------------------------------|------|------------------|
| ASSETS | | |
| CURRENT ASSETS | | |
| Cash and cash equivalents | 7 | 506,761 |
| Prepayments | | 10,020 |
| TOTAL CURRENT ASSETS | | <u>516,781</u> |
| NON-CURRENT ASSETS | | |
| TOTAL NON-CURRENT ASSETS | | <u>-</u> |
| TOTAL ASSETS | | <u>516,781</u> |
| LIABILITIES | | |
| CURRENT LIABILITIES | | |
| Trade and other payables | 8 | 717,591 |
| TOTAL CURRENT LIABILITIES | | <u>717,591</u> |
| NON-CURRENT LIABILITIES | | |
| TOTAL NON-CURRENT LIABILITIES | | <u>-</u> |
| TOTAL LIABILITIES | | <u>717,591</u> |
| NET ASSETS | | <u>(200,810)</u> |
| EQUITY | | |
| Issued capital | 9 | 20 |
| Retained earnings | | (200,830) |
| TOTAL EQUITY | | <u>(200,810)</u> |

The accompanying notes form part of these financial statements.

EnviroGold Global US Inc

Statement of Changes in Equity
For the Period Ended 31 December 2020

| | Ordinary Shares | Retained Earnings | Total |
|---|----------------------------|------------------------------|------------------|
| Note | \$ | \$ | \$ |
| Profit/ (Loss) attributable to members of the parent entity | - | (200,830) | (200,830) |
| Transactions with owners in their capacity as owners | | | |
| Contribution of equity, net of transaction costs | 20 | - | 20 |
| Balance at 31 December 2020 | 20 | (200,830) | (200,810) |

The accompanying notes form part of these financial statements.

EnviroGold Global US Inc

Statement of Cash Flows

For the Period Ended 31 December 2020

| | 2020 |
|---|-------------------------|
| Note | \$ |
| CASH FLOWS FROM OPERATING ACTIVITIES: | |
| Payments to suppliers and employees | <u>(193,259)</u> |
| Net cash provided by/(used in) operating activities | 16 <u>(193,259)</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES: | |
| CASH FLOWS FROM FINANCING ACTIVITIES: | |
| Proceeds from issue of shares | 9 20 |
| Proceeds from related entity | 15 <u>700,000</u> |
| Net cash provided by/(used in) financing activities | <u>700,020</u> |
| Net increase/(decrease) in cash and cash equivalents held | <u>506,761</u> |
| Cash and cash equivalents at end of the period | 7 <u><u>506,761</u></u> |

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Period Ended 31 December 2020

The financial report covers EnviroGold Global US Inc as an individual entity for the period from 19 May 2020 to 31 December 2020. EnviroGold Global US Inc is incorporated and domiciled in Delaware, United States of America on May 19th 2020.

The functional and presentation currency of the Company is US dollars.

The financial report was authorised for issue by the Directors on the date of signing the Directors' Declaration.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, and to meet the needs of shareholders and related entities.

The Company is a for-profit entity for financial reporting purposes.

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

2 Company funding and deficiency of equity

The Company incurred a loss of \$200,830 in the financial period, and at balance date has a deficiency of equity of \$200,810. The Company's financial position is reflective of its start-up nature.

As set out in note 17, since balance date the Company has entered into arrangements to restructure its capital and borrowings with related entity EnviroGold Global Pty Ltd.

The Directors have concluded that it is reasonable to adopt the going concern basis in preparation of the financial statements on the basis of funds currently available, arrangements in place to restructure its capital.

The financial statements have been prepared on a going concern basis which contemplates that the Company will continue to meet its commitments and can therefore continue normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

3 Summary of Significant Accounting Policies

(a) Income Tax

The tax expense recognised in the statement of profit or loss and other comprehensive income comprises current income tax expense plus deferred tax expense.

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (loss) for the period and is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the tax rates and laws that have been enacted or substantively enacted by the end of the reporting period. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses to the extent

Notes to the Financial Statements

For the Period Ended 31 December 2020

3 Summary of Significant Accounting Policies

(a) **Income Tax**

that it is probable that taxable profit will be available against which the deductible temporary differences and losses can be utilised.

Current and deferred tax is recognised as income or an expense and included in profit or loss for the period except where the tax arises from a transaction which is recognised in other comprehensive income or equity, in which case the tax is recognised in other comprehensive income or equity respectively.

(b) **Financial Instruments**

Financial instruments are recognised initially on the date that the Company becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets.

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis.

When determining whether the credit risk of a financial asset has increased since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Company's historical experience and informed credit assessment and including forward looking information.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Notes to the Financial Statements

For the Period Ended 31 December 2020

3 Summary of Significant Accounting Policies

(b) Financial instruments

Financial liabilities

The Company measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

(c) Impairment of non-financial assets

At the end of each reporting period the Company determines whether there is an evidence of an impairment indicator for non-financial assets.

Where an indicator exists, the recoverable amount of the asset is estimated.

Where the recoverable amount is less than the carrying amount, an impairment loss is recognised in profit or loss.

(d) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

(e) Foreign currency transactions and balances

Transaction and balances

Foreign currency transactions are recorded at the spot rate on the date of the transaction.

At the end of the reporting period:

- Foreign currency monetary items are translated using the closing rate;
- Non-monetary items that are measured at historical cost are translated using the exchange rate at the date of the transaction; and
- Non-monetary items that are measured at fair value are translated using the rate at the date when fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition or in prior reporting periods are recognised through profit or loss, except where they relate to an item of other comprehensive income or whether they are deferred in equity as qualifying hedges.

(f) Adoption of new and revised accounting standards

The Company has adopted all standards which became effective for the first time at 31 December 2020, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Company.

Notes to the Financial Statements

For the Period Ended 31 December 2020

3 Summary of Significant Accounting Policies

(g) New Accounting Standards and Interpretations

The IASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The Company has decided not to early adopt these Standards:

4 Critical Accounting Estimates and Judgments

The directors make estimates and judgements during the preparation of these financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The key estimates/judgement taken in preparation of the financial statements relates to the going concern assumption (note 2).

5 Result for the Year

The result for the year includes the following specific expenses:

| | 2020 |
|---------------------------|---------|
| | \$ |
| Other expenses: | |
| Employee benefit expenses | 115,676 |

6 Income Tax Expense

(a) Reconciliation of income tax to accounting profit:

| | 2020 |
|---|----------|
| | \$ |
| Prima facie tax payable on result from ordinary activities before income tax at 25.6% | (51,412) |
| Add: | |
| Tax effect of: | |
| - Temporary differences and tax losses not recognised | 51,412 |
| Income tax expense | - |

The Company has unconfirmed carry forward losses of \$200,830. The tax benefits of losses will only be obtained if the conditions in Note 3 (a) are satisfied: the Company derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the losses to be realised and if the Company continues to comply with the conditions for deductibility imposed by the relevant tax legislation.

Notes to the Financial Statements
For the Period Ended 31 December 2020

7 Cash and Cash Equivalents

| | 2020 |
|--------------------------|----------------|
| | \$ |
| Cash at bank and in hand | <u>506,761</u> |

8 Trade and Other Payables

| | Note | 2020 |
|---|------|-----------------------|
| | | \$ |
| CURRENT | | |
| Trade payables | | 9,350 |
| Sundry payables and accrued expenses | | 5,936 |
| Payable to EnviroGold Global Pty Ltd - Director related party | 15 | 700,000 |
| Other payables | 15 | <u>2,305</u> |
| | | <u><u>717,591</u></u> |

Trade and other payables are unsecured and non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances, and are recorded at amortised cost.

9 Issued Capital

| | 2020 |
|-----------------|------------------|
| | \$ |
| Ordinary shares | <u>20</u> |
| Total | <u><u>20</u></u> |

(a) Ordinary shares

| | 2020 |
|------------------------------------|---------------------|
| | No. |
| Shares issued on incorporation | <u>2,000</u> |
| At the end of the reporting period | <u><u>2,000</u></u> |

The holders of ordinary shares are entitled to participate in dividends and the proceeds on winding up of the Company. On a show of hands at meetings of the Company, each holder of ordinary shares has one vote in person or by proxy, and upon a poll each share is entitled to one vote.

(b) Capital Management

The key objectives of the Company when managing capital is to safeguard its ability to continue as a going concern and maintain optimal benefits to stakeholders. The Company defines capital as its equity and net debt.

The Company was incorporated in May 2020 and to date capital management has related to its start-up phase. The Company has entered into arrangements for further capital funding as set out in note 17.

Notes to the Financial Statements

For the Period Ended 31 December 2020

10 Financial Risk Management

The Company is exposed to a variety of financial risks through its use of financial instruments.

The Company's financial instruments consist mainly of cash at bank and payables as set out in the statement of financial position, and are all short-term.

The Company's overall risk management plan seeks to minimise potential adverse effects due to the unpredictability of financial markets.

The most significant financial risks to which the Company is exposed to are described below.

Specific risks

- Liquidity risk

Objectives, policies and processes

The Board of Directors have overall responsibility for the establishment of EnviroGold Global US Inc's financial risk management framework. This includes the development of policies covering specific areas such as foreign exchange risk, interest rate risk, liquidity risk, credit risk and the use of derivatives.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The day-to-day risk management is carried out by the Company's finance function under policies and objectives which have been approved by the Board of Directors.

Mitigation strategies for specific risks faced are described below:

Liquidity risk

Liquidity risk arises from the Company's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due.

The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities as and when they fall due. As set out in note 2, the Company is in its start-up phase and has entered into arrangements since balance date to restructure its capital and borrowings with related entity EnviroGold Global Pty Ltd.

11 Dividends

No dividends were paid or provided for during the period to 31 December 2020.

12 Key Management Personnel Remuneration

The totals of remuneration paid to the key management personnel of EnviroGold Global US Inc during the period are as follows:

| | |
|----------------------------------|---------------|
| | 2020 |
| | \$ |
| Short-term employee remuneration | <u>32,500</u> |

Notes to the Financial Statements
For the Period Ended 31 December 2020

13 Auditors' Remuneration

| | 2020 |
|---|---------------------|
| | \$ |
| Remuneration of the auditor Nexia Brisbane Audit Pty Ltd: | |
| - Auditing the financial statements at 30 November 2020 | 2,855 |
| - Auditing the financial statements at 31 December 2020 | <u>3,181</u> |
| Total | <u><u>6,036</u></u> |

14 Contingencies and commitments

In the opinion of the Directors, the Company did not have any contingencies or commitments at 31 December 2020.

15 Related Parties

(a) The Company's main related parties are as follows:

- Shareholders
- Key management personnel - being the directors of the Company.
- Close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

(b) Transactions with related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

The following transactions occurred with related parties:

| | Balance outstanding | |
|------------------------------------|---|---|
| | Owed to the company \$ | Owed by the company \$ |
| KMP related parties | | |
| Payable to director related entity | - | (700,000) |
| Payable to KMP | - | (2,305) |

EnviroGold Global US Inc

Notes to the Financial Statements

For the Period Ended 31 December 2020

16 Cash Flow Information

(a) Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net income to net cash provided by operating activities:

| | 2020 |
|--|------------------|
| | \$ |
| Profit for the year | (200,830) |
| Cash flows excluded from profit attributable to operating activities | |
| Non-cash flows in profit: | |
| Changes in assets and liabilities: | |
| - (increase)/decrease in prepayments | (10,020) |
| - increase/(decrease) in trade and other payables | 17,591 |
| Cashflows from operations | <u>(193,259)</u> |

17 Events Occurring After the Reporting Date

Since balance date the Company has entered into arrangements to restructure its capital. The owners of the Company have entered into arrangements to sell the issued capital of the Company to EnviroGold Global (CAN) Ltd which will be the sole owner of the Company

Since balance date the Company's related entity EnviroGold Global Pty Ltd. has entered into arrangements to restructure its capital and borrowings. By way of Debt Settlement agreements dated March 16th 2021, each Royalty Holder settled their debt in exchange for common shares in EnviroGold Global (CAN) Ltd, the sole owner of the Company.

On March 26th 2021, the Company's related entity EnviroGold Global (CAN) Ltd, the sole owner of the Company announced that it had entered into a business combination agreement with Range Energy Resources Inc. a Canadian Securities Exchange listed entity. The business combination will be completed by way of transaction that will constitute a reverse takeover of the Range Energy Resources Inc. by EnviroGold Global (CAN) Ltd. This transaction will include the Company and its related entity EnviroGold Global Pty Ltd. The proposed transaction is awaiting approval from the Canadian Securities Exchange, at the date of this report

No other matters or circumstances have arisen since the end of the financial period which significantly affected or could significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

18 Statutory Information

The registered office and principal place of business of the company is:

EnviroGold Global US Inc
2311 Mid Lane #1316
Houston
Texas, 77027

Directors' Declaration

The directors of the Company declare that:

1. the financial statements and notes for the financial period ended 31 December 2020:
 - a. comply with International Financial Reporting Standards (IFRS); and
 - b. give a true and fair view of the financial position and performance of the Company;
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

Director *signed "John Walsh"*
Dated: May 4, 2021 John Walsh

Auditor's Independence Declaration

To the Board of Directors of EnviroGold Global US Inc

As lead audit director for the audit of the financial statements of EnviroGold Global US Inc for the financial period ended 31 December 2020, I declare that to the best of my knowledge and belief, there have been no contraventions of the auditor independence requirements as set out in any applicable code of professional conduct in relation to the audit.

Nexia Brisbane Audit Pty Ltd

Nexia Brisbane Audit Pty Ltd

Nigel Bamford

N D Bamford

Director

Date: 4 May 2021

Nexia Brisbane Audit Pty Ltd

Registered Audit Company 299289
Level 28, 10 Eagle Street
Brisbane QLD 4000
GPO Box 1189
Brisbane QLD 4001
p +61 7 3229 2022
f +61 7 3229 3277
e email@nexiabrisbane.com.au
w nexia.com.au

Nexia Brisbane Audit Pty Ltd (ABN 49 115 261 722) is an independent firm of Chartered Accountants and is a member of the Nexia Australia Pty Ltd Umbrella Group. Nexia Australia Pty Ltd is a member of Nexia International, a leading, global network of independent accounting and consulting firms. For more information please see www.nexia.com.au/legal. Neither Nexia International nor Nexia Australia Pty Ltd provide services to clients.

Liability limited under a scheme approved under Professional Standards Legislation.

Independent Auditor's Report to the Members of EnviroGold Global US Inc

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of EnviroGold Global US Inc (the Company), which comprises the statement of financial position as at 31 December 2020, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the period then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of EnviroGold Global US Inc as at 31 December 2020, and its financial performance and its cash flows for the financial period then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Company in accordance with the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Compliance with Australian Auditing Standards enables compliance with International Standards on Auditing.

Emphasis of Matter – Company funding and deficiency of equity

We draw attention to Note 2 in the financial report, which indicates that the Company incurred a loss of \$200,830 during the period ended 31 December 2020 and, as of that date, the Company has a deficiency of equity of \$200,810. As set out in the note, since balance date the Company has entered into arrangements to restructure its capital. Our opinion is not modified in respect of this matter.

Other Information

The directors are responsible for the other information. The other information comprises the information in the Company's annual report for the period ended 31 December 2020, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Nexia Brisbane Audit Pty Ltd

Registered Audit Company 299289
Level 28, 10 Eagle Street
Brisbane QLD 4000
GPO Box 1189
Brisbane QLD 4001
p +61 7 3229 2022
f +61 7 3229 3277
e email@nexiabrisbane.com.au
w nexia.com.au

Nexia Brisbane Audit Pty Ltd (ABN 69 115 261 722) is an independent firm of Chartered Accountants and is a member of the Nexia Australia Pty Ltd Umbrella Group. Nexia Australia Pty Ltd is a member of Nexia International, a leading, global network of independent accounting and consulting firms. For more information please see www.nexia.com.au/legal. Neither Nexia International nor Nexia Australia Pty Ltd provide services to clients.

Liability limited under a scheme approved under Professional Standards Legislation.

Independent Auditor's Report to the Members of EnviroGold Global US Inc (continued)

If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with International Financial Reporting Standards and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



**Independent Auditor's Report to the Members of EnviroGold Global US Inc
(continued)**

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Nexia Brisbane Audit Pty Ltd

Nexia Brisbane Audit Pty Ltd

Nigel Bamford

N D Bamford

Director

Level 28, 10 Eagle Street
Brisbane QLD 4000

Date: 4 May 2021



APPENDIX “D”

PRO FORMA FINANCIAL STATEMENTS OF THE RESULTING ISSUER

[See attached.]

EnviroGold Global (CAN) Ltd. Statement of Financial Position
(Expressed in US dollars - Unaudited)

| | EnviroGold (CAN) Ltd. March 31, 2021 | Range Energy Resources Inc. March 31, 2021 | Pro Forma Adjustments | Note | Pro Forma Consolidated March 31, 2021 |
|---------------------------------------|--|--|--------------------------|------|---|
| ASSETS | | | | | |
| Current assets | | | | | |
| Cash | \$ 214,437 | \$ 4,792 | \$ 3,396,534 | | \$ 3,615,763 |
| Amounts receivable and other assets | 374,102 | 2,789 | | | 376,891 |
| Total current assets | 588,539 | 7,581 | 3,396,534 | | 3,992,654 |
| Non-current assets | | | | | |
| Intangible assets | 4,803,155 | - | | | 4,803,155 |
| Property, Plant and Equipment | | 45 | | | 45 |
| Total non-current assets | 4,803,155 | 45 | - | | 4,803,200 |
| Total assets | \$ 5,391,694 | \$ 7,626 | \$ 3,396,534 | | \$ 8,795,854 |
| EQUITY (DEFICIENCY) AND | | | | | |
| Current liabilities | | | | | |
| Amounts payable and other liabilities | \$ 243,024 | \$ 199,188 | (119,280) | | \$ 303,052 |
| Loan payable | 43,912 | 19,880 | (19,880) | 2 | 43,912 |
| Convertible loans payable | - | - | - | 2 | |
| Total current liabilities | 286,936 | 199,188 | (139,160) | | 346,964 |
| Total liabilities | 286,936 | 199,188 | (139,160) | | 346,964 |
| Equity | | | | | |
| Share capital | 5,829,255 | 45,596,844 | (45,596,844) | 2 | 11,593,575 |
| | | | (52,402) | 2 | |
| | | | 2,420,187 | 2 | |
| | | | 3,396,534 | 2 | |
| Reserves | - | 32,919,399 | (32,919,399) | | - |
| Deficit | (724,497) | (78,707,806) | 76,287,618 | | (3,144,684) |
| Total equity | 5,104,758 | (191,562) | 3,535,694 | | 8,448,890 |
| Total equity and liabilities | \$ 5,391,694 | \$ 7,626 | \$ 3,396,534 | | \$ 8,795,854 |

EnviroGold Global (CAN) Ltd. Statement Comprehensive Loss
(Expressed in US dollars - Unaudited)

| Three months ended March 31, 2021 | EnviroGold Global (CAN) Ltd. | Range Energy Resources Inc. | Pro Forma Adjustments | Note | Pro Forma Consolidated |
|---|---|--|----------------------------------|-------------|-----------------------------------|
| Expenses | | | | | |
| Operations expenses | \$ 103,606 | \$ - | \$ - | | \$ 103,606 |
| General and administrative | 298,932 | - | - | | 298,932 |
| Listing costs | - | - | 2,085,187 | | 2,085,187 |
| Professional fees | - | 6,759 | 335,000 | | 341,759 |
| | (402,538) | (6,759) | (2,402,187) | | (2,829,485) |
| Other items: | | | | | |
| Interest expense | (6,089) | - | - | | (6,089) |
| Foreign exchange loss | (23,873) | - | - | | (23,873) |
| Loss for the period | (432,500) | - | - | | (2,859,447) |
| Other Comprehensive income | - | - | - | | - |
| Total Comprehensive Loss | \$ (432,500) | \$ (6,759) | \$ (432,500) | | \$ (2,859,447) |
| Weighted Average number of common shares outstanding | 22,722,924 | 18,259,519 | - | | 40,982,443 |
| Post Consolidation Share count – pro forma | 127,815,984 | 18,259,519 | 32,805,651 | | 178,881,154 |

1. BASIS OF PREPARATION

The accompanying unaudited pro forma consolidated financial statements of Range Energy Resources Inc. (“**Range**” or the “**Company**”) have been prepared to illustrate the impact of the acquisition of EnviroGold Global (CAN) Ltd. (“**EGGL**”) by Range.

It is management’s opinion that these unaudited consolidated pro forma financial statements include all adjustments necessary for the fair presentation of the transactions described herein and are in accordance with International Financial Reporting Standards (“**IFRS**”) applied on a basis consistent with the Company’s accounting policies. These pro forma consolidated financial statements are not intended to reflect the financial position of the Company that would have actually resulted had the transactions been affected on the dates indicated above. Actual amounts recorded upon consummation of the transactions will differ from those recorded in these unaudited pro forma consolidated financial statements and the differences may be material.

Accounting policies used in the preparation of the unaudited consolidated pro forma financial statements are consistent with those used in the unaudited financial statements of EGGL for the three-month period ended March 31, 2021. The unaudited pro forma consolidated financial statements should be read in conjunction with the audited financial statements for the year ended December 31, 2020 and the three months ended March 31, 2021 and the notes included therein, of EGGL.

These unaudited pro forma consolidated financial statements have been compiled from and including an unaudited pro forma consolidated statements of financial position as at March 31, 2021 combining the unaudited statement of financial position of Range as of March 31, 2021 and the unaudited statement of financial position of EGGL as of March 31, 2021, respectively.

2. PRO FORMA TRANSACTIONS AND ADJUSTMENTS

The following are the pro forma assumptions and adjustments relating to the Transaction.

On March 26, 2021, EGGL announced that it had entered into a definitive agreement with Range pursuant to which, EGGL and Range agreed to complete a three-cornered amalgamation (the “**Transaction**”) in which Range will acquire all of EGGL’s shares in exchange for an anticipated 87.5% interest in Range. Prior to the amalgamation, Range settled its outstanding debt and EGGL acquired 100% ownership in EGGL AUS and EGGL US. Upon completion of the amalgamation and being listed on the CSE, Range will carry on business of EGGL as “EnviroGold Global Limited” (the “**Resulting Issuer**”).

Pursuant to the Transaction, Range will consolidate all of its common shares (“**Range Shares**”) on the basis that the Company’s outstanding shares are 18,259,519 prior to the Amalgamation, being 12.5% of the issued and outstanding shares of the consolidated entity at the time of the Amalgamation Agreement. Holders of outstanding Common Shares in the capital of EGGL (“**EGGL Shares**”) shall receive a number of Range Post-Consolidation Shares for each one (1) EGGL Share held and the EGGL Shares will be cancelled.

As a result of the share exchange between Range and EGGL described above, the former shareholders of EGGL will acquire control of the Company. Management has evaluated that Range does not meet the definition of a business as defined by IFRS 3. Consequently, the Transaction will be accounted as an acquisition of Range’s net assets and reporting issuer status. The Range share capital and retained earnings will be eliminated in the proforma consolidation. The cost of the transaction in excess of the net assets of Range will be reflected as listing expenses.

The assets and liabilities of Range assumed on the recapitalization are as follows:

EnviroGold Global (CAN) Ltd.
Notes to the Pro Forma Consolidated Financial Statements
(Expressed in US Dollars – Unaudited)
For the three-month period ended March 31, 2021

| | |
|--------------|--------------------|
| Cash | \$ 4,792 |
| Other assets | 2,834 |
| Liabilities | <u>(60,028)</u> |
| | <u>\$ (52,402)</u> |

2. PRO FORMA TRANSACTIONS AND ADJUSTMENTS - CONTINUED

The negative net assets of Range of \$52,402 assumed on the recapitalization are added to share capital. The Company also recorded listing fees of \$2,420,187 as recapitalization costs to share capital.

| | |
|-------------------------------|---------------------|
| Consideration of shares | \$ 2,032,785 |
| Legal and transaction costs | <u>335,000</u> |
| Total consideration and costs | 2,367,785 |
| Add net liabilities assumed | <u>52,402</u> |
| Listing expenses | <u>\$ 2,420,187</u> |

The fair value of the post consolidated share count of 18,259,426 issued common shares of the Company was estimated using US\$0.1113 per share.

Legal and transaction costs include an estimated \$140,000 for legal fees, \$120,000 for accounting fees, \$50,000 for Regulatory fees and \$20,000 for all other expenses.

Listing expenses are the considered the difference between the value attributed to the consideration of shares and the net assets acquired.

The Company closed the concurrent financing of 8,201,413 EGGL Financing Units \$● (CAD\$0.56) per share, for gross proceeds of \$● (CAD\$4,592,791.28). Estimated costs of \$255,653 have been deducted from this balance to leave net proceeds of \$●.

3. SHARE CAPITAL

Authorized – unlimited common shares without par value.

Share capital in the unaudited consolidated pro forma financial statements is comprised of the following:

| | Number of Shares* | Share Capital \$ |
|--------------------------------------|----------------------|---------------------|
| Range's balance as at March 31, 2021 | 18,259,519 | 2,032,785 |
| Professional and regulatory fees | - | 335,000 |
| EGGL's balance as at March 31, 2021 | 127,815,984 | 5,829,255 |
| Concurrent placement | 32,805,651 | 3,396,534 |
| | <u>178,881,154</u> | <u>11,593,575</u> |

*Shares are calculated on a post consolidation basis

EnviroGold Global (CAN) Ltd.
Notes to the Pro Forma Consolidated Financial Statements
(Expressed in US Dollars – Unaudited)
For the three-month period ended March 31, 2021

**Range Shares are calculated by assuming a consolidation of the pre-consolidated shares outstanding such that Range shareholders receive 12.5% of the post-amalgamation shares in the Company, before the concurrent financing.

APPENDIX “E”

RANGE MANAGEMENT’S DISCUSSION & ANALYSIS

(as at and for the years ended December 31, 2020, December 31, 2019 and December 31, 2018, and as at and for the three months ended March 31, 2021)

[See attached.]

RANGE ENERGY RESOURCES INC.

Management's Discussion & Analysis

For the years ended December 31, 2020 and 2019

Expressed in Canadian Dollars

Range Energy Resources Inc.

Management Discussion and Analysis

For the year ended December 31, 2020

This management's discussion and analysis ("MD&A") provides an analysis of our financial situation which will enable the reader to evaluate important variations in our financial situation for the year ended December 31, 2020, compared to the year ended December 31, 2019. This report prepared as at April 19, 2021 should be read in conjunction with our audited financial statements for the year ended December 31, 2020 ("Financial Statements") and the audited financial statements of the company for the year ended December 31, 2019, prepared in accordance with international financial reporting standards ("IFRS") as issued by the international accounting standards board ("IASB"). This MD&A complements and supplements but does not form part of the company's financial statements.

Our financial statements and the management's discussion and analysis are intended to provide a reasonable base for the investor to evaluate our financial situation.

Our financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS"). The Company's reporting currency is Canadian dollars and all dollar amounts contained in this MD&A are expressed in Canadian dollars, unless otherwise specified.

Where we say "we", "us", "our", the "Company" or "Range", we mean Range Energy Resources Inc., as it may apply.

The Company is currently a development stage company looking to invest in potential growth projects, entities or other opportunities.

Some of the statements made in this MD&A are forward-looking statements that are subject to risk factors set out in the cautionary note contained herein.

Range's common shares are listed on the Canadian Securities Exchange (the "CSE") trading symbol – RGO.

Caution on Forward-Looking Statements

The MD&A contains certain forward-looking statements concerning anticipated developments in Range's operation in future periods. Forward-looking statements are frequently, but not always identified by words such as "expects", "anticipates", "believes", "intends", "estimates", "potential", "possible" and similar expressions, or statements that events, conditions or results "will", "may", "could" or "should" occur or be achieved. The forward-looking statements are set forth principally under the heading "Outlook" in the MD&A and may include statements regarding exploration results and budgets, petroleum reserves estimates, work programs, capital expenditures, timelines, strategic plans, market price of oil or natural gas or other statements that are not statements of fact. Forward-looking statements are statements about the future and are inherently uncertain, and actual achievements of Range may differ materially from those reflected in forward-looking statements due to a variety of risks, uncertainties and other factors. Range's forward-looking statements are based on the beliefs, expectations and opinions of management on the date the statements are made, and Range does not assume any obligation to update forward-looking statements if circumstances or management's beliefs, expectations or opinions should change except as required by law. For the reasons set forth above, investors should not place undue reliance on forward-looking statements. Important factors that could cause actual results to differ materially from Range's expectations include uncertainties involved in disputes, arbitration and litigation, fluctuations in commodity prices and currency exchange rates; uncertainties relating to interpretation of drill results and the geology, continuity and estimation of reserves; uncertainty of estimates of capital and operating costs, recovery rates, production estimates and economic return; the need for cooperation of government agencies and native groups in the exploration and development of properties and the issuance of required permits; the need to obtain additional financing to develop properties and uncertainty as to the availability and terms of future financing; the possibility of delay in exploration or development programs or in construction projects and uncertainty in meeting anticipated program milestones; uncertainty as to timely availability of permits and other government approvals and other risks and uncertainties disclosed in other information released by Range from time to time and filed with the appropriate regulatory agencies.

Range Energy Resources Inc.
Management Discussion and Analysis
For the year ended December 31, 2020

Corporate developments and outlook

Range is currently a development stage company looking to invest in potential growth projects, entities or other opportunities.

Following are highlights of recent activities:

On April 11, 2019, the Company entered into a loan agreement with Gulf LNG America, LLC (“Gulf”) in the amount of US\$25,000. The loan is interest bearing at a rate of 13% per annum and matures on January 13, 2020.

On July 31, 2019, the Company cancelled 1,631,282 warrants at an exercise price of \$10.00 pursuant to the Share and Loan Purchase agreement between Gulf and 2706791 Ontario Inc.

On July 31, 2019, 2706791 Ontario Inc., a company controlled by a director and officer of the Company, acquired 3,046,755 common shares of the Company pursuant to private acquisition transactions from Gulf and DTN Investments LLC, representing approximately 71% of the Company’s currently issued and outstanding common shares. In addition, 2706791 Ontario Inc. acquired from Gulf certain outstanding convertible loans in the aggregate principal amount of \$15,982,472 plus accrued interest. Under the terms of the acquisition, 2706791 Ontario Inc. became the administrative agent for all the convertible loans, including those of Harrington Global Opportunities Fund S.A.R.L. (“Harrington”).

On July 31, 2019, the Company appointed Mr. Allan Bezanson as CEO of the Company in place of Mr. Toufic Chahine, who resigned as director and CEO of the Company. In addition, the Company appointed Mr. Peter McRae and Mr. Rick Pawluk as directors of the Company in place of Mr. Eric Stoerr and Ms. Michelle Upton who have resigned as directors of the Company. The resignations of the aforementioned Gulf nominees coincided with Gulf’s exiting from its investment in the Company.

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 calculated monthly and matures in two years time. This loan was partially used to repay the US\$25,000 loan from Gulf.

During the year ended December 31, 2019, 373,959 warrants at a weighted average exercise price of \$14.00 expired unexercised.

During the year ended December 31, 2019, 30,000 options at an exercise price of \$20.00 were cancelled.

On January 9, 2020 the Company entered into a loan agreement with 2706791 Ontario Inc. for the amount of \$20,000 payable on demand. The loan is unsecured and interest free.

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

As initially disclosed in its press release on March 10, 2021, 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”). As at April 19, 2021, there are currently 4,281,136 Range Shares issued and outstanding and 18,259,519 Range shares are expected to be outstanding immediately after the completion of the Range Debt Settlement.

On April 22, 2020, 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.

Range Energy Resources Inc.
Management Discussion and Analysis
For the year ended December 31, 2020

During the year, 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 eighteen (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.

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 \$20,000,000, and for gross proceeds of a minimum of \$500,000.

Range Energy Resources Inc.
Management Discussion and Analysis
For the year ended December 31, 2020

Selected Annual Financial Information

(Information extracted from the Company's audited financial statements)

Selected Annual Financial Information
(Expressed in Canadian Dollars)

| | 2020 | 2019 | 2018 |
|--|--------------|--------------|--------------|
| | \$ | \$ | \$ |
| Revenue | - | - | - |
| Net loss | (2,945,735) | (2,644,174) | (45,414,947) |
| Loss per share – Basic and diluted | (0.69) | (0.62) | (10.61) |
| Cash dividends | - | - | - |
| Total assets | 12,550 | 8,422 | 104,093 |
| Long term liabilities | - | - | - |
| Shareholders' equity (deficiency) | (24,926,034) | (21,980,299) | (19,336,125) |
| Share capital | 49,791,768 | 49,791,768 | 49,791,768 |
| Warrants | - | - | 5,379,075 |
| Contributed surplus and other | 23,674,184 | 23,674,184 | 18,295,109 |
| Deficit | (98,391,986) | (95,446,251) | (92,802,077) |
| Accumulated other comprehensive income | | | |

Financial Position

As at December 31, 2020, the Company had current assets of \$12,488 and current liabilities of \$24,938,584 compared to current assets of \$8,333 and current liabilities of \$21,937,467 as at December 31, 2019. At December 31, 2020, the Company had working capital deficiency of \$24,926,096 compared to a working capital deficiency of \$21,929,134 at December 31, 2019. As noted above, the Company is currently in discussions regarding the restructuring of its existing loans.

The Company had cash of \$8,829 at December 31, 2020 compared to \$3,941 at December 31, 2019. During the year ended December 31, 2020, the Company recorded cash outflows used in operations of \$30,112 compared to cash outflows of \$105,994 in the comparative period of 2019.

For financing activities, during the year ended December 31, 2020, the Company received loans of \$35,000 compared to \$83,299 in the comparable period of 2019.

Loan from Gulf LNG America, LLC

On April 11, 2019, the Company entered into a loan agreement with Gulf in the amount of US\$25,000. The loan is interest bearing at a rate of 13% per annum and matures on January 13, 2020 – paid back.

Loan from 2706791 Ontario Inc.

On July 31, 2019, 2706791 Ontario Inc., acquired certain outstanding convertible loans plus accrued interest and the administrative agent position from Gulf, an admin company for the loans including convertible loans from Harrington, acquired certain outstanding convertible loans from Gulf (refer to historical MD&As). Additional information relating to the Company's operations and activities can be found by accessing the Company's news releases and filings on the SEDAR website: www.sedar.com

Range Energy Resources Inc.
Management Discussion and Analysis
For the year ended December 31, 2020

Financial Position (continued)

On August 1, 2019, the Company entered into a loan agreement with 2706791 Ontario Inc. in the amount of up to \$50,000. The loan is interest bearing at a rate of 6% per annum calculated monthly and matures in two years' time. Proceeds from this loan were partially used to repay the above mentioned US\$25,000 loan from Gulf. Interest of \$4,416 accrued for the year ended December 31, 2020.

On January 9, 2020 the Company entered into a loan agreement with 2706791 Ontario Inc. for the amount of \$20,000 payable on demand. The loan is interest free.

On April 22, 2020 the Company entered into a loan agreement with 2706791 Ontario Inc. for the amount of \$15,000 payable on demand. The loan is interest free.

Results of Operations and discussion of Operations

For the year ended December 31, 2020 compared with the year ended December 31, 2019

Net loss

The Company reported a net loss of \$2,945,735 (\$0.69 per share) for the year ended December 31, 2020 as compared to a net loss of \$2,644,174 (\$0.62 per share) in the comparative period. Included in the current period's results are:

- Interest on the 2706971 Ontario Inc., Gulf and Harrington loans of \$2,760,027 (2019 - \$2,429,517) as discussed above;
- Audit and accounting fees of \$105,761 (2019 - \$92,925) to keep the filings up to date;
- General and administrative expenses of \$22,609 (2019 - \$59,487) as spending was more conservative in the year 2020;
- Management fees of \$44,310 (2019 - \$44,520) were almost unchanged;
- Foreign exchange gain of \$1,421 (2019 - \$1,432). Due to exchange rate fluctuations being beneficial, compared to both, the current period and the prior period.

There were no other significant changes in operating results for the year ended December 31, 2020 compared to the year ended December 31, 2019.

Expenses

Operating expenses for the year ended December 31, 2020 totalled \$2,947,154 compared to total operating expenses of \$2,645,606 in 2019, representing an increase of \$360,643. The increase in losses is primarily attributed to the increase in interest expense on the 2706971 Ontario Inc. and Harrington convertible loans as discussed below under liquidity.

Range Energy Resources Inc.
Management Discussion and Analysis
For the year ended December 31, 2020

Summary of Quarterly Results

The following table summarizes quarterly results for the past eight quarters:

| Quarter Ended | Net revenues \$'s | Net income (loss)* \$'s | Loss per share - basic \$'s | Loss per share - diluted \$'s |
|---------------|----------------------|----------------------------|--------------------------------|----------------------------------|
| 31-Dec-20 | - | (768,590) | (0.18) | (0.18) |
| 30-Sep-20 | - | (736,786) | (0.17) | (0.17) |
| 30-Jun-20 | - | (719,806) | (0.17) | (0.17) |
| 31-Mar-20 | - | (720,553) | (0.17) | (0.17) |
| 31-Dec-19 | - | (685,943) | (0.16) | (0.16) |
| 30-Sep-19 | - | (682,430) | (0.16) | (0.16) |
| 30-Jun-19 | - | (662,472) | (0.15) | (0.15) |
| 31-Mar-19 | - | (613,330) | (0.14) | (0.14) |

* Values may not add to reported amount for the years then ended due to rounding

There are no meaningful trends evident from analysis of the summary of quarterly financial information over the last eight quarters. Factors that can cause fluctuations in the Company's quarterly results are the timing of stock option grants, exploration property impairments and other legal matters.

Liquidity and Capital Resources

On July 31, 2019, 2706791 Ontario Inc., a company controlled by a director and officer of the Company, entered into a Share and Loan Purchase agreement with Gulf whereby 2706791 Ontario Inc. acquired from Gulf certain secured convertible promissory notes in the aggregate principal amount of \$15,982,472 plus accrued interest. Under the terms of the acquisition, 2706791 Ontario Inc. became the administrative agent for all the convertible loans, including those of Harrington.

On April 11, 2019, the Company entered into a loan agreement with Gulf in the amount of US\$25,000. The loan is interest bearing at a rate of 13% per annum and matures on January 13, 2020.

On August 1, 2019, the Company entered into a loan agreement with 2706791 Ontario Inc. in the amount of up to \$50,000. The loan is interest bearing at a rate of 6% per annum calculated monthly and matures in two years' time. This loan was used to redeem the US\$25,000 Gulf loan mentioned in the previous paragraph. As of the date of this report, the principal balance of this loan payable is \$50,000 and interest of \$3,607 accrued.

On January 9, 2020 the Company entered into a loan agreement with 2706791 Ontario Inc. for the amount of \$20,000 payable on demand. The loan is interest free.

On April 22, 2020 the Company entered into a loan agreement with 2706791 Ontario Inc. for the amount of \$15,000 payable on demand. The loan is interest free.

Cash on hand at December 31, 2020 is not adequate to meet requirements for fiscal 2020 based on the Company's current budgeted expenditures for operations and exploration. There is material uncertainty related to these conditions that may cast significant doubt on the Company's ability to continue as a going concern and, therefore, to realize its assets and discharge its liabilities in the normal course of business. To meet working capital requirements, the Company will have to access financial resources through equity placements in the junior resource market or by incurring debt, procuring industry partners for its primary exploration project and/or selling its project in exchange for equity/cash. However, there can be no assurance that the Company will have access in the future to these financial resources.

Range Energy Resources Inc.

Management Discussion and Analysis

For the year ended December 31, 2020

Capital Resources

In acquiring the required capital to pursue the Company's business plan, the Company anticipates that capital will be generated from a combination of accessing equity markets, incurring debt, procuring industry partners for its primary exploration assets or sale of exploration assets for equity positions or cash.

Trends that affect the market generally, and the perception of the Company within the marketplace, can affect the Company's ability to access capital in both a positive and negative way. Trends in this general market are defined by fluctuations in the global economy and the demand for petroleum or natural gas and commodity prices. Trends in the perception of the Company in the resource marketplace will be affected by general trends in the resource equity markets, the Company's performance in creating shareholder value and in demonstrating the ability to manage the Company's affairs and achieve mandated objectives.

As of December 31, 2020, the Company has long-term debt of \$Nil (December 31, 2019 - \$51,254).

Off- Balance Sheet Arrangements

The Company does not have off-balance sheet arrangements.

Contingent Liabilities

By way of Summons dated May 6, 2020, litigation proceedings were initiated against the Corporation 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 affiliate of the Corporation. The Summons was in respect of approximately £34,000.00 and required the Corporation's appearance in Court on May 22, 2020. The Corporation did not defend the matter and anticipated judgement against it for that amount.

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

Transactions with Related Parties

Related parties consist of the following:

- Allan Bezanson, CEO
- Eugene Beukman, CFO
- Rick W. Pawluk, Director
- Roger Bethall, Director
- Harold M. Wolkin, Director
- Peter McRae, Director

In the normal course of business, the Company has had transactions with individuals and companies considered related parties. Related party transactions involve debt transactions and normal commercial compensation for services rendered by senior management, officers, directors or insiders of the Company and by companies with which they are associated as owners, contractors or employees.

As described above, at December 31, 2020 the Company has convertible loans payable to 2706971 Ontario Inc. and Harrington in an aggregate amount of \$24,494,422 (December 31, 2019 - \$21,737,556). Each convertible loan is interest bearing at 10% to 12% per annum, compounded monthly, and is convertible into common shares of the Company at \$0.02 per share. In addition, the Company has loans payable to 2706971 Ontario Inc. in the principal amount of up to \$85,000 (December 31, 2019 - \$50,000). The \$50,000 loan is interest bearing at a rate of 6% per annum calculated monthly and matures in two years' time, and the other two loans totalling \$35,000 is interest free.

Range Energy Resources Inc. Management Discussion and Analysis For the year ended December 31, 2020

Transactions with Related Parties - continued

On July 31, 2019, 2706791 Ontario Inc., a company controlled by a director and officer of the Company, acquired 3,046,755 common shares of the Company pursuant to private acquisition transactions from Gulf and DTN Investments LLC, representing approximately 71% of the Company's currently issued and outstanding common shares. In addition, 2706791 Ontario Inc. acquired from Gulf certain outstanding convertible loans in the aggregate principal amount of \$15,982,472.

On July 31, 2019, 2706791 Ontario Inc., a company controlled by a director and officer of the Company, entered into a Share and Loan Purchase agreement with Gulf whereby 1,631,282 warrants at an exercise price of \$10.00 were cancelled pursuant to the Share and Loan Purchase agreement between Gulf and 2706791 Ontario Inc. In addition, 2706791 Ontario Inc. acquired from Gulf certain secured convertible promissory notes in the aggregate principal amount of \$15,982,472.

As mentioned above, 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 calculated monthly and matures in two years' time. On January 9, 2020 the Company entered into a loan agreement with 2706791 Ontario Inc. for the amount of \$20,000 payable on demand. The loan is interest free. On April 22, 2020 the Company entered into a loan agreement with 2706791 Ontario Inc. for the amount of \$15,000 payable on demand. The loan is interest free.

The management functions of the Company are performed by our directors and senior officers and we have no management agreements or arrangements under which such management functions are performed by persons other than the directors and senior officers of the Company other than the contract described below. The Board has approved this contract having taken into consideration the level of service provided and compensation offered by companies comparable to the Company in terms of size, assets and stage of development. The Board is satisfied that the level of compensation continues to be competitive with that of comparable companies.

Pender Street Corporate Consulting Ltd. ("Pender") and Partum Advisory Services Corp ("Partum") are entities solely owned by Mr. Eugene Beukman. On January 1, 2012, Range entered into a service agreement with Pender to provide management and administrative services for a 12-months period for a fee of \$3,500 (increased to \$8,500 on September 1, 2012) per month plus GST and reimbursement of out-of-pockets costs (and increased to \$9,500). This agreement from Pender was taken over by Partum since June 2019. Mr. Eugene Beukman is the Chief Financial Officer of Range. During the year ended December 31, 2020, Partum charged fees of \$119,910 (Pender/Partum - year ending December 31, 2019 - \$120,120) for services rendered.

Fourth Quarter results

Three-month period ended December 31, 2020 compared with three months period ended December 31, 2019

Net loss

The Company reported a net loss of \$768,590 (\$0.18 per share) for the three months ended December 31, 2020 as compared to a net loss of \$685,943 (\$0.16 per share) for 2019. The main reason for the large loss in the quarter ended December 31, 2020 and 2019 was the interest accruals. Included in the current period's results are interest on the 2706971 Ontario Inc., Gulf and Harrington loans of \$721,185 (2019 - \$640,059), audit and accounting fees of \$28,100 (2019 - \$20,750), general and administrative expenses of \$9,895 (2019 - \$10,102), management fees of \$11,025 (2019 - (\$11,340)), and foreign exchange gain of \$3,357 (2019 - \$1,408). There were no other significant changes in operating results for the three months ended December 31, 2020 compared to the three months ended December 31, 2019.

Range Energy Resources Inc.

Management Discussion and Analysis

For the year ended December 31, 2020

Expenses

Operating expenses for the three months ended December 31, 2020 totalled \$771,947 compared to total operating expenses of \$687,350 in 2019, representing an increase of \$84,595. There was also an increase in losses mostly due to the increase in interest expense on the 2706971 Ontario Inc. and Harrington convertible loans as discussed above.

Proposed Transactions

As at the date of this report, Range had the following proposed material transactions.

As disclosed in the Company's latest financial statements for the year ended December 31, 2020, the Company is currently an inactive issuer on the CSE with approximately \$12,000 in assets and \$25,000,000 of debt, with insufficient cash to repay such debt. Accordingly, further to the Company's news release on February 22, 2021, the Company intends to enter into debt settlement agreements ("Settlement Agreements") with its debtholders.

Pursuant to the Settlement Agreements, subject to CSE approval, the Company intends to issue an aggregate of 1,408,560 common shares to creditors at a deemed price of \$0.65 per share and an aggregate of 12,569,823 common shares at a deemed price of \$1.95 per share. The Company currently has 4,281,136 common shares issued and outstanding, subject to rounding of any fractional shares pursuant to its recent share consolidation.

The Insider Debt is owed to 2706971 Ontario Inc. ("Holdco"), a company controlled by Mr. Allan Bezanson, a director and CEO of Range Energy. Holdco currently owns approximately 71% of Range Energy's common shares. Upon completion of the Settlement Agreements, Holdco would convert \$24,511,155 of its debt at \$1.95 per share into 12,569,823 common shares and \$89,961 of its debt at \$0.65 per share into 138,401 common shares; and thus own approximately 86% of Range Energy's then issued and outstanding common shares.

All securities issued pursuant to the Settlement Agreements will be subject to a statutory hold period of four months from issuance in accordance with applicable securities laws.

The Insider Debt settlement is exempt from the valuation and minority shareholder approval requirements of Multilateral Instrument 61-101 ("MI 61-101") by virtue of the exemptions contained in sections 5.5(b) and 5.7(1)(e) of MI 61-101, respectively, in that the Company is not listed on a specified market and is under financial hardship.

Critical Accounting Estimates

The significant accounting policies used by Range are disclosed in note 3 to the audited financial statements for the year ended December 31, 2020. Certain accounting policies require that management make appropriate decisions with respect to the formulation of estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. Management reviews its estimates on a regular basis. The emergence of new information and changed circumstances may result in actual results or changes to estimated amounts that differ materially from current estimates. The following discussion helps to assess the critical accounting policies and practises of the Company and the likelihood of materially different results being reported.

Changes in Accounting Policies

The Company has not adopted any new accounting standards or made any changes in accounting policies during the year ended December 31, 2020.

Share-Based Compensation and Warrants

Compensation expense for options and warrants granted is determined based on estimated fair values of the options and warrants at the time of grant, the cost of which is recognized over the vesting period of the respective options and grants. The key parameters impacting the calculation of fair value of options and warrants are the share volatility and the expected life.

Range Energy Resources Inc.
Management Discussion and Analysis
For the year ended December 31, 2020

Income taxes

The determination of income and other tax liabilities requires interpretation of complex laws and regulations. All tax filings are subject to audit and potential reassessment after the lapse of considerable time. Accordingly, the actual income tax liability may differ significantly from that estimated and recorded by management.

Financial instruments

The Company's financial instruments include cash, loan receivable, long-term investment, accounts payable, loan payable and convertible loans. The carrying value of cash, amounts receivable, 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. Long-term investment does not have a reliably measurable fair value as it does not have a quoted market price in an active market.

See the Company's Audited Statements of Financial Position for financial instrument balances as at December 31, 2020 and December 31, 2019.

Internal Control over Financial Reporting and Disclosure Controls and Procedures

Currently, the certification required by the Company's certifying officers under National Instrument 52-109 Certificate of Disclosure in Issuers' Annual and Interim Filings (NI 52-109F), the Venture Issuer Basic Certificate, does not include representations relating to the establishment and maintenance of disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as defined in NI 52-109. This includes:

- i. Controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and,
- ii. A process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they make in the certificate.

Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Additional Disclosure for Venture Issuers without Significant Revenues

Refer to elsewhere in the MD&A or the Company's financial statements for capitalized or expensed exploration and development costs, general and administrative expenses and other material costs. Additional information relating to the Company is on SEDAR www.sedar.com.

Share Data

The 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 rights and restrictions of which may be set by the Company's directors.

As at the date of this report, Range had 4,281,136 common shares issued, Nil warrants and Nil options issued and outstanding.

Range Energy Resources Inc.
Management Discussion and Analysis
For the year ended December 31, 2020

Risks and Uncertainties

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. The impact on the Company is not currently determinable but management continues to monitor the situation.

Financial Capability and Additional Financing

The Company relies on equity and debt financings to fund its activities. While it has been successful in raising funds in the past, there is no assurance that adequate funds will be available in the future. As at December 31, 2020, the Company has cash of \$8,829 (2019 - \$3,941) and working capital deficiency of \$24,926,096 (2019 - \$21,929,134). Based on current budgeted expenditures for operations and exploration, cash on hand at December 31, 2020 is not adequate to meet capital requirements for fiscal 2021. There is a material uncertainty related to these conditions that may cast significant doubt on the Company's ability to continue as a going concern and, therefore, to realize its assets and discharge its liabilities in the normal course of business. To meet working capital requirements, the Company will have to access financial resources through equity placements in the junior resource market or by incurring debt, procuring industry partners for its primary exploration projects and/or selling its projects in exchange for equity/cash. However, there can be no assurance that the Company will have access in the future to these financial resources.

A discussion of risk factors in particular to the financial instruments is presented in note 12 of the audited financial statements for the year ended December 31, 2020.

RANGE ENERGY RESOURCES INC.

Management's Discussion & Analysis

For the years ended December 31, 2019 and 2018

Expressed in Canadian Dollars

Management's discussion and analysis ("MD&A") provides a review of the performance of Range Energy Resources Inc.'s ("Range" or the "Company") operations and has been prepared on the basis of available information up to April 8, 2020 and should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2019 and the related notes thereto, which have been prepared in accordance with International Financial Reporting Standards ("IFRS"). The Company's reporting currency is Canadian dollars and all dollar amounts referred to in this discussion and analysis are expressed in Canadian dollars except where indicated otherwise.

The Company is a development staged company engaged in investing in entities involved in the acquisition, exploration and development of oil and gas properties.

Some of the statements made in this MD&A are forward-looking statements that are subject to risk factors set out in the cautionary note contained herein.

Range's common shares are listed on the Canadian Securities Exchange (the "CSE") trading symbol – RGO.

Caution on Forward-Looking Statements

The MD&A contains certain forward-looking statements concerning anticipated developments in Range's operation in future periods. Forward-looking statements are frequently, but not always identified by words such as "expects", "anticipates", "believes", "intends", "estimates", "potential", "possible" and similar expressions, or statements that events, conditions or results "will", "may", "could" or "should" occur or be achieved. The forward-looking statements are set forth principally under the heading "Outlook" in the MD&A and may include statements regarding exploration results and budgets, petroleum reserves estimates, work programs, capital expenditures, timelines, strategic plans, market price of oil or natural gas or other statements that are not statements of fact. Forward-looking statements are statements about the future and are inherently uncertain, and actual achievements of Range may differ materially from those reflected in forward-looking statements due to a variety of risks, uncertainties and other factors. Range's forward-looking statements are based on the beliefs, expectations and opinions of management on the date the statements are made, and Range does not assume any obligation to update forward-looking statements if circumstances or management's beliefs, expectations or opinions should change except as required by law. For the reasons set forth above, investors should not place undue reliance on forward-looking statements. Important factors that could cause actual results to differ materially from Range's expectations include uncertainties involved in disputes, arbitration and litigation, fluctuations in commodity prices and currency exchange rates; uncertainties relating to interpretation of drill results and the geology, continuity and estimation of reserves; uncertainty of estimates of capital and operating costs, recovery rates, production estimates and economic return; the need for cooperation of government agencies and native groups in the exploration and development of properties and the issuance of required permits; the need to obtain additional financing to develop properties and uncertainty as to the availability and terms of future financing; the possibility of delay in exploration or development programs or in construction projects and uncertainty in meeting anticipated program milestones; uncertainty as to timely availability of permits and other government approvals and other risks and uncertainties disclosed in other information released by Range from time to time and filed with the appropriate regulatory agencies.

Corporate developments and outlook

On January 19, 2016, the Company announced that it reached an agreement with Gas Plus Khalakan Limited (“GPK”), Black Gold Khalakan Limited (“Black Gold”) and New Age Alzarooni 2 Limited (“NAAZ2”) to settle all litigation over the Company’s right to receive and disclose certain material information on petroleum operations at the Khalakan Block in the Kurdistan Region of Iraq. Under the agreement, these parties agreed to permanently settle and release all actions, claims and demands related to litigation regarding the release of information to the Company. In turn, GPK agreed to make periodic press releases regarding on-going petroleum operations at the Khalakan Block.

Since the Company, GPK, Black Gold, and NAAZ2 entered into this settlement agreement, GPK has made public disclosures regarding petroleum operations on the Khalakan Block. The Company in turn issued a press release following each such public disclosure in an effort to report these events to its shareholders. A summary of these public disclosures is included under the heading “Khalakan Block, Kurdistan Region of Iraq” below. On March 7, 2019, the Company announced that GPK has filed for a court ordered winding up. Since the Company’s shareholding rights in NAAZ2 have been reduced or restricted, the Company has concluded that it will not protest the winding-up of GPK. On June 5, 2019, the Company has been advised by the Joint Liquidators that it is continuing to discharge the assets and liabilities of GPK, so that GPK will be in a position to be dissolved.

On April 11, 2019, the Company entered into a loan agreement with Gulf LNG America, LLC (“Gulf”) in the amount of US\$25,000. The loan is interest bearing at a rate of 13% per annum and matures on January 13, 2020.

On July 31, 2019, 2706791 Ontario Inc., a company controlled by Mr. Allan Bezanson, acquired 609,351,075 common shares of the Company pursuant to private acquisition transactions from Gulf and DTN Investments LLC, representing approximately 71% of the Company’s currently issued and outstanding common shares. In addition, 2706791 Ontario Inc. acquired from Gulf certain outstanding convertible loans in the aggregate principal amount of \$15,982,472.

On July 31, 2019, the Company cancelled 326,256,411 warrants at an exercise price of \$0.05 pursuant to the Share and Loan Purchase agreement between Gulf and 2706791 Ontario Inc.

On July 31, 2019, the Company appointed Mr. Allan Bezanson as CEO of the Company in place of Mr. Toufic Chahine, who resigned as director and CEO of the Company. In addition, the Company appointed Mr. Peter McRae and Mr. Rick Pawluk as directors of the Company in place of Mr. Eric Stoerr and Ms. Michelle Upton who have resigned as directors of the Company. The resignations of the aforementioned Gulf nominees coincided with Gulf’s exiting from its investment in the Company.

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 calculated monthly and matures in two years time. This loan was partially used to repay the US\$25,000 loan from Gulf LNG America, LLC.

During the year ended December 31, 2019, 74,791,726 warrant at a weighted average exercise price of \$0.07 expired unexercised.

During the year ended December 31, 2019, 6,000,000 options at an exercise price of \$0.10 were cancelled.

Khalakan Block, Kurdistan Region of Iraq

As at the date of this report, the Company’s principal asset is an indirect investment in an oil and gas resource property referred to as the Khalakan Block which is domiciled in the Kurdistan Region of Iraq.

Khalakan Block, Kurdistan Region of Iraq (Continued)

The Company owns 48.95% of the common shares of NAAZ2, a company domiciled in Jersey, Channel Islands. NAAZ2 owns 49.52% of the common shares of GPK, a company domiciled in Jersey, Channel Islands. New Age (African Global Energy) Limited (“New Age”) owns the other 50% of the common shares of GPK. GPK holds an 80% interest in the Khalakan production sharing contract (“PSC”) that governs exploration and production activities with respect to the Khalakan Block and the Kurdistan Regional Government of Iraq holds the remaining 20% interest. The Khalakan Block initially consisted of two concessions, Blocks 28 and 29 (sometimes referred to as Blocks 6 and 7) and comprised 624 square kilometers located in the central part of the Kurdistan Region of Iraq. Following the Kurdistan Regional Government’s approval of a Field Development Plan under the PSC, the portion of the Khalakan Block not covered by this Field Development Plan was relinquished back to the government as required under the terms of the PSC. New Age is the current operator of the Khalakan Block under a Management Services Agreement.

Range and its Board of Directors (the “Board”) have spent considerable time and effort to gain intelligence on the activity of the operator of the Khalakan Block. As previously reported, Range has received limited information from its joint venture partners regarding progress of the exploration and development activities on the Khalakan Block. In fact, Range commenced an arbitration proceeding against its joint venture partners in an effort to obtain more information on these development activities and to secure the right to disseminate the material information to its shareholders.

As described above, on January 19, 2016, the Company announced that it reached an agreement with GPK, Black Gold and NAAZ2 to settle all litigation over the Company’s right to receive and disclose certain material information on petroleum operations at the Khalakan Block in the Kurdistan Region of Iraq. Under the agreement, these parties agreed to permanently settle and release all actions, claims and demands related to litigation regarding the release of information to the Company. In turn, GPK agreed to make periodic press releases regarding on-going petroleum operations at the Khalakan Block.

Since the Company, GPK, Black Gold, and NAAZ2 entered into this settlement agreement, GPK has made public disclosures regarding petroleum operations on the Khalakan Block. These disclosures include the following:

On January 19, 2016, GPK issued an update on operations at the Khalakan Block, which can be found here: <http://www.newafricanglobalenergy.com/media/Related-News>

The GPK operations update includes a detailed discussion on the following topics, amongst others:

- The technical geological characteristics of the oil discovery in the Cretaceous reservoirs,
- A summary of certain assumptions and calculations in the independent audit conducted by DeGoyler and MacNaughton, including a valuation summary, reserves and resources summaries, and estimated oil quantities for the Shiranish, Kometan, and Qamchuga productive zones in the Cretaceous reservoirs, and
- GPK’s identification of the deeper and yet to be drilled Jurassic formation which may provide additional resources that are in addition to the Cretaceous discovery.

On April 5, 2016, GPK issued a statement regarding the successful testing and completion of the Shewashan-2 development well. In this statement, GPK stated that the deviated Shewashan-2 well was spudded on 1st October 2015 and drilled to a TD of 2768m MD in the Cretaceous Qamchuga reservoir at a gross cost of \$19.5m. According to GPK on open hole test from 2439m to 2768m, the well flowed with very low drawdown at a maximum rate of 4,400 barrels of oil per day (bopd) and with a BS&W of less than 1%. The oil flow is very high quality, light, 47° API oil, flowing from the Cretaceous fractured carbonate reservoirs (Shiranish, Kometan and Qamchuga). The press release can be found here: <http://www.newafricanglobalenergy.com/media/Related-News>

Khalakan Block, Kurdistan Region of Iraq (Continued)

On May 4, 2016, GPK issued an operations update regarding the Shewashan field. The GPK operations update provided details regarding key milestones that have successfully occurred as well as activities that are anticipated to occur over the near term, including the following:

- The Shewashan-2 development well commenced production at a rate of 4,000 bopd.
- The recompletion of the Shewashan-1 well is underway. The well recompletion will include a horizontal sidetrack designed to increase the likelihood of intersecting the Cretaceous Shiranish's natural fracture network when compared to the utilization of a vertical bore or a deviated well bore. GPK intends to test and complete the Shewashan-1 sidetrack in the second quarter of 2016.
- GPK intends to request in the second or third quarter of 2016 an updated reserve audit from its independent reserve auditor.
- Expenditures of US\$3.7 million were applied to the US\$77 million Phase 1 Development Plan budget in the first quarter of 2016.

The full text of the GPK Operations Update can be accessed here:

<http://www.newafricanglobalenergy.com/media/Related-News>

On August 15, 2016, GPK issued an operations update regarding the Shewashan field. The GPK Shewashan operations update provided details regarding key events and activities that have occurred as well as activities that are anticipated to occur over the near term, including:

- **Oil Production:** The Shewashan – 2 well continues to produce with a current rate of circa 4,000 bopd and the production from both wells is sold into the domestic refinery market via existing topside production facilities and tanker trucks. GPK anticipates total field production to reach the target 10,000 bopd early next year when Shewashan – 4 will come on stream.
- **Shewashan-1 Sidetrack:** The Shewashan – 1 Sidetrack well was successfully drilled and recompleted as a horizontal producing well in the Qamchuga formation. The well is currently producing approximately 500-700 bopd and the well completion may require further stimulation to reach expected predrill production estimates based upon the original Shewashan – 1 vertical well. The Shewashan – 1 vertical well bore remains a future candidate for additional horizontal sidetrack wells or a recompletion of the Shewashan – 1 Sidetrack horizontal sidetrack to further enhance the well's productive capacity.
- **Drilling Activity:** The Shewashan – 3 well has now spudded and this well will again target the productive Cretaceous formations as a vertical producer. The well is anticipated to be completed in Q4 2016 with an estimated budget of USD 16 million. The vertical Shewashan – 4 well is due to be drilled later this year to accelerate Phase 1 production in the Cretaceous and test the deeper unexplored Jurassic reservoirs.

The full text of GPK Operations Update can be accessed here:

<http://www.newafricanglobalenergy.com/media/Related-News>

On November 10, 2016, GPK issued an operations update. The key events on which GPK reported include;

- **Shewashan-4 Spud:** The 4th Shewashan production well has been spud with dual targets including the existing productive zones in the Cretaceous and the unexplored and deeper Jurassic formation.
- **Shewashan-3 Drilling Continues:** The deviated well is drilling in the targeted Cretaceous reservoir with completion and production expected to occur before the end of the year.
- **Oil Production and Sales Continue:** Oil sales from the Shewashan-2 well have averaged 3,600 bopd in 2016 with deliveries to the KRG's Bazian refinery. Proceeds from oil sales have been received through the end of September.

Khalakan Block, Kurdistan Region of Iraq (Continued)

- **Seismic Reprocessing:** GPK continues to reprocess and remap existing seismic data which is indicating further oil potential in the reservoir attic.
- **Revised Reserve Audit:** Reserve auditor DeGolyer & MacNaughton will revise the existing 2015 reserve report and is expecting the report to be published prior to year-end.

On February 2, 2017, GPK issued another operations update.

- **Shewashan-3 Commences Production:** The Shewashan-3 well reached total depth of 2874m MDBRT in December 2016 and was placed into production in late January 2017 at a rate of 2,600 bbl/d with a 24/64” choke, very low drawdown and no produced water. However, the well has now started to pull formation water and this is being investigated.
- **Shewashan-4 Drilling Progress:** The fourth Shewashan production well, Shewashan-4, was spud in November with dual targets including the existing productive zones in the Cretaceous and the explored and deeper Jurassic formations. Shewashan-4 is expected to reach total depth in late March 2017.

On May 11, 2017, GPK reported that DeGolyer and MacNaughton (D&M) has provided a revised year end 2016 reserve audit for the Shewashan field which has led to a material increase in the estimated reserves and net present worth of the Shewashan oil field.

On September 20, 2017, GPK issued another operations update on the Shewashan field.

The D&M 2016 reserve report estimate of Shewashan’s 2P gross reserves is 113.8 Mbbl, representing a 53% increase in 2P gross reserves above the 2015 D&M reserve audit. The increase to GPK’s reserves is attributed to the large area mapped following seismic reprocessing.

On January 11, 2018, GPK provided an year end 2017 update on the operations and activity that has occurred on the Shewashan oil field. Total payments received by GPK for oil sales amounted to \$9.0 million representing 190,115 barrels of GPK entitlement oil sold through to the end of September 2017. Sales from October to December has been invoiced through the traditional operating procedures in place with the KRG Ministry of Natural Resources.

In total, cumulative field production to date exceeds 1,300,000 barrels of oil. Current total field production is 1,000 barrels per day. These amounts are significantly below that required to meet forecast annual production targets and break-even economics. There are two main reasons for this lower production. Firstly, water production rates in the Qamchuga formation have limited oil production rates. The Qamchuqa formation is heavily fractured and many of these fractures are connected to the aquifer. Secondly, production rates from the Shiranish and Kometan reservoirs have been limited, due to these formations having a tight matrix, with their fracture network being not as developed and extensive as in the Qamchuqa reservoir. GPK continues to recomplete the four Shewashan wells to limit water production in the Qamchuga and stimulate the Kometan and Shiranish reservoirs to facilitate greater production rates.

Range shareholders may review details of the November 10, 2016, February 2, 2017, May 11, 2017, September 20, 2017, and January 11, 2018 GPK Operations Updates here:

<http://www.newafricanglobalenergy.com/media/Related-News>

In November 2017, the Company announced that it does not plan to proceed with the cash call it has received for the month of November to fund the current drilling program. Future capital calls will be dependent upon the Company’s ability to raise additional capital and successful operations in the field.

On March 7, 2019, the Company announced that GPK has filed for a court ordered winding up. Since the Company’s shareholding rights in NAAZ2 have been reduced or restricted, the Company has concluded that it will not protest the winding-up of GPK.

Outlook

The assets of the Company have been impaired and the Company no longer intends to pursue these assets. The Company's interest in the Khalakan PSC relies on third parties to provide the Company with information related to meeting the requirements and obligations of the PSC. The Company's Shareholders Agreement for NAAZ2 provides the Company with limited rights and remedies to pursue specific information if a joint venture participant or other third party fails to provide this information when the Company requests it.

Because of the refusal of its joint venture participants to make available to the Company information on petroleum operations at the Khalakan Bloc, in 2012 the Company commenced an arbitration proceeding against NAAZ2 and Black Gold seeking to compel these parties to provide this information. The Company ultimately was successful in this arbitration, obtaining an arbitration award in May 2014. In this award, the arbitration tribunal awarded the Company orders and declarations which supported the Company's right to obtain material information as to its investments, and to use such material information (which the Company must otherwise hold confidential) to produce public summaries of the status of the work at the Khalakan Block as is necessary to comply with applicable securities laws. The arbitral tribunal also awarded the Company with 100% of its costs incurred in connection with the arbitration. In December 2014, an English court rejected appeals of the arbitration award brought by NAAZ2 and Black Gold. Before the Company could enforce the arbitration award, in January 2015, the Royal of Court of Jersey, at the request of GPK, issued an interim injunction that enjoined NAAZ2 from disclosing to the Company, as required under the arbitration award, certain confidential information regarding the Khalakan Block.

On September 1, 2015, the Company announced a temporary initial three months suspension agreement with GPK and NAAZ2 regarding the on-going litigation over the Company's right to receive and disclose certain material information on petroleum operations at the Khalakan Block in Kurdistan Region of Iraq.

On January 19, 2016, the Company announced that it reached an agreement with GPK, Black Gold and NAAZ2 to settle all litigation over the Company's right to receive and disclose certain material information on petroleum operations at the Khalakan Block in the Kurdistan Region of Iraq. Under the agreement, these parties agreed to permanently settle and release all actions, claims and demands related to litigation regarding the release of information to the Company. In turn, GPK agreed to make periodic press releases regarding on-going petroleum operations at the Khalakan Block.

Since the Company, GPK, Black Gold, and NAAZ2 entered into this settlement agreement, as summarized above GPK has made public disclosures regarding petroleum operations on the Khalakan Block.

The Company continues to review other opportunities as they may arise but no agreements have been reached with any parties.

Financial Position

As at December 31, 2019, the Company had current assets of \$8,333 and current liabilities of \$21,937,467 compared to current assets of \$103,966 and current liabilities of \$19,440,218 as at December 31, 2018. At December 31, 2019, the Company had working capital deficiency of \$21,980,299 compared to a working capital deficiency of \$19,336,252 at December 31, 2018.

The Company had cash of \$3,941 at December 31, 2019 compared to \$60,444 at December 31, 2018. During the year ended December 31, 2019, the Company recorded cash outflows used in operations of \$105,994 compared to cash outflows of \$277,465 in the comparable period of 2018.

The Company had no investing activities during the year ended December 31, 2019 (2018 - \$Nil).

During the year ended December 31, 2019, the Company received a loan of \$83,299 compared to \$Nil in the comparable period of 2018. The Company repaid interest and loans of \$33,808.

Financial Position (Continued)

Convertible Loans from 2706791 Ontario Inc.

In 2016, the Company entered into four separate loan agreements with Gulf, which holds 71.02% of the Company's issued and outstanding common shares. These agreements were: (i) the loan agreement, dated June 21, 2016, between Gulf and the Company, as amended, under which the Company borrowed US\$700,000; (ii) the second loan agreement, dated July 26, 2016, between Gulf and the Company, as amended, under which the Company borrowed US\$713,570; (iii) the third loan agreement, dated September 9, 2016, between Gulf and the Company under which the Company borrowed US\$1,007,980.00; and (iv) the fourth loan agreement, dated November 23, 2016, between Gulf and the Company under which the Company borrowed US\$820,000.00. Each loan was unsecured and was interest bearing at a rate of 7% per annum. The Company incurred each loan to provide the funds necessary to fulfil its obligations with respect to the development of the Khalakan Block and to provide the Company with general working capital. The Company was required to repay the outstanding principal amount of each of the loans and all accrued and unpaid interest on the first three loans by September 26, 2016 and the fourth loan by December 23, 2016 (each such date a "Maturity Date"). The Company was unable to repay any of the loans by the applicable Maturity Date. As a result, the Company was in default under each loan agreement and the overdue amount of each loan accrued interest at 9% per annum from the date of such non-payment.

On January 11, 2017, the Company received an additional unsecured loan in the amount of \$1,175,512 from Gulf. The loan was interest bearing at a rate of 7% per annum and was due on February 11, 2017.

On February 14, 2017, the Company and Gulf entered into a new loan agreement under which Gulf will provide from time to time secured convertible loans (the "Gulf Secured Convertible Loan Agreement"). Also on that date, the Company entered into an amendment and restatement agreement with Gulf pursuant to which all existing short-term loans from Gulf, in an aggregate amount of \$5,603,371, were amended and restated into secured convertible loans under the Gulf Secured Convertible Loan Agreement, and the existing short-term loan agreements were terminated. The promissory note evidencing this loan matures on February 14, 2018, accrues interest compounded monthly at the rate of 10% per annum, and is convertible into common shares of the Company at \$0.02 per share. In the event of default, the interest is compounded monthly at a rate of 12% per annum. On February 12, 2018, the maturity date was extended to May 15, 2018, on May 9, 2018, it was further extended to August 13, 2018 and on August 10, 2018, it was further extended to November 12, 2018.

On February 15, 2017, the Company received a secured convertible loan of \$1,319,749 from Gulf made under the Gulf Secured Convertible Loan Agreement. The loan is evidenced by a secured promissory note in favour of Gulf for the principal amount of \$1,319,749. The maturity date of the principal amount, interest and any fees of the loan is February 15, 2018, interest is compounded monthly at a rate of 10% per annum, and the loan is convertible into common shares of the Company at \$0.02 per share. In the event of default, the interest is compounded monthly at a rate of 12% per annum. On February 12, 2018, the maturity date was extended to May 16, 2018, on May 9, 2018, it was further extended to August 14, 2018 and on August 10, 2018, it was further extended to November 12, 2018..

On March 3, 2017, the Company received a secured convertible loan of \$2,007,600 from Gulf made under the Gulf Secured Convertible Loan Agreement. The loan is evidenced by a secured promissory note in favour of Gulf for the principal amount of \$2,007,600. The maturity date of the principal amount, interest and any fees of the loan is March 5, 2018, interest is compounded monthly at a rate of 10% per annum, and the loan is convertible into common shares of the Company at \$0.02 per share. In the event of default, the interest is compounded monthly at a rate of 12% per annum. On March 19, 2018, the maturity date was extended to May 16, 2018, on May 9, 2018, it was further extended to August 14, 2018 and on August 10, 2018, it was further extended to November 12, 2018.

Financial Position (Continued)

On May 25, 2017, the Company received a secured convertible loan of \$2,031,500 from Gulf made under the Gulf Secured Convertible Loan Agreement. The loan is evidenced by a secured promissory note in favour of Gulf for the principal amount of \$2,031,500. The maturity date of the principal amount, interest and any fees of the loan is May 25, 2018, interest is compounded monthly at a rate of 10% per annum, and the loan is convertible into common shares of the Company at \$0.02 per share. In the event of default, the interest is compounded monthly at a rate of 12% per annum. On May 9, 2018, the maturity date was extended to August 23, 2018 and on August 10, 2018, it was further extended to November 12, 2018.

On June 28, 2017, the Company received a secured convertible loan of \$1,175,826 from Gulf made under the Gulf Secured Convertible Loan Agreement. The loan is evidenced by a secured promissory note in favour of Gulf for the principal amount of \$1,175,826. The maturity date of the principal amount, interest and any fees of the loan is June 28, 2018, interest is compounded monthly at a rate of 10% per annum, and the loan is convertible into common shares of the Company at \$0.02 per share. In the event of default, the interest is compounded monthly at a rate of 12% per annum. On May 9, 2018, the maturity date was extended to September 26, 2018 and on August 10, 2018, it was further extended to November 12, 2018.

On August 2, 2017, the Company received a secured convertible loan of \$1,251,400 from Gulf made under the Gulf Secured Convertible Loan Agreement. The loan is evidenced by a secured promissory note in favour of Gulf for the principal amount of \$1,251,400. The maturity date of the principal amount, interest and any fees of the loan is August 2, 2018, interest is compounded monthly at a rate of 10% per annum, and the loan is convertible into common shares of the Company at \$0.02 per share. In the event of default, the interest is compounded monthly at a rate of 12% per annum. On August 10, 2018, the maturity date was extended to November 12, 2018.

On September 11, 2017, the Company received a secured convertible loan of \$605,386 from Gulf made under the Gulf Secured Convertible Loan Agreement. The loan is evidenced by a secured promissory note in favour of Gulf for the principal amount of \$605,386. The maturity date of the principal amount, interest and any fees of the loan is September 11, 2018, interest is compounded monthly at a rate of 10% per annum, and the loan is convertible into common shares of the Company at \$0.02 per share. In the event of default, the interest is compounded monthly at a rate of 12% per annum. On September 11, 2018, the maturity date was extended to November 12, 2018.

On September 25, 2017, the Company received a secured convertible loan of \$740,340 from Gulf made under the Gulf Secured Convertible Loan Agreement. The loan is evidenced by a secured promissory note in favour of Gulf for the principal amount of \$740,340. The maturity date of the principal amount, interest and any fees of the loan is September 25, 2018, interest is compounded monthly at a rate of 10% per annum, and the loan is convertible into common shares of the Company at \$0.02 per share. In the event of default, the interest is compounded monthly at a rate of 12% per annum. On September 11, 2018, the maturity date was extended to November 12, 2018.

On October 13, 2017, the Company received a secured convertible loan of \$1,247,300 from Gulf made under the Gulf Secured Convertible Loan Agreement. The loan is evidenced by a secured promissory note in favour of Gulf for the principal amount of \$1,247,300. The maturity date of the principal amount, interest and any fees of the loan is October 15, 2018, interest is compounded monthly at a rate of 10% per annum, and the loan is convertible into common shares of the Company at \$0.02 per share. In the event of default, the interest is compounded monthly at a rate of 12% per annum.

Financial Position (Continued)

All or any portion of the principal amount, accrued interest and fees outstanding under the notes is convertible by Gulf into common shares of the Company at any time before the maturity date, at a conversion price per share set out in the notes, subject to adjustment upon certain events occurring. The conversion price for the loans was approved by the Company's board and by the CSE.

The loans are secured by a general security agreement.

On July 31, 2019, 2706791 Ontario Inc., a company controlled by a director of the Company, entered into a Share and Loan Purchase agreement with Gulf whereby 2706791 Ontario Inc. acquired from Gulf certain secured convertible promissory notes in the aggregate principal amount of \$15,982,472. As at December 31, 2019, the loans were in default.

Convertible Loans from Harrington Global Opportunities Fund S.A.R.L.

On January 11, 2017, the Company received an unsecured loan in the amount of \$140,000 from Harrington Global Opportunities Fund S.A.R.L., a significant shareholder of the Company ("Harrington"). The loan was interest bearing at a rate of 7% per annum and was due on February 11, 2017.

On February 14, 2017, the Company and Harrington entered into a new loan agreement under which Harrington will provide from time to time secured convertible loans (the "Harrington Secured Convertible Loan Agreement"). Also on that date, the Company entered into an amendment and restatement agreement with Harrington, pursuant to which all existing short-term loans from Harrington, in an aggregate amount of \$140,936, were amended and restated into secured convertible loans under the Harrington Secured Convertible Loan Agreement, and the existing short-term loan agreements were terminated. The promissory note evidencing this loan matures on February 14, 2018, accrues interest compounded monthly at the rate of 10% per annum, and is convertible into common shares of the Company at \$0.02 per share. In the event of default, the interest is compounded monthly at a rate of 12% per annum. On February 12, 2018, the maturity date was extended to May 16, 2018. As at December 31, 2019, the loans were in default.

On February 14, 2017, the Company received a secured convertible loan of \$160,000 from Harrington made under the Harrington Secured Convertible Loan Agreement. The loan is evidenced by a secured promissory note in favour of Harrington for the principal amount of \$160,000. The maturity date of the principal amount, interest and any fees of the loan is February 15, 2018, interest is compounded monthly at a rate of 10% per annum, and the loan is convertible into common shares of the Company at \$0.02 per share. In the event of default, the interest is compounded monthly at a rate of 12% per annum. On February 12, 2018, the maturity date was extended to May 16, 2018. As at December 31, 2019, the loans were in default.

All or any portion of the principal amount, accrued interest and fees outstanding under the notes is convertible by Harrington into common shares of the Company at any time before the maturity date, at a conversion price per share set out in the notes, subject to adjustment upon certain events occurring. The conversion price for the loans was approved by the Company's board and by the CSE.

The loans are secured by a general security agreement.

Loan from Gulf LNG America, LLC

On April 11, 2019, the Company entered into a loan agreement with Gulf LNG America, LLC in the amount of US\$25,000. The loan is interest bearing at a rate of 13% per annum and matures on January 13, 2020.

Loan from 2706791 Ontario Inc.

On August 1, 2019, the Company entered into a loan agreement with 2706791 Ontario Inc. in the amount of up to \$50,000. The loan is interest bearing at a rate of 6% per annum calculated monthly and matures in two years time. As of the date of this report, the principal balance of this loan payable is \$16,191.

Selected Annual Financial Information

(Information extracted from the Company's audited consolidated financial statements)

Selected Annual Consolidated Financial Information

(Expressed in Canadian Dollars)

| | 2019 | 2018 | 2017 |
|--|--------------|--------------|--------------|
| | \$ | \$ | \$ |
| Revenue | - | - | - |
| Net loss | (2,644,174) | (45,414,947) | (31,187,985) |
| Loss per share – Basic and diluted | (0.00) | (0.05) | (0.04) |
| Cash dividends | - | - | - |
| Total assets | 8,422 | 104,093 | 42,557,026 |
| Long term liabilities | - | - | - |
| Shareholders' equity (deficiency) | (21,980,299) | (19,336,125) | 25,464,787 |
| Share capital | 49,791,768 | 49,791,768 | 49,791,768 |
| Warrants | - | 5,379,075 | 9,032,924 |
| Contributed surplus and other | 23,674,184 | 18,295,109 | 14,027,225 |
| Deficit | (95,446,251) | (92,802,077) | (47,387,130) |
| Accumulated other comprehensive income | | | |

Results of Operations and discussion of Operations

Year ended December 31, 2019 compared with the year ended December 31, 2018

Net loss

The Company reported a net loss of \$2,644,174 (\$0.00 per share) for the year ended December 31, 2019 as compared to a net loss of \$45,414,947 (\$0.05 per share) in the comparative period. The comparative period includes an impairment of long-term investment of \$42,176,999. Included in the current period's results are interest on the 2706971 Ontario Inc., Gulf and Harrington loans of \$2,427,907 (2018 - \$1,892,651), audit and accounting fees of \$92,925 (2018 - \$97,655), general and administrative expenses of \$59,487 (2018 - \$72,738), management fees of \$44,520 (2018 - \$45,182) and foreign exchange gain of \$1,432 (2018 - \$3,742). There were no other significant changes in operating results for the year ended December 31, 2019 compared to the year ended December 31, 2018.

Expenses

Operating expenses for the year ended December 31, 2019 totalled \$2,645,606 compared to total operating expenses of \$3,244,671 in 2018, representing a decrease of \$599,065. The decrease in losses is primarily attributed to the decrease in accretion expense on the 2706971 Ontario Inc. and Harrington convertible loans as discussed below under liquidity.

Summary of Quarterly Results

The following table summarizes quarterly results for the past eight quarters:

| Quarter Ended | Net revenues \$'s | Net income (loss)* \$'s | Loss per share - basic \$'s | Loss per share - diluted \$'s |
|---------------|----------------------|----------------------------|--------------------------------|----------------------------------|
| 31-Dec-19 | - | (685,943) | (0.00) | (0.00) |
| 30-Sep-19 | - | (682,430) | (0.00) | (0.00) |
| 30-Jun-19 | - | (662,472) | (0.00) | (0.00) |
| 31-Mar-19 | - | (613,330) | (0.00) | (0.00) |
| 31-Dec-18 | - | (43,495,418) | (0.05) | (0.05) |
| 30-Sep-18 | - | (531,770) | (0.00) | (0.00) |
| 30-Jun-18 | - | (979,375) | (0.00) | (0.00) |
| 31-Mar-18 | - | (408,384) | (0.00) | (0.00) |

* Values may not add to reported amount for the years then ended due to rounding

The loss for the quarter ending December 31, 2018 show an increase from all the other quarters as there was an impairment of the long-term investment. Other than the mentioned impairment of long-term investment, are there no meaningful trends evident from analysis of the summary of quarterly financial information over the last eight quarters. Factors that can cause fluctuations in the Company's quarterly results are the timing of stock option grants, exploration property impairments and other legal matters.

Liquidity and Capital Resources

On July 31, 2019, 2706791 Ontario Inc., a company controlled by a director of the Company, entered into a Share and Loan Purchase agreement with Gulf whereby 2706791 Ontario Inc. acquired from Gulf certain secured convertible promissory notes in the aggregate principal amount of \$15,982,472.

On April 11, 2019, the Company entered into a loan agreement with Gulf LNG America, LLC in the amount of US\$25,000. The loan is interest bearing at a rate of 13% per annum and matures on January 13, 2020.

On August 1, 2019, the Company entered into a loan agreement with 2706791 Ontario Inc. in the amount of up to \$50,000. The loan is interest bearing at a rate of 6% per annum calculated monthly and matures in two years' time. This loan was used to redeem the US\$25,000 Gulf loan mentioned in the previous paragraph. As of the date of this report, the principal balance of this loan payable is \$50,000 and interest of \$1,254 accrued.

Cash on hand at December 31, 2019 is not adequate to meet requirements for fiscal 2020 based on the Company's current budgeted expenditures for operations and exploration. There is material uncertainty related to these conditions that may cast significant doubt on the Company's ability to continue as a going concern and, therefore, to realize its assets and discharge its liabilities in the normal course of business. To meet working capital requirements, the Company will have to access financial resources through equity placements in the junior resource market or by incurring debt, procuring industry partners for its primary exploration project and/or selling its project in exchange for equity/cash. However, there can be no assurance that the Company will have access in the future to these financial resources.

Capital Resources

The Company has been successful in meeting its exploration capital requirements through the completion of equity placements and the recent incurrence of debt. The Company may be impacted by any potential downward trend in market conditions. Trends affecting Range's liquidity are dictated by the demands on financial resources created by the advancing nature of the Company's current exploration assets and the Company's ability to access the financial

resources required to meet these demands. As the exploration properties advance through exploration, they typically require more capital-intensive programs that apply pressure to the Company's financial resources. Additional
Capital Resources (continued)

planned exploration programs on the non-producing leaseholds or other areas of interest will result in a steady drain to the Company's liquidity.

In acquiring the required capital to pursue the Company's business plan, the Company anticipates that capital will be generated from a combination of accessing equity markets, incurring debt, procuring industry partners for its primary exploration assets or sale of exploration assets for equity positions or cash.

Trends that affect the market generally, and the perception of the Company within the marketplace, can affect the Company's ability to access capital in both a positive and negative way. Trends in this general market are defined by fluctuations in the global economy and the demand for petroleum or natural gas and commodity prices. Trends in the perception of the Company in the resource marketplace will be affected by general trends in the resource equity markets, the Company's performance in creating shareholder value and in demonstrating the ability to manage the Company's affairs and achieve mandated objectives.

Uncertainty is a prevalent element in exploration for petroleum resources and therefore can, on occasion, impede the Company's ability to meet its financial requirements and result in an inability to advance exploration assets and meet objectives in a timely manner.

As of December 31, 2019, the Company has long-term debt of \$51,254.

As of December 31, 2019, the Company has no long-term contractual agreements to acquire properties.

Transactions with Related Parties

Related parties consist of the following:

- Allan Bezanson, CEO
- Eugene Beukman, CFO
- Rick W. Pawluk, Director
- Roger Bethall, Director
- Harold M. Wolkin, Director
- Peter McRae, Director

In the normal course of business, the Company has had transactions with individuals and companies considered related parties. Related party transactions involve debt transactions and normal commercial compensation for services rendered by senior management, officers, directors or insiders of the Company and by companies with which they are associated as owners, contractors or employees. As described above, the Company has convertible loans payable to 2706971 Ontario Inc. and Harrington in an aggregate amount of \$21,737,556. Each convertible loan is interest bearing at 10% to 12% per annum, compounded monthly, and is convertible into common shares of the Company at \$0.02 per share. In addition, the Company has a loan payable to 2706971 Ontario Inc. in the principal amount of up to \$50,000. The loan is interest bearing at a rate of 6% per annum calculated monthly and matures in two years time.

On July 31, 2019, 2706791 Ontario Inc., a company controlled by a director of the Company, entered into a Share and Loan Purchase agreement with Gulf whereby 326,256,411 warrants at an exercise price of \$0.05 were cancelled pursuant to the Share and Loan Purchase agreement between Gulf and 2706791 Ontario Inc. In addition, 2706791 Ontario Inc. acquired from Gulf certain secured convertible promissory notes in the aggregate principal amount of \$15,982,472 .

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 calculated monthly and matures in two years time.

The management functions of the Company are performed by our directors and senior officers and we have no management agreements or arrangements under which such management functions are performed by persons other than the directors and senior officers of the Company other than the contract described below. The Board has approved this contract having taken into consideration the level of service provided and compensation offered by companies comparable to the Company in terms of size, assets and stage of development. The Board is satisfied that the level of compensation continues to be competitive with that of comparable companies.

Pender Street Corporate Consulting Ltd. (“Pender”) and Partum Advisory Services Corp (“Partum”) are entities solely owned by Mr. Eugene Beukman. On January 1, 2012, Range entered into a service agreement with Pender to provide management and administrative services for a 12 months period for a fee of \$3,500 (increased to \$8,500 on September 1, 2012) per month plus GST and reimbursement of out-of-pockets costs. This agreement from Pender was taken over by Partum since June 2019. Mr. Eugene Beukman is the Chief Financial Officer of Range. During the year ended December 31, 2019, Pender charged fees of \$120,120 for services rendered.

Fourth Quarter results

Three months period ended December 31, 2019 compared with three months period ended December 31, 2018

Net loss

The Company reported a net loss of \$685,943 (\$0.00 per share) for the three months ended December 31, 2019 as compared to a net loss of \$43,495,418 (\$0.05 per share) for 2018. The main reason for the large loss in the quarter ended December 31, 2018 was the impairment of the long-term investment of \$42,176,999. Included in the current period’s results are interest on the 2706971 Ontario Inc., Gulf and Harrington loans of \$640,059 (2018 - \$164,258), audit and accounting fees of \$20,750 (2018 - \$67,250), general and administrative expenses of \$10,102 (2018 - \$17,180), management fees of \$11,340 (2018 - (\$20,317)) and foreign exchange gain of \$1,408 (2018 - loss of \$5,491). There were no other significant changes in operating results for the three months ended December 31, 2019 compared to the three months ended December 31, 2018.

Expenses

Operating expenses for the three months ended December 31, 2019 totalled \$687,351 compared to total operating expenses of \$1,315,909 in 2018, representing an increase of \$628,558. The decrease in losses was mainly due to the decrease in accretion expenses of \$1,081,164. There was also an increase in losses mostly due to the increase in interest expense on the 2706971 Ontario Inc. and Harrington convertible loans as discussed above.

Proposed Transactions

As at December 31, 2019, Range does not have any proposed material transactions.

Critical Accounting Estimates

The significant accounting policies used by Range are disclosed in note 3 to the audited consolidated financial statements for the year ended December 31, 2019. Certain accounting policies require that management make appropriate decisions with respect to the formulation of estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. Management reviews its estimates on a regular basis. The emergence of new information and changed circumstances may result in actual results or changes to estimated amounts that differ materially from current estimates. The following discussion helps to assess the critical accounting policies and practises of the Company and the likelihood of materially different results being reported.

Changes in Accounting Policies

IFRS 16 – Leases

The Company has adopted the following new standards, along with any consequential amendments effective January 1, 2019.

- IFRS 16 replaces IAS 17, “Leases” and the related interpretative guidance. IFRS 16 applies a control model to the identification of leases, distinguishing between a lease and a service contract on the basis of whether the customer controls the asset being leased. For those assets determined to meet the definition of a lease, IFRS 16 introduces significant changes to the accounting by lessees, introducing a single, on-balance sheet accounting model that is similar to current finance lease accounting, with limited exceptions for short-term leases or leases of low value assets. Lessor accounting is not substantially changed. The standard is effective for periods beginning on or after January 1, 2019, with early adoption permitted for entities that have adopted IFRS 15. There was no significant impact on the Company’s consolidated financial statements from the adoption of IFRS 16.

Share-Based Compensation and Warrants

Compensation expense for options and warrants granted is determined based on estimated fair values of the options and warrants at the time of grant, the cost of which is recognized over the vesting period of the respective options and grants. The key parameters impacting the calculation of fair value of options and warrants are the share volatility and the expected life.

Income taxes

The determination of income and other tax liabilities requires interpretation of complex laws and regulations. All tax filings are subject to audit and potential reassessment after the lapse of considerable time. Accordingly, the actual income tax liability may differ significantly from that estimated and recorded by management.

Financial instruments

The Company’s financial instruments include cash, loan receivable, long-term investment, accounts payable, loan payable and convertible loans. The carrying value of cash, amounts receivable, accounts payable, loan payable and convertible loans payable as presented in these consolidated financial statements are reasonable estimates of fair values due to the relatively short periods to maturity and the terms of these instruments. Long-term investment does not have a reliably measurable fair value as it does not have a quoted market price in an active market.

See the Company’s Consolidated Statements of Financial Position for financial instrument balances as at December 31, 2019 and December 31, 2018.

Internal Control over Financial Reporting and Disclosure Controls and Procedures

Currently, the certification required by the Company’s certifying officers under National Instrument 52-109 Certificate of Disclosure in Issuers’ Annual and Interim Filings (NI 52-109F), the Venture Issuer Basic Certificate, does not include representations relating to the establishment and maintenance of disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as defined in NI 52-109. This includes:

- i. Controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and,
- ii. A process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer’s GAAP.

Internal Control over Financial Reporting and Disclosure Controls and Procedures (Continued)

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they make in the certificate.

Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Additional Disclosure for Venture Issuers without Significant Revenues

Refer to elsewhere in the MD&A or the Company's consolidated financial statements for capitalized or expensed exploration and development costs, general and administrative expenses and other material costs. Additional information relating to the Company is on SEDAR www.sedar.com.

Share Data

The 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 rights and restrictions of which may be set by the Company's directors.

As at the date of this report, Range had 856,225,977 common shares issued, Nil warrants and 4,250,000 options issued and outstanding.

Risks and Uncertainties

Companies in the oil and gas exploration and development industry sectors are subject to many and varied kinds of risks, including but not limited to various technical risks including geological and engineering risks, and environmental, commodity price, political and economic risks.

Financial Capability and Additional Financing

The Company relies on equity and debt financings to fund its activities. While it has been successful in raising funds in the past, there is no assurance that adequate funds will be available in the future. The Company has cash of \$3,941 and working capital deficiency of \$\$21,929,134 at December 31, 2019. Based on current budgeted expenditures for operations and exploration, cash on hand at December 31, 2019 is not adequate to meet capital requirements for fiscal 2020. There is a material uncertainty related to these conditions that may cast significant doubt on the Company's ability to continue as a going concern and, therefore, to realize its assets and discharge its liabilities in the normal course of business. To meet working capital requirements, the Company will have to access financial resources through equity placements in the junior resource market or by incurring debt, procuring industry partners for its primary exploration projects and/or selling its projects in exchange for equity/cash. However, there can be no assurance that the Company will have access in the future to these financial resources.

The Company's failure to obtain additional funding to meet its funding obligations could result in the Company having a reduced holding, or a forced sale at a discount, of its indirect shareholding interest in the Khalakan Block. Additionally, if a joint venture participant in the Khalakan Block fails to meet its obligation to fund certain cash calls and the Company or another entity does not fund that cash call, the PSC could be terminated or the Company could be required to forfeit, or sell at a discount, its interest in the Khalakan Block.

A discussion of risk factors in particular to the financial instruments is presented in note 13 of the audited consolidated financial statements for the year ended December 31, 2019.

Risks and Uncertainties (Continued)

Exploration Risk

The Company has no significant source of operating cash flow and no revenues from operations. The Company's primary asset is a 22.1% indirect interest in GPK, which holds an 80% interest in the Khalakan PSC. The Company's ability to direct the management of NAAZ2 and GPK is extremely limited. The Company has no oil and gas interests that are economically viable. The Company has limited financial resources. Substantial expenditures are required to be made by the Company to establish commercial viability of the current projects in which it has an interest. The Company has limited access to information on the current state of exploration and development of the Khalakan Block.

GPK, the operator of the Khalakan Block, declared the Shewashan light oil discovery located on the block to be a commercial discovery under the terms of the Khalakan PSC. GPK has obtained approval from the Kurdistan Regional Government of a Field Development Plan for the development of the Shewashan discovery. This development plan is likely to require GPK to spend significant amounts of capital toward the development of the Shewashan discovery. The Company will be responsible for 22.1% of these development costs to the extent that GPK requests its shareholders to fund these costs. However, the Company will have limited or no control over how GPK implements any such development plan.

Oil and gas development and production activities are subject to a high degree of risk—both operational and political—and requires significant financial resources. The Company will therefore require additional financing to carry on its business, and such financing may not be available when it is needed. It is uncertain as to the quantities of commercial grade oil and gas that may be developed and produced from the Khalakan Block and whether or when the Company could receive proceeds from the sale of any such oil or gas.

Environmental Risk

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters. Environmental hazards may exist on the properties on which the Company is seeking an interest, which are unknown to the Company at present and which may have been caused by previous or existing owners or operators of the properties. The Company may become liable for such environmental hazards caused by previous owners and operators of the properties even where it has attempted to contractually limit its liability. Government approvals and permits are currently, and may in the future, be required and obtained in connection with the Company's operations.

Political Policy Risk

All of the Company's oil and gas property interests are located in Kurdistan. As such, the Company's oil and gas property interests are subject to political, economic, and other uncertainties, including, but not limited to, the uncertainty of negotiating with foreign governments, expropriation of property without fair compensation, adverse determination or rulings by governmental authorities, adverse actions by governmental authorities, changes in energy policies or in the personnel administering them, nationalization, currency fluctuations and devaluations, disputes between various levels of authorities, arbitrating and enforcing claims against entities that may claim sovereignty, authorities claiming jurisdiction, potential implementation of exchange controls and royalty and government take increases and other risks arising out of foreign governmental sovereignty over the areas in which the Company's oil and gas property interests are located, as well as risks of loss due to civil strife, acts of war, guerrilla activities, and insurrections. The Company's oil and gas property interests may be adversely affected by changes in government policies and legislation or social instability and other factors which are not within the control of the Company including, among other things, adverse legislation in Iraq and/or Kurdistan, a change in crude oil or natural gas pricing policy, the risks of war, terrorism, abduction, expropriation, nationalization, renegotiation or nullification of existing concessions and contracts, taxation policies, economic sanctions, the imposition of specific drilling obligations, and the development and abandonment of fields.

Risks and Uncertainties (Continued)

The political and security situation in Iraq (outside Kurdistan) is unsettled and volatile. Kurdistan is the only region that is constitutionally established pursuant to the Iraq Constitution. The political issues of federalism and the autonomy of Regions in Iraq are matters about which there are major differences between the various political factions in Iraq. These differences could adversely impact the PSC and the Company's interest in Kurdistan.

No federal Iraq legislation has yet been agreed to or enacted by the Iraq Council of Ministers (Cabinet) and Council of Representatives (Parliament) to address the future organization of Iraq's petroleum industry or the sharing of petroleum and other revenues with Iraq. Failure to enact legislation or the enactment of federal legislation contradictory to Kurdistan legislation could materially adversely impact the PSC and the Company's interest in Kurdistan.

APPENDIX “F”

EGGL CONSOLIDATED MANAGEMENT’S DISCUSSION & ANALYSIS

(as at and for the period ended December 31, 2020 and as at and for the three months ended March 31, 2021)

[See attached.]

**ENVIROGOLD GLOBAL (CAN) LTD.
ENVIROGOLD GLOBAL PTY LTD.
ENVIROGOLD GLOBAL US INC.**

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE PERIOD ENDED

DECEMBER 31, 2020

This MD&A is dated July 14, 2021

**ENVIROGOLD GLOBAL (CAN) LTD.
ENVIROGOLD GLOBAL PTY LTD.
ENVIROGOLD GLOBAL US INC.**

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Period Ended December 31, 2020

Introduction

This Management's Analysis and Discussion (the "MD&A") is dated June 1, 2021. The MD&A reports the financial positions and results from operations of EnviroGold Global (Can) Ltd. (the "Company" or "EGGL CAN"), EnviroGold Global Pty Ltd ("EGGL AUS"), and EnviroGold Global US Inc ("EGGL US") for the period commencing on the dates of incorporation and ended December 31, 2020. This MD&A has been prepared to provide material updates to the business operations, liquidity and capital resources of EGGL CAN, EGGL AUS and EGGL US during the fiscal periods ended December 31, 2020. This MD&A should be read in conjunction with EGGL CAN, EGGL AUS and EGGL US's audited financial statements for fiscal periods ended December 31, 2020 along with accompanying notes to the statements for the periods then ended.

The audited financial statements of EGGL CAN, EGGL AUS and EGGL US for the periods ended December 31, 2020 were prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). While the three companies have common ownership control, inter-company balances and transactions have not been eliminated. All amounts are expressed in US dollars unless otherwise indicated.

EGGL CAN, as part of its corporate reorganization, completed a series of transactions which resulted in EGGL AUS and EGGL US becoming wholly-owned subsidiaries of EGGL CAN. This transaction was completed on March 16, 2021. EGGL, EGGL AUS and EGGL US collectively will be referred to as the EGGL Group.

Management is responsible for the preparation and integrity of the condensed consolidated financial statements, including the maintenance of appropriate information systems, procedures and internal controls and to ensure that information used internally or disclosed externally, including the financial statements and MD&A, is complete and reliable. Each EGGL Group Board of Directors follows recommended corporate governance guidelines to ensure transparency and accountability to shareholders.

Each member of the EGGL Group is an environmental reclamation and mineral recovery company and is in the business of undertaking projects for the purpose of operating tailings remediation. As the companies commenced operations recently, they are in the start up phase.

EGGL was incorporated on December 10, 2020 under the laws of the Province of Ontario. EGGL's head and registered office is located at 1 Adelaide Street East, Suite 801, Toronto, Ontario, M5C 2V9. EGGL AUS

was incorporated under the laws of Australia on January 14, 2020. EGGL US was incorporated under the laws of the State of Delaware on May 19, 2020.

Business Overview and Corporate Update

Description of the Business

The EGGL Group are clean technology companies that are capitalizing environmental stewardship and sustainably supplying the world's increasing demand for precious, critical, and strategic metals by profitably reclaiming unrecovered value from mine tailings and resource development waste streams. The EGGL Group leverages proprietary technology, superior operationalized knowledge, and an agile, efficient culture to recover valuable metals, recharge critical natural resources and accelerate the world's transition to a sustainable circular resource economy. The EGGL Group have acquired remediation rights to precious, critical and strategic mine tailings sites in key North American mining districts and are actively expanding the EGGL Group's reprocessing portfolio.

The EGGL Group help mine operators or owners to meet their corporate and social responsibility obligations by reducing their environmental footprint. Mine tailings are reprocessed safely and sustainably, using proprietary technologies with a demonstrated ability to recover up to 98% of precious and strategic metals from refractory ores, mine tailings and waste streams while remediating key environmental contaminants including arsenic, mercury and lead. Advances in recovery technology results in the extraction of gold and silver from the mine tailings. Concurrently, water is decontaminated to a state that it is safe to reuse, store, or release to the environment. As a result, environmental liabilities are reduced while profits from metals recovered in the mine tailings processing operation are shared between a member of the EGGL Group and the mine operator or owner.

Subsequent to December 31, 2020, the Company's first patent application was filed in support of its technological process.

The key components of the EGGL Group's operational model are as follows:

1. **Business Development and Opportunity Identification:** Reviewing extensive mine production data and leveraging the EGGL Group's global network of industry professionals, the EGGL Group identify and evaluate possible tailings remediation and resource recovery opportunities by analyzing key site characteristics related to grade, metallurgy, volume and refractory components.
2. **Scoping Study:** Qualified opportunities undergo an in-depth scoping study for formal management review. An initial regulatory review is undertaken to identify regulatory agencies with jurisdiction over the site and key permits and work notices required for operations along with associated fees and lead times. Initial engagement with the site owner is undertaken to acquire private site related data and access to the site to conduct advanced prospect analysis. This initial commercial agreement is intended to secure the Remediation and Reprocessing Rights to the metal and mineral bearing material on site in the event the opportunity meets or exceeds internal standards for project economics and feasibility. Compensation for the mine site owner is negotiated by way of an

arrangement to share the net the proceeds from mineral and metal concentrates produced during site remediation activities.

3. **Desktop Study:** If the scoping study suggests the opportunity has merit, a more detailed site evaluation is undertaken to better understand the technical aspects of the opportunity and identify initial reprocessing solutions. Typical activities include material sampling and analysis, metallurgical analysis, initial regulatory engagement, preparation of a definitive regulatory roadmap, topographical volumetric analysis and development of the initial environmental, social and governance scorecard (ESG Scorecard).
4. **Advanced Prospect Analysis:** Activities undertaken during Advanced Prospect Analysis are intended to increase the EGGL Group's confidence in material characterization results, select a final optimized process flow for maximum resource recovery, prepare permit submissions and develop operational plans.
5. **Implementation and Production:** Following Advanced Prospect Analysis and receipt of required operating permits or exemptions, and contingent upon a final executive review, the EGGL Group deploy its reclamation solution on site in conjunction with strategic, field-services partners. Operational data including metallurgical accounting will be captured and analyzed providing the EGGL Group and its strategic partners with transparent periodic status reports throughout the operational period.
6. **Closure:** Following remediation and resource recovery operations, the EGGL Group demobilize its reprocessing equipment consistent with regulatory requirements and environmental practices and complete a final review of the site's ESG Scorecard to confirm a net positive environmental and social impact from remediation activities.

Potential Business Combination with Range Energy Resources Inc.

On March 26, 2021, EGGL CAN announced that it had entered into a definitive agreement with Range Energy Resources Inc. ("**Range**") pursuant to which, EGGL CAN and Range agreed to complete a three-cornered amalgamation (the "**Transaction**") in which a wholly-owned subsidiary of Range will acquire all of EGGL CAN's shares in exchange for an anticipated 87.5% interest in Range. Prior to the amalgamation, Range settled its outstanding debt and EGGL CAN acquired 100% ownership in EGGL AUS and EGGL US. Upon completion of the amalgamation and being listed on the Canadian Securities Exchange (the "**CSE**"), Range will carry on business of EGGL CAN as "EnviroGold Global Limited" (the "**Resulting Issuer**").

Corporate Update and Outlook

EGGL AUS commenced operations in Australia in January 2020. EGGL US commenced operations in the United States in May 2020. EGGL CAN commenced operations in Canada in December 2020.

The business process has not yet been applied in a full scale, commercial environment. The EGGL Group has seen success at the pilot plant level. Hence, there are no producing properties, no operating income, or cash flow. To date, the EGGL Group are dependent on the equities market or debt instruments to finance its activities and will continue to rely on these sources of funding for its ongoing working capital requirements.

The EGGL Group's business is managed by the directors and officers and augmented by independent professionals retained to advise the EGGL Group on its exploration programs and business.

Changes to Board of Directors and Management

At the time of this MD&A, EGGL CAN has appointed David Cam, Harold Wolkin and Sean Foley to the Board of Directors. After completion of the Transaction, the Resulting Issuer's board of directors is expected to include Mark Thorpe, David Cam, Sean Foley, Harold Wolkin and Roger Bethell. Mark Thorpe will be appointed as Chief Executive Officer, John Ross will be appointed as Chief Financial Officer, Brock Hill will be appointed Chief Technology Officer, Ian Hodgkinson will be appointed Chief Geologist, and Dan Buckley will be appointed Chief Operating Officer.

Overview of Business

The EGGL Group build on the century old innovation of froth flotation, with the application of proprietary advanced electrochemical and refractory mineral oxidation technology. The resulting process efficiencies are applied to existing mining tailings.

The EGGL Group's processing technology is turnkey, portable, and mobile, with each processing module transportable in a shipping containers. The process can be scaled up by adding more modules to a project. Being able to process metal-bearing material at surface and using modular, portable facilities, the EGGL Group has an advantage when compared to traditional miners.

Previously, mine operators experienced gold and silver recovery percentages as low as 40% in some cases, which resulted in a great amount of gold and silver exiting the plant to mine tailings. Mining.com estimates that close to \$1 trillion of precious metals sit in 35,000 mines worldwide. The US National Park Service estimates that 211 billion tonnes of mining waste are generated annually. Markets and Market Research places a value of \$20 billion on annually discarded tailings. Nanostuck Proprietary Research reports that there are in excess of 3,500 tailings dams globally.

Mine tailings represent a significant environmental liability for companies or governments and creates a significant opportunity for the EGGL Group. The EGGL Group has identified at least 1,000 gold mines in Australia and the United States, either currently operating or abandoned, containing \$1.1 billion of in-situ material, that could potentially benefit from this technology.

Financial Performance

Selected Annual Financial Information

The table below summarizes key operating data for the EGGL Group for the period ended December 31, 2020. A more in-depth discussion of the results is found below in the results of operation section.

Period Ended
December 31, 2020
(Audited)
\$

| | |
|--|------------|
| Total assets * | 536,149 |
| Total liabilities * | 1,279,786 |
| Revenue * | Nil |
| Net loss * | (743,666) |
| Net loss per share ** | (0.01) |
| Weighted average shares outstanding ** | 92,355,699 |

* Excludes loans, borrowings, and transactions between EGGL Group entities.

** Weighted average shares outstanding is calculated based on EGGL CAN shares issued for other EGGL Group share equity at their respective incorporation dates. The shares shown at each respective quarter end are implied to indicate the weighted average shares issued for acquisitions and for capital raised through share issuance.

Selected Quarterly Financial Information

The following quarterly results for the most recent periods have been prepared in accordance with IFRS as listed below. Period losses are mostly comprised of administrative fees and accruals related to the establishment of the EGGL Group. These fees are mostly reflected in increased liabilities.

| Period Ended | Other Assets * | Total Liabilities * | Comprehensive (Loss) * | Net (Loss) Per Share ** | Weighted Average Shares Outstanding ** |
|--------------------|----------------|---------------------|------------------------|-------------------------|--|
| December 31, 2020 | \$ 536,149 | \$ 1,279,786 | \$ (567,450) | \$ (0.01) | 113,369,643 |
| September 30, 2020 | 171,306 | 347,522 | (121,683) | (0.00) | 101,163,181 |
| June 30, 2020 | 194,575 | 249,108 | (45,723) | (0.00) | 93,439,799 |
| March 31, 2020 | 436 | 9,267 | (8,810) | (0.00) | 73,462,872 |

* Excludes loans and borrowings between EGGL Group entities.

** Weighted average shares outstanding calculated base on EGGL CAN shares issued for other EGGL Group share equity at their respective incorporation dates.

Period January 14, 2020 to December 31, 2020

The EGGL Group's net loss for the period ended December 31, 2020 of \$550,972 mostly reflects the cost of researching various opportunities, searching for new opportunities, and general administration related to ongoing business and an application to be listed on the CSE.

Related Party Transactions

Related parties include directors, officers, close family members, certain consultants and enterprises that are controlled by these individuals as well as certain persons performing similar functions.

In accordance with IAS 24 – *Related Party Disclosure*, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the EGGL Group's directly or indirectly, including any directors (executive and non-executive) of the EGGL Group. Remuneration of directors and key management personnel of the EGGL Group for the period ended

December 31, 2020:

| | Period ended December 31, 2020 |
|-----------------|---|
| Director fees | \$ 142,220 |
| Management fees | 50,760 |
| | \$ 192,981 |

Management fees of \$50,760 and Director fees of \$142,220 in 2020 were incurred. All Board members and management appointments occurred in 2020.

Financial Condition

Cash Flow

As at December 31, 2020, the EGGL Group held cash of \$520,353.

Concurrent with the EGGL Group's intent to be listed on the CSE, it raised CAD\$4,592,791 by way of a private placement (the "**Private Placement**"). The EGGL Group intends to use the total funds available from the Private Placement to fund operations, buy equipment, and pay existing payables.

Operating expenses mostly relate to technical professional salaries, professional fees, and consulting fees incurred during 2020.

The proceeds of the Private Placement will be applied towards the payment of outstanding fees owed to the EGGL Group's auditors and consultants, filing fees, accounting and bookkeeping fees, professional fees and general working capital.

Cash will be applied as follows:

| | |
|-------------------------|-----------------------|
| Costs of raise | CAD\$ 323,000 |
| CSE application | 180,000 |
| Operational costs | 850,000 |
| Administration | 395,000 |
| Business Development | 400,000 |
| Equipment | 1,500,000 |
| General working capital | 945,391 |
| | CAD\$4,592,791 |

The EGGL Group may need to access additional capital to expand more quickly or to fund additional operations.

Critical Accounting Estimates and Changes in Accounting Policies

All significant critical accounting estimates are fully disclosed in Note 3 and Note 4 of the financial statements for the period ended December 31, 2020.

Liquidity and Capital Resources

The EGGL Group had working capital of as of December 31, 2020 of \$218,792. The EGGL Group's cash and cash equivalents was \$520,353 as at December 31, 2020.

Management anticipates that the cash raised in the Private Placement should be sufficient for current operations. The EGGL Group may require substantial additional capital to fund any new project or to pursue other potential opportunities.

The EGGL Group intends to use the net proceeds from issuances of its securities to provide sufficient funding to meet its near-term expansion and development plans and other contractual obligations as they become due. As mentioned above, the EGGL Group is evaluating various strategic alternatives, and, if it decides to pursue any such alternative, the EGGL Group may also require additional funds to carry out its strategic plans costs of which cannot be determined at this time and whether such funding, if available, will be favourable to the EGGL Group.

Financial Instruments and Financial Risk Factors

IFRS require that the EGGL Group disclose information about the fair value of its financial assets and liabilities. Fair value estimates are made at the statement of financial position date, based on relevant market information and information about the financial instrument. These estimates are subjective in nature and involve uncertainties in significant matters of judgment and therefore cannot be determined with precision. Changes in assumptions could significantly affect these estimates.

Fair value measurements are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. As at December 31, 2020, the EGGL Group has no financial instruments carried at fair value to classify in the fair value hierarchy.

As at December 31, 2020, carrying amounts of cash and cash equivalents, and amounts receivable on the statement of financial position approximate fair market value because of the limited term of these instruments. As at December 31, 2020, the EGGL Group held cash of \$520,353 and prepaid assets of \$15,795. The carrying amounts of accounts payable and accrued liabilities on the statement of financial position as at December 31, 2020 approximate fair market value because of the limited term of these instruments.

The EGGL Group's risk exposures and the impact on the EGGL Group's financial instruments are summarized below. As this is the first reporting period, there have been no changes in the risks, objectives, policies and procedures.

(a) Credit Risk

The EGGL Group's credit risk is primarily attributable to cash and cash equivalents. The EGGL Group has no significant concentration of credit risk arising from operations. Management believes that the credit risk concentration with respect to cash and cash equivalents, and financial instruments included in amounts receivable is remote.

(b) Liquidity Risk

The EGGL Group attempts to have sufficient liquidity to meet its obligations when they become due. As at December 31, 2020, the EGGL Group had cash and cash equivalents of \$520,353 available to settle current liabilities of \$317,357. The EGGL Group's accounts payable are subject to normal trade terms.

(c) Market Risk

The EGGL Group is exposed to the following market risks:

(i) Interest Rate Risk

The EGGL Group has no cash and cash equivalents balances and no variable interest-bearing debt. The EGGL Group's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by banking institutions. The EGGL Group periodically monitors the investments it makes and is satisfied with the credit ratings of its banks.

(ii) Foreign Exchange Risk

While the EGGL Group's functional currency is the United States dollar, major purchases could be transacted in Canadian dollars, Australian dollars, or United States dollars. As at December 31, 2020, the EGGL Group holds minimal foreign currency balances in cash. The effect of a 10% change in the exchange rate between the Canadian and US dollars would affect the statement of operations by \$30,000 dollars. The effect of a 10% change in the exchange rate between the Australian and US dollars would affect the statement of operations by \$11,000 dollars.

(iii) Price Risk

The EGGL Group is exposed to price risk with respect to commodity prices. The EGGL Group closely monitors commodity prices to determine the appropriate course of action to be taken by the EGGL Group.

(d) Sensitivity Analysis

The EGGL Group may hold balances in currencies other than United States dollars that give rise to foreign exchange risk. Based on management's knowledge and experience of the financial markets, the EGGL Group does not believe there would be any material movements as a result of changes in interest rates.

Off-Balance Sheet Arrangements

As at December 31, 2020, there were no off-balance sheet arrangements.

Outstanding Share Data

As at December 31, 2020, and the date of this MD&A, shares of common stock, warrants and stock options outstanding at EGGL CAN were as follows:

| | July 14, 2021 | December 31, 2020 |
|---------------|---------------|-------------------|
| Common Shares | 127,815,982 | 100 |
| Warrants | — | — |
| Stock Options | 250,000 | — |
| Fully diluted | 128,065,982 | 100 |

The change in the common shares resulted from acquisition of EGGL US and EGGL AUS, acquisition of intellectual property, and settlement of shares for services items.

Should the Transaction with Range and concurrent Private Placement be successfully completed, the issued and outstanding securities of EGGL CAN and Range would be as follows:

| | EGGL CAN | Range | Private Placement | Post Transaction |
|---------------|-------------|------------|-------------------|------------------|
| Common Shares | 127,815,982 | 18,259,426 | 32,805,651 | 178,881,152 |
| Warrants | — | — | 1,794,200 | 1,794,200 |
| Stock Options | 250,000 | — | — | 250,000 |
| Fully diluted | 128,065,982 | 18,259,426 | 34,599,851 | 180,925,352 |

The concurrent Private Placement of 32,805,651 shares, upon conversion of the subscription receipts, raised gross proceeds of \$4,592,791. The Company issued 1,794,200 broker warrants in connection with this placement.

Risk Factors

The risk factors are discussed in the section entitled “Risk Factors” in the EGGL CAN’s Form 2A Listing Statement dated June July 14, 2021.

Cautionary Note Regarding Forward-Looking Statements

This MD&A contains certain “forward-looking information” as defined in applicable securities laws (collectively referred to herein as “**forward-looking statements**”). These statements relate to future events or the EGGL Group’s future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as “plans”, “expects”, “budgeted”, “scheduled”, “estimates”, “continues”, “forecasts”, “projects”, “predicts”, “intends”, “anticipates” or “believes”, or variations of, or the negatives

of, such words and phrases, or statements that certain actions, events or results “may”, “could”, “would”, “should”, “might” or “will” be taken, occur or be achieved. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statements.

Forward-looking statements are based upon certain assumptions and other important factors regarding present and future business strategies and the environment in which the EGGL Group will operate in the future, which could prove to be significantly incorrect. Forward-looking statements are inherently subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the EGGL Group and/or its subsidiary to be materially different from those expressed or implied by such forward-looking statements. These factors are discussed in the section entitled “Risk Factors” in the EGGL Group’s Form 2A Listing Statement dated July 14, 2021.

Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this MD&A. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the EGGL Group’s actual results, performance or achievements to be materially different from any of its future results, performance or achievements expressed or implied by forward-looking statements. All forward-looking statements herein are qualified by this cautionary note. Accordingly, readers should not place undue reliance on forward looking statements.

The EGGL Group undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required by law. If the EGGL Group does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward- looking statements, unless required by law.

All forward looking statements and information contained in this MD&A are qualified by this cautionary statement.

ENVIROGOLD GLOBAL (CAN) LTD.

INTERIM MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE THREE-MONTH PERIOD ENDED

MARCH 31, 2021

This MD&A is dated July 14, 2021

ENVIROGOLD GLOBAL (CAN) LTD.

INTERIM MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Three-Month Period Ended March 31, 2021

Introduction

The following Interim Management's Discussion and Analysis (the "**Interim MD&A**") of the consolidated financial position and results from operations of EnviroGold Global (Can) Ltd. (the "**Company**" or "**EGGL CAN**"), is for the three-month period ended March 31, 2021. This Interim MD&A has been prepared to provide material updates to the business operations, liquidity and capital resources of the Company since its fiscal year ended December 31, 2020. This Interim MD&A should be read in conjunction with the Company's interim consolidated financial statements for its fiscal period ended March 31, 2021 along with accompanying notes thereto (the "**Interim Financial Statements**").

This Interim MD&A has been prepared in compliance with section 2.2 of Form 51-102F1, in accordance with National Instrument 51-102 – *Continuous Disclosure Obligations*. This discussion should be read in conjunction with the Company's Annual MD&A and the audited annual financial statements of the Company with those of EnviroGold Global Pty Ltd. ("**EGGL AUS**") and EnviroGold Global US Inc. ("**EGGL US**") for the period ended December 31, 2020, together with the notes thereto (the "**Annual Financial Statements**")

The Company's financial statements and the financial information contained in this Interim MD&A are prepared in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board and interpretations of the IFRS Interpretations Committee. The Interim Financial Statements have been prepared in accordance with International Standard 34, Interim Financial Reporting.

For the purposes of preparing this Interim MD&A, management, in conjunction with the Board of Directors (the "**Board**"), considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of the Company's common shares; (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Board, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

The Company is an environmental reclamation and mineral recovery company and is in the business of undertaking projects for the purpose of operating tailings remediation. As the Company commenced operations recently, it is in the start up phase. The Company's head office and principal business address is Suite 801, 1 Adelaide Street, Toronto, Ontario, M5C 2V9.

The Company was incorporated under *Business Corporation Act* (Ontario) on December 10th, 2020.

The Company's securities are not presently listed on any stock exchange. The Company has applied to have its common shares listed on the Canadian Securities Exchange (the "CSE").

Business Overview and Corporate Update

Description of the Business

The Company is a clean technology company that is capitalizing environmental stewardship and sustainably supplying the world's increasing demand for precious, critical, and strategic metals by profitably reclaiming unrecovered value from mine tailings and resource development waste streams. The companies leverage proprietary technology, superior operationalized knowledge, and an agile, efficient culture to recover valuable metals, recharge critical natural resources and accelerate the world's transition to a sustainable circular resource economy. The Company have acquired remediation rights to precious, critical and strategic mine tailings sites in key North American mining districts and are actively expanding its reprocessing portfolio.

The Company helps mine operators or owners to meet their corporate and social responsibility obligations by reducing their environmental footprint. Mine tailings are reprocessed safely and sustainably, using proprietary technologies with a demonstrated ability to recover up to 98% of precious and strategic metals from refractory ores, mine tailings and waste streams while remediating key environmental contaminants including arsenic, mercury and lead. Advances in recovery technology results in the extraction of gold and silver from the mine tailings. Concurrently, water is decontaminated to a state that it is safe to re-use, store, or release to the environment. As a result, environmental liabilities are reduced while profits from metals recovered in the mine tailings processing operation are shared between the Company and the mine operator or owner.

Subsequent to March 31, 2021, the Company's first patent application was filed in support of its technological process.

The key components of the Company's operational model are as follows:

1. **Business Development and Opportunity Identification:** Reviewing extensive mine production data and leveraging the EGGL Group's global network of industry professionals, the EGGL Group identify and evaluate possible tailings remediation and resource recovery opportunities by analyzing key site characteristics related to grade, metallurgy, volume and refractory components.
2. **Scoping Study:** Qualified opportunities undergo an in-depth scoping study for formal management review. An initial regulatory review is undertaken to identify regulatory agencies with jurisdiction over the site and key permits and work notices required for operations along with associated fees and lead times. Initial engagement with the site owner is undertaken to acquire private site related data and access to the site to conduct advanced prospect analysis. This initial commercial agreement is intended to secure the Remediation and Reprocessing Rights to the metal and mineral bearing material on site in the event the opportunity meets or exceeds internal standards for project economics and feasibility. Compensation for the mine site owner is negotiated by way of an

arrangement to share the net the proceeds from mineral and metal concentrates produced during site remediation activities.

3. **Desktop Study:** If the scoping study suggests the opportunity has merit, a more detailed site evaluation is undertaken to better understand the technical aspects of the opportunity and identify initial reprocessing solutions. Typical activities include material sampling and analysis, metallurgical analysis, initial regulatory engagement, preparation of a definitive regulatory roadmap, topographical volumetric analysis and development of the initial environmental, social and governance scorecard (ESG Scorecard).
4. **Advanced Prospect Analysis:** Activities undertaken during Advanced Prospect Analysis are intended to increase the Company's confidence in material characterization results, select a final optimized process flow for maximum resource recovery, prepare permit submissions and develop operational plans.
5. **Implementation and Production:** Following Advanced Prospect Analysis and receipt of required operating permits or exemptions, and contingent upon a final executive review, the Company deploys its reclamation solution on site in conjunction with strategic partners. Operational data, including metallurgical accounting is captured and analyzed, providing counterparties with transparent periodic status reports throughout the operational period.
6. **Closure:** Following Remediation and Resource Recovery operations, the Company demobilizes its reprocessing equipment consistent with regulatory requirements and environmental best practices and complete a final review of the site's ESG Scorecard to confirm a net positive environmental and social impact from remediation activities.

Potential Business Combination with Range Energy Resources Inc.

On March 26, 2021, EGGL CAN announced that it had entered into a definitive agreement with Range Energy Resources Inc. ("**Range**") pursuant to which, EGGL CAN and Range agreed to complete a three-cornered amalgamation (the "**Transaction**") in which Range will acquire all of EGGL CAN's shares in exchange for an anticipated 87.5% interest in Range. Prior to the amalgamation, Range settled its outstanding debt and EGGL CAN acquired 100% ownership in EGGL AUS and EGGL US. Upon completion of the amalgamation and being listed on the CSE, Range will carry on business of EGGL CAN as "EnviroGold Global Limited" (the "**Resulting Issuer**").

Corporate Update and Outlook

EGGL AUS commenced operations in Australia in January 2020. EGGL US commenced operations in the United States in May 2020. EGGL CAN commenced operations in Canada in December 2020.

On March 16, 2021, EGGL CAN acquired the common shares of EGGL AUS and EGGL US, which will continue operations as subsidiaries of the Company.

The business process has not yet been applied in a full scale, commercial environment. The Company has seen success at the pilot plant level. Hence, there are no producing properties, no operating income, or cash flow. To date, the Company is dependent on the equities market or debt instruments to finance its activities and it will continue to rely on these sources of funding for its ongoing working capital requirements.

The Company's business is managed by the directors and officers and augmented by independent professionals retained to advise the Company on its exploration programs and business.

Changes to Board of Directors and Management

At the time of this Interim MDA, the Company has appointed David Cam, Harold Wolkin and Sean Foley to the Board of Directors. After completion of the Transaction, the Resulting Issuer's board of directors is expected to include Mark Thorpe, David Cam, Sean Foley, Harold Wolkin and Roger Bethell. Mark Thorpe will be appointed as Chief Executive Officer, John Ross will be appointed as Chief Financial Officer, Brock Hill will be appointed Chief Technology Officer, Ian Hodgkinson will be appointed Chief Geologist, and Dan Buckley will be appointed Chief Operating Officer.

Overview of Business

The Company builds on the century old innovation of froth flotation, with the application of proprietary advanced electrochemical and refractory mineral oxidation technology. The resulting process efficiencies are applied to existing mining tailings.

The Company's processing technology is turnkey, portable, and mobile, with each processing module transportable in shipping containers. The process can be scaled up by adding more modules to a project. Being able to process metal-bearing material at surface and using modular, portable facilities, the Company has an advantage when compared to traditional miners.

Previously, mine operators experienced gold and silver recovery percentages as low as 40% in some cases, which resulted in a great amount of gold and silver exiting the plant to mine tailings. Mining.com estimates that close to \$1 trillion of precious metals sit in 35,000 mines worldwide. The US National Park Service estimates that 211 billion tonnes of mining waste are generated annually. Markets and Market Research places a value of \$20 billion on annually discarded tailings. Nanostuck Proprietary Research reports that there are in excess of 3,500 tailings dams globally.

Mine tailings represent a significant environmental liability for companies or governments and creates a significant opportunity for the Company. The Company has identified at least 1,000 gold mines in Australia and the United States, either currently operating or abandoned, containing \$1.1 billion of in-situ material, that could potentially benefit from this technology.

Financial Performance

Selected Annual Financial Information

The table below summarizes key operating data for the Company for the period ended December 31, 2020. A more in-depth discussion of the results is found below in the results of operation section.

| | Period Ended December 31, 2020 (Audited) \$ |
|-------------------------------------|--|
| Total assets | 8 |
| Total liabilities | 291,997 |
| Revenue | Nil |
| Net loss | (291,997) |
| Net loss per share | N/A |
| Weighted average shares outstanding | 6 |

Selected Quarterly Financial Information

The following quarterly results for the most recent periods have been prepared in accordance with IFRS as listed below. Period losses are mostly comprised of administrative fees and accruals related to the establishment of the Company. These fees are mostly reflected in increased liabilities.

| Period Ended | Other Assets | Total Liabilities | Comprehensive (Loss) | Net (Loss) Per Share | Weighted Average Shares Outstanding |
|-------------------------|-------------------------|------------------------------|---------------------------------|---------------------------------|--|
| March 31, 2021 | \$5,391,694 | \$ 286,936 | \$ (432,500) | \$(0.03) | 21,302,747 |
| December 31, 2020 | 8 | 291,997 | (291,997) | N/A | 6 |
| September 30, 2020 | - | - | - | N/A | - |
| June 30, 2020 | - | - | - | N/A | - |
| March 31, 2020 | - | - | - | N/A | - |

Three-Month Period ended March 31, 2021 Compared to the Period from January 14, 2020 to March 31, 2020

The Company's net loss for the three-month period ended March 31, 2021 of \$432,500 mostly reflects the cost of researching various opportunities, searching for new opportunities, and general administration related to ongoing business and an application to be listed on the CSE. The Company had limited operations in the period from January 14, 2020 to March 31, 2020 as it had just commenced its start up in Australia.

Related Party Transactions

Related parties include directors, officers, close family members, certain consultants and enterprises that are controlled by these individuals as well as certain persons performing similar functions.

In accordance with IAS 24 – *Related Party Disclosure*, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company's directly or indirectly, including any directors (executive and non-executive) of the Company. The Company reported

no remuneration of directors and key management personnel of the Company for the three-month period ended March 31, 2021.

Financial Condition

Cash Flow

As at March 31, 2021, the Company held cash of \$214,437.

Concurrent with the Company's intent to seek a listing on the CSE, it raised CAD\$4,592,791 by way of a private placement (the "**Private Placement**"). Cash will be used to used to fund operations, buy equipment, and pay existing payables.

Operating expenses mostly relate to technical professional salaries, professional fees, and consulting fees incurred during 2021.

The proceeds of the Offering will be applied towards the payment of outstanding fees owed to the Company's auditors and consultants, filing fees, accounting and bookkeeping fees, professional fees and general working capital.

Cash will be applied as follows:

| | |
|-------------------------|-----------------------|
| Costs of raise | CAD\$ 323,000 |
| CSE application | 180,000 |
| Operational costs | 850,000 |
| Administration | 395,000 |
| Business development | 400,000 |
| Equipment | 1,500,000 |
| General working capital | 945,391 |
| | <u>CAD\$4,592,791</u> |

The Company may need to access additional capital to expand more quickly or to fund additional operations.

Critical Accounting Estimates and Changes in Accounting Policies

All significant critical accounting estimates are fully disclosed in Note 3 and Note 4 of the financial statements for the period ended March 31, 2021.

Liquidity and Capital Resources

The Company had working capital of as of March 31, 2021 of \$301,603. The Company's cash and cash equivalents was \$214,437 as at March 31, 2021.

Management anticipates that the cash raised in the Private Placement should be sufficient for current operations. The Company may require substantial additional capital to fund any new project or to pursue other potential opportunities.

The Company intends to use the net proceeds from issuances of its securities to provide sufficient funds for it to meet its near-term expansion and development plans and other contractual obligations as they become due. As mentioned above, the Company is evaluating various strategic alternatives and, if it decides to pursue any such alternative, it may also require additional funds to carry out its strategic plans costs of which cannot be determined at this time and whether such funding, if available, will be favourable to the Company.

Financial Instruments and Financial Risk Factors

IFRS require that the Company disclose information about the fair value of its financial assets and liabilities. Fair value estimates are made at the statement of financial position date, based on relevant market information and information about the financial instrument. These estimates are subjective in nature and involve uncertainties in significant matters of judgment and therefore cannot be determined with precision. Changes in assumptions could significantly affect these estimates.

Fair value measurements are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. As at March 31, 2021, the Company has no financial instruments carried at fair value to classify in the fair value hierarchy.

As at March 31, 2021, carrying amounts of cash and cash equivalents, and amounts receivable on the statement of financial position approximate fair market value because of the limited term of these instruments. As at March 31, 2021, the Company held cash of \$214,437 and Share proceeds held in trust of \$250,238. The carrying amounts of accounts payable and accrued liabilities on the statement of financial position as at March 31, 2021 approximate fair market value because of the limited term of these instruments.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below. As this is the first reporting period, there have been no changes in the risks, objectives, policies and procedures.

(a) Credit Risk

The Company's credit risk is primarily attributable to cash and cash equivalents. The Company has no significant concentration of credit risk arising from operations. Management believes that the credit risk concentration with respect to cash and cash equivalents, and financial instruments included in amounts receivable is remote.

(b) Liquidity Risk

The Company attempts to have sufficient liquidity to meet its obligations when due. As at March 31, 2021, the Company had cash and cash equivalents of \$214,437 available to settle current liabilities of \$286,936. The Company's accounts payable are subject to normal trade terms.

(c) Market Risk

The Company is exposed to the following market risks:

(i) Interest Rate Risk

The Company has no cash and cash equivalents balances and no variable interest-bearing debt. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks.

(ii) Foreign Exchange Risk

While the Company's reporting currency is the United States dollar, major purchases could be transacted in Canadian dollars, Australian dollars, or United States dollars. As at March 31, 2021, the Company holds minimal foreign currency balances in cash. The effect of a 10% change in the exchange rate between the Canadian and US dollars would affect the statement of operations by \$18,000 dollars. The effect of a 10% change in the exchange rate between the Australian and US dollars would affect the statement of operations by \$8,000 dollars.

(iii) Price Risk

The Company is exposed to price risk with respect to commodity prices. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company.

(d) Sensitivity Analysis

The Company may hold balances in currencies other than United States dollars that give rise to foreign exchange risk. Based on management's knowledge and experience of the financial markets, the Company does not believe there would be any material movements as a result of changes in interest rates.

Off-Balance Sheet Arrangements

As at March 31, 2021, there were no off-balance sheet arrangements.

Outstanding Share Data

As at March 31, 2021, December 31, 2020, and the date of this MD&A, shares of common stock, warrants and stock options outstanding of the Company were as follows:

| | July 14, 2021 | March 31, 2021 | December 31, 2020 |
|---------------|---------------|----------------|-------------------|
| Common Shares | 127,815,982 | 127,815,984 | 100 |
| Warrants | — | — | — |
| Stock Options | 250,000 | — | — |
| Fully diluted | 128,065,982 | 127,815,984 | 100 |

The change in the common shares resulted from acquisition of EGGL US and EGGL AUS, acquisition of intellectual property, and settlement of shares for services items.

Should the Transaction with Range and concurrent Private Placement be successfully completed, the issued and outstanding securities of the Company and Range would be as follows:

| | EGGL CAN | Range | Private Placement | Post Transaction |
|---------------|-------------|------------|-------------------|------------------|
| Common Shares | 127,815,982 | 18,259,426 | 32,805,651 | 178,881,152 |
| Warrants | — | — | 1,794,200 | 1,794,200 |
| Stock Options | 250,000 | — | — | 250,000 |
| Fully diluted | 128,065,982 | 18,259,426 | 34,599,851 | 180,925,352 |

The concurrent Private Placement of 32,805,651 shares, upon conversion of the subscription receipts, raised gross proceeds of \$4,592,791. The Company issued 1,794,200 broker warrants in connection with this placement.

Risk Factors

The risk factors are discussed in the section entitled “Risk Factors” in the Company’s Form 2A Listing Statement dated July 14, 2021.

Cautionary Note Regarding Forward-Looking Statements

This MD&A contains certain “forward-looking information” as defined in applicable securities laws (collectively referred to herein as “**forward-looking statements**”). These statements relate to future events or the Company’s future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as “plans”, “expects”, “budgeted”, “scheduled”, “estimates”, “continues”, “forecasts”, “projects”, “predicts”, “intends”, “anticipates” or “believes”, or variations of, or the negatives of, such words and phrases, or statements that certain actions, events or results “may”, “could”, “would”, “should”, “might” or “will” be taken, occur or be achieved. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statements.

Forward-looking statements are based upon certain assumptions and other important factors regarding present and future business strategies and the environment in which the Company will operate in the future, which could prove to be significantly incorrect. Forward-looking statements are inherently subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company and/or its subsidiary to be materially different from those expressed or implied by such forward-looking statements. These factors are discussed in the section entitled “Risk Factors” in the Company’s Form 2A Listing Statement dated June ●, 2021.

Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this MD&A. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the Company’s actual results, performance or achievements to be materially different from any of its future results, performance or achievements expressed or implied by forward-looking statements. All forward-looking statements herein are qualified by this cautionary note. Accordingly, readers should not place undue reliance on forward looking statements.

The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward- looking statements, unless required by law.

All forward looking statements and information contained in this MD&A are qualified by this cautionary statement.