RANGE INTERNATIONAL

ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

Re>Pal™

Uniquely Sustainable

Contents

Operating and Financial Review

Operations Review

In 2018 Range continued implementing of the ‘back to basics’ strategy announced in 2017 with the primary objective of stabilising the Company’s business and resetting the Company’s platform for growth. Initially, the back to basics strategy focused on reducing excess overhead costs; in particular, direct factory redundancies were made in order to scale overheads to current production required to meet sales levels, the installation of capacitor banks and a more efficient use of extruder machines were implemented to reduce electricity levels in the short term. All overseas offices were closed or significantly scaled back to reduce corporate overheads. The continued aim of back to basics is to stabilise the business so that Range has a proven business model with a strong and growing future.

Capitalising off the back of the initial overhead reductions, the 2018 management team sought to reduce operational costs further. The waste plastic market on which Range relies to produce its pallets is crucial to the success of the Company. The Company identified that quality, pricing and trading terms were not being monitored closely enough and a review of all procedures, processes and terms was undertaken to improve this key area of the business. As a result of this review a number of staff were removed and a new range of raw materials suppliers were sourced to replace Re>Pal’s prior network. This was established with improved quality standards, reliability of supply and terms of trade as raw material quality directly affects the Company’s end product and customer satisfaction.

Additional efforts have been undertaken to further drive this key cost down and to diversify the sources from which Range obtains its waste plastic to decentralise its dependency on any one key area of supply. During 2018 the Company trialled an interim re-designed basic washing/centrifuging method of processing dirty waste plastic as an interim solution, pending a fuller review of the processing cycle including the waste cleaning/Waste Water Treatment Plant (WWTP) design, scheduled for April 2019. This interim cleaning solution involved leveraging existing equipment, electricity, and in-house labour to further reduce the price of raw materials. At the time of writing the trial is drawing to a close and it is anticipated that a reduction in raw material pricing is achievable depending on supplier agreements available at the time, at the time of writing we are evaluating potential savings through new wash plant methods. This is a key input cost for Re>Pal and as such is a key ingredient in contributing to lower production costs that feed into sustainable margins for the Re>Pal product.

Additional key expenses reduced during the 2018 year included renegotiating electricity costs with the government supplier for a year to lower overhead costs while the business is scaled appropriately. Negotiations continue with PLN on a new tariff regime for the industrial areas in which the factory is located. Director’s reduced their fees from 1 January 2019, and all major corporate suppliers have been approached to revise fees.

Operationally, and as mentioned above issues were encountered with the waste cleaning/ WWTP and the commissioning of the plastic pellet production equipment in 2017 and face ongoing reviews by the Company in 2018. The pelletizer review by the initial supplier is scheduled to occur at the end of April 2019. The aim of this is to improve throughput, of the pelletizing equipment which should allow for more efficient pellet production, a reduction of staff costs per kg of plastic produced and provide the efficiency to manage larger orders. Remedying the waste cleaning process and expanding the sources from which raw materials are obtained, are key additional steps to successful and efficient operations. In 2018 we faced issues with some client complaints. These were fully investigated and for good-will we offered credits to several companies as the odour issues were subjective. Since these events we have Quality Control processes now targeting humidity of raw materials and also for odour using an odour meter. The quality of the Re>Pal pallet is now extremely good and due to it using a mixed waste plastic stream, the Re>Pal pallet is also less brittle than some of its virgin material competitors.

Following the renewed focus on the Company’s current overhead structure the Company undertook a sales pricing review and increased sales prices during the 2018 year. Delivering an ISO quality pallet at the very low legacy pricing levels was not sustainable in the long-term. To improve margins, Company sales prices were increased by 30-50%, which has of course led us to lose some customers who were paying less than cost for a pallet and who then may have stayed using a timber pallet.

2018 saw the appointment of Stephen Bowhill to the role of CEO with a particular focus, among other areas, on leading and expanding sales. Two experienced Business Development Managers were also recruited in Indonesia for the Jakarta Industrial areas. A customer relationship management system was implemented in September 2018 to enable closer management and reporting of the sales pipeline.

Range remains highly focused on multi-national companies including logistics companies and large pan-Asia companies that understand and value the sustainability benefits that the Re>Pal product line brings to their supply chain. Sales cycles unfortunately remain longer than expected but overall the pipeline is expanding in Indonesia, Thailand, Vietnam and the Philippines, and many significant FMCG brand names such as Unilever Oleochemical, Nestle Philippines, Givaudan, IFF, DynaPack have provided repeat orders in 2018. These repeat orders from large brands are testament to the quality of the Re>Pal pallet, and also the sustainability angle of our product in the fast-moving consumer goods markets. Importantly, despite not having a physical presence in Thailand, Vietnam and the Philippines, clients in these countries remain able to ship pallets at commercially competitive rates from Indonesia, rather than relying on local manufacturers.

The Sustainability Development Goal framework and Paris Agreement is causing companies to treat sustainability with more seriousness, witness Nestle’s commitment to a supply chain that can be 100% recycled by 2025. Accordingly, Range is starting to see sustainability become a key focus for the logistics industry as underlying clients to the logistics market start to incorporate sustainability into their business models. There is more awareness that even pallet selection can be done in a more sustainable way, and this driver coupled with the access to timber in core markets of Indonesia and Philippines is becoming in tighter supply means the Company remains optimistic for the future of the Re>Pal pallet.

Outlook/Growth

Range’s key objectives for 2019 is to move the company to find its growth trajectory. Range will do this by achieving a higher volume of sales, at a sustainable price, within its core market of Indonesia and near-Asia as the shift to sustainability happens. This will be within the logistics markets and also to deliver higher sales of pallets of the NP and NSP pallet range in export businesses.

To help develop more opportunities the Company will look to make additional Re>Pal™ products in its portfolio that satisfies customer requirements, opening new markets and that can deliver positive cashflow to the Company. Range decided in early 2018 to focus on its core geographical sales markets of Indonesia, Thailand and the Philippines due to their large opportunities and close proximity to East Java. Range will continue to pursue this strategy.

2019 will see the Company focus on growth in clients understanding the value of adopting Re>Pal pallets as part of their move toward a sustainable future, resulting in growth from pallet sales, but also a further lowering of input costs through a variety of initiatives including diversity of new suppliers, new processing methods, new partnerships with new collection organisations, and reviewing potential local and global sources. Efficiency of plant processing throughput, rostering of staff and expanding waste suppliers and new treatment processes through 2019 will be a prime focus to achieve profitable growth.

The Board is confident that the fundamentals of the market are strong for Range to capitalise on. The 2018 management team and Board thank you for your continued support.

1. Financial Review

Results for the year

The Group reported a loss after tax of $7.2 million for the 2018 reporting period (2017: $34.8 million). The results include significant items of $1.1 million. (2017:$18.9 million). Note: All amounts in this Operating and Financial Review are in US dollars unless otherwise stated.

	2018 US$'000	2017 US$'000	YOY%
Sales revenue	1,655	1,383	20%
Cost of goods sold	(3,791)	(5,394)	(30%)
Gross loss	(2,136)	(4,011)	(47%)
Significant items	(1,115)	(18,908)	(94%)
Other expenses	(3,956)	(11,851)	(67%)
Income tax	-	(48)	(2%)
Statutory net loss after tax	(7,207)	(34,818)	(79%)

Revenue for the reporting period was $1.7 million, compared to the 2017 revenue of $1.4 million, representing an increase of 20% driven partially by a reset in market selling prices in the second half of the year and increased sales capacity within Indonesia and Philippines. Further detail of revenue by operating segment is disclosed in note 9.

Cost of goods sold decreased during the reporting period by $1.6 million in total, due to lower labour costs as a result of direct factory redundancies in order to scale to current production of $0.33 million. Raw materials costs were lower by $0.45 million due to increased quality controls and securing lower priced raw materials. Electricity costs were lower by $0.45 million due to optimizing non-peak electricity usage and re-negotiating a minimum fee with the government electricity provider for 12 months from October 2018. Other production costs were lower by $0.34 million.

Other expenses decreased significantly compared to 2017, as a result of implementing the Back to Basics program, which reduced fixed overheads and combined with a smaller Senior Executive team provided $3.0 million in savings. Professional fees were $1.2 million lower, and savings in other operating costs amounted to $2.7 million and a foreign exchange benefit of $1.4 million was recorded.

Significant items during 2018 are primarily related to write-off of equipment which was transferred from the original Bali facility being assessed as not suitable for the current configuration in the amount of $1.1 million, compared to 2017 significant items of $18.9 million including non-cash impairment charge and assets write-off of $17.9 million and restructuring costs totalling $1.0 million.

Range's focus has been to execute the back to basics plan, reset the Company's sales and optimise the current overheads structure with a view to extending the Company's cashflow runway into 2020. As at the end of December 2018, the Group had $3.3 million in cash. This includes, net cash used in operating activities of $4.2 million and cash used for investment activities of $1.6 million. The Company has no debt.

The attached annual report for the year ended 31 December 2018 contains an independent auditor's report which includes a material uncertainty related to going concern paragraph in regard to the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern. For further information, refer to Note 1 to the financial statements, together with the auditor's report.

Changes in Company Structure

During 2018, to accompany the implementation of the Back to Basics plan, the Group downsized its presence in China, Malaysia, and the Philippines. The Hong Kong subsidiary was de-registered. The continued operation of these subsidiaries is under review as part of the Back to Basics plan and the decision to limit the focus of sales efforts to Indonesia and the Philippines.

Risk

The Group's business is exposed to a range of risks that have the potential to impact the Group's financial and operational business performance.

The Board is responsible for recognising and managing risk and has established the Audit and Risk Committee to assist it in fulfilling these responsibilities, amongst others. The Audit and Risk Committee oversees the management of a risk register.

The Audit and Risk Committee reviews the Company's risk register on annual basis.

For each material risk to the achievement of the Company's strategic objectives, potential mitigation measures are identified for which a member of management is assigned responsibility to track progress in the extent to which potential mitigation measures are being implemented and any changes to the profile of the risk.

The following table represents a summary of the material business risks faced by the Company and the strategies adopted to manage those risks. Please refer to Note 20 to the Financial Statements for details of the Group's financial risk management and objectives.

The risks listed are not all encompassing nor are they listed in order of significance.

Material Business Risks	Risk Management Strategy
Risk of non-delivery of gross sales against objectives	Meeting Range's sales objectives involves not only offering products that meet customer requirements and market expectations on a timely basis, but also promoting and marketing such products effectively so that customers have good visibility of the products Range offers. It is important that Range anticipates the pricing and product features customers require and understands the trends in the pallet industry, to be competitive. An important part of understanding customer requirements is regular engagement with them. Range, through its sales force led by the CEO Stephen Bowhill, who works closely with FMCG customers to build awareness of Re>Pal products, understand customers' product needs and identify the product features that will be attractive to them. A customer relationship management system was implemented in September 2018 to enable closer management and reporting of the sales pipeline. These findings are reviewed by the CEO with the sales force and the customers directly, and informed considerations relating to product development, as well as the introduction of new products that are most likely to reflect the requirements of current and potential customers, are made. Range follows a continuous improvement approach to its products. The Board receives regular assessments of the likely markets and key customers expected to purchase Re>Pal products and how the sales team has been engaging with those customers. Range is focussing its sales and marketing efforts primarily in its home market, Indonesia and the Philippines in 2018 to allow focussed development of products, markets and specific customers.
Risk of inability to meet customer orders due to production constraints or quality standards	Meeting Range's strategic objectives is dependent on its ability to price and scale production accordingly and meet customer orders. In the near term, Range has adopted a build to customer purchase order approach. There is significant production factory capacity to fulfil existing forward orders. Factory capacity can also be increased in a short time frame. The Company reviews its production processes with a view to ongoing continuous improvement of production efficiencies. The Company has yet to finalize commissioning of material pre-processing and the Pelletizer machine, and is working with its equipment suppliers; to remedy both of these items. Production of pallets is not predicated on this material pre-processing equipment and therefore pallet output is not affected, by this equipment. Range also has the experienced personnel to ensure the regular servicing and maintenance of our production equipment. Downtime has been included in the production schedule to allow for maintenance. The Company undertakes performance monitoring and has implemented quality control processes.

Risk of non-delivery of objectives due to inadequate supply and quality of raw materials	The production of Range's Re>Pal pallets is dependent upon having an uninterrupted and sufficient supply of low cost waste plastic of the required quality. Range continues to source raw materials in Indonesia and continues to review opportunities for diversifying the source of raw materials including off shore options. Range continues to develop its pre-processing capabilities with a view to facilitating processing of multiple raw materials sources within the production process. The Board receives monthly updates on the Company's supply of raw materials and the activities of the procurement team. This continues to be a focus area for the management team in 2019.
Risk of loss of protection of intellectual property rights	Protecting Range's proprietary technology is an important part of Range being able to compete successfully. Range relies on a combination of trade secret, confidential information and trademark laws, non-disclosure and other contractual agreements and technical measures to protect its proprietary rights. The Board and management recognise the importance of implementing a considered strategy in respect of intellectual property matters, including protecting the Group's proprietary technology in order that the Group may compete successfully. The Company trains its staff in the requirements of the Company's intellectual property protection strategy and has implemented a non-disclosure agreement protocol. The Company has ensured the secure storage of intellectual property and where appropriate, registration of its intellectual property interests.
Risk of potential litigation such as breach of third party intellectual property rights	The Company recognises that intellectual property litigation poses risks and uncertainties that may materially and adversely affect or disrupt its business or results of operations. The Audit Committee has established a Legal Matters Register on which management report at each Audit Committee meeting.
Risks associated with operating in foreign countries	Operating in a foreign country creates various risks to the business. The Company is managing these risks by engaging accounting and legal professionals and other third parties to advise and assist in respect of the establishment and running of our overseas offices and by engaging experienced local personnel in our Pasuruan factory.
Risks relating to workplace health and safety	The health and safety of Range's people is a key priority for the Range Board. The Company manages health and safety risks by engaging experienced workplace health and safety personnel in the Pasuruan Factory. Staff undertake appropriate training where required.
Bribery and corruption	Range recognises that allegations of bribery or corruption could significantly damage Range's reputation and impact Range's financial performance. The Company requires all staff to comply with its Code of Conduct and Anti-Corruption and Bribery Policy.
Reliance on key staff	The successful achievement of Range's objectives is reliant on the capabilities of a number of key employees. The loss of one or more of the key employees and any delay in their replacement may adversely impact the ability of Range to implement and expand its business and growth strategies.
Risk associated with the current enterprise resource planning system	Range's current enterprise resource system does not capture all activities of the business (such as production planning and management) and may be unable to scale-up with future business growth and associated complexity. In 2017 and in connection with the back to basics strategy, Range decided to defer implementation of a comprehensive enterprise resource planning system subject to the business' growth.
Development of competing products	Range operates in a competitive global pallet market. Competitors or new entrants might develop new products or technologies which compete with Range and its ThermoFusion™ technology. Range regularly monitors information relating to the global pallet market to inform itself of available products.
Liquidity and funding	The operating and financial performance of Range and its ability to grow, is partly reliant on its ability to manage all of its activities which generate cashflow and if needed, secure sufficient capital. There is a risk that Range may not be able to access capital from debt or equity markets for future expansion or may only be able to do so on restricted terms. The inability to access required capital could have a material adverse impact on Range's business and financial condition. Refer to note 1 within the financial report.

Directors Report

Your Directors present their report on the consolidated entity consisting of Range International Limited (ASX: RAN) (referred to hereafter as 'Range' or 'the Group'), and the entities it controlled at the end of, or during, the year ended 31 December 2018.

Directors

The Directors of Range International Limited ('the Company') during the year and up to the date of this report are shown below.

Name	Position title	Term
Non-Executive Directors		
Peter Wallace	Non-Executive Director Non-Executive Chairman	Appointed 10 September 2018 to 24 January 2019. Appointed 24 January 2019
Kenn McMillan	Non-Executive Director	Appointed 28 February 2018
Stephen Bowhill	Non-Executive Director	Appointed 28 February 2018 / Resigned 10 September 2018
Stewart Hall	Non-Executive Chairman	Appointed 1 January 2018 / Resigned 28 February 2018
William (Bill) Koeck	Non-Executive Director	Appointed 10 June 2016 / Resigned 28 February 2018
Mark Daniel	Non-Executive Chairman	30 October 2017 – 1 January 2018 / Resigned 1 January 2018
Matthew Darby	Non-Executive Director	30 October 2017 - 28 February 2018 and from 24 January 2019
Executive Chairman		
Matthew Darby	Executive Chairman	Appointed 28 February 2018 to 24 January 2019

Board of Directors

Information on the qualifications, experience and special responsibilities of each Director is set out below.

Matthew Darby, Founder and Executive Chairman

Experience: Matthew has an entrepreneurial background having founded a number of companies prior to Range. His first venture was Media Partners, which he founded in 1992. Media Partners was a specialist advertising company, which was sold to US based TMP Worldwide in 1996. Following this, he started EStarOnline in 1997. EStarOnline was a proprietary logistic software system company used by companies such as Village Roadshow and the Rugby World Cup. The company was listed on NZX in 1999 and Matthew exited the business and divested his shareholding in 2002. In 2002, Matthew founded Range with the aim of developing sustainable technology for the pallet industry. He led the Company through nearly 10 years of research and development before moving the business to Indonesia in 2012. Matthew assumed the role of Executive Chairman on 28 February 2018 to lead the Back to Basics strategy and returned to a non-Executive Director role on 24 January 2019.
Interests in shares and options:
19,098,899 shares; 1,413,448 options
Other Directorships in the last three years
Nil

Kenneth Andrew MacMillan, Non-Executive Director

Qualifications: Bachelor of Economics, RG146 registered, Accredited Derivatives Advisor (levels 1 and 2)
Responsibilities: Chair of Audit and Risk Committee and Member of Remuneration and Nomination Committee
Experience: Kenn has over 26 years of financial services experience, beginning in 1990 as a Client Advisor at JB Were & Son and then Merrill Lynch in 1998. He was promoted to head Merrill Lynch's Australian Private Client business in 2000 where he was responsible for managing the entire business including the national team of client advisors. Kenn joined UBS Wealth Management in 2004 as head of its Sydney office and was promoted to Managing Director in 2007. In January 2013 Kenn joined Quantum as head of Qsmart Securities Pty Ltd and in July 2017 joined Peloton Capital. Kenn has significant experience managing financial services businesses and advising professional investors and corporate clients on all aspects of their businesses including raising capital, strategy and investment in all asset classes, particularly domestic and international equities and domestic and international fixed income and foreign exchange.
Interests in shares and options
Nil
Other Directorships in the last three years
Nil

Peter Francis Wallace, Non-Executive Director

Qualifications: Bachelor of Commerce, Masters of Business Administration and is a Chartered Accountant
Responsibilities: Chair of Remuneration and Nomination Committee and a Member of Audit and Risk Committee
Experience: Peter has over 30 years' experience as a Director in various listed and unlisted companies, having worked in private equity, corporate advisory, non-executive directorships and financial control. He has primarily worked with emerging growth companies providing sound, independent, creative and experienced counsel, in a wide range of industries including distribution, financial services, healthcare, biotechnology, information technology, manufacturing and retail. Having undertaken numerous IPOs and takeovers and is well versed in contemporary directors responsibilities through current roles, and as a Fellow of Australian Institute of Company Directors.
Interests in shares and options
200,000 shares
Other Directorships in the last three years
Peter is currently non-executive chairman of ASX listed, Ambertech Limited, non-executive director of The Executive Connection Pty Limited and Carte Blanche Australia Pty Limited. Peter was a non-executive director of ASX listed THC Global from 2017 to 2018.

Persons who ceased to hold office during or since the end of the financial year

Stephen John Bowhill, Non-Executive Director

Qualifications: Physics (BSc. Hons) from Birmingham University, UK
Responsibilities: Member of Audit and Risk Committee and Member of Remuneration and Nomination Committee
Experience: Stephen has over twenty-five years of business leadership experience with a proven track record and focus on sales growth and business transformation, having led and grown several businesses in Australia and run sales teams in Asia and Australia. Stephen is currently a Director of the Australian and Asian activities for VivoPower International PLC, a Nasdaq listed global solar developer (NASDAQ: VVPR), and serves on the Board of VivoPower's Australian subsidiary companies (Aevitas, Kenshaw and J.A.Martin). Prior to VivoPower, he was Managing Director of an Australian Securities Exchange (ASX) listed IT research company, IDEAS International (ASX:IDE). Within five years, he delivered a ten-fold increase in the company's valuation and secured its sale to Gartner Inc. Before this, Stephen ran a portfolio management software company, Garradin, which he successfully turned around - resulting in a doubling of the business within 3 years and a subsequent trade sale to Bravura, an ASX listed company. Stephen's first position in Sydney, after relocation from Asia, was Regional Vice President, RBC Global Services, managing the sales and relationship management teams. Before moving to Australia, Stephen worked in Singapore and in Hong Kong distributing software for K-Tek International (acquired by Sungard). He was in London and Hong Kong prior to this with Financial Times Information.
Interests in shares and options
1,030,000 shares; 12,000,000 options
Other Directorships in the last three years
Nil

Mark Daniel, Non-Executive Director

Mr Daniel was appointed a director on 10 June 2016 and resigned on 1 January 2018.
Qualifications: BCom(Econometrics)(UNSW), GradDip Accounting and Finance (UTS), MAICD
Responsibilities: Chair of the Remuneration and Nomination Committee and Member of the Audit and Risk Committee
Experience: Mark has more than 25 years' professional experience in supply chain and logistics, including prior senior management roles with Coca-Cola Amatil Indonesia, Linfox and Pacific Brands. Prior to this, he served 13 years with the Royal Australian Navy. Most recently, Mark was President of China Merchants Loscam International from 2008 until 2015. China Merchants Loscam International is one of the leading international pallet pooling businesses with operations across Australia, China, Hong Kong, Indonesia, Malaysia, New Zealand, Philippines, Singapore, Thailand and Vietnam.
Interests in shares and options
50,000 shares.
Other Directorships in the last three years
Nil

Stewart Hall, Non-Executive Director

Mr Hall was appointed on 10 June 2016 and resigned on 28 February 2018
Qualifications: BCom (UNSW)
Experience: Stewart is a professional with over 30 years of international corporate experience across various geographies. He has spent 15 years operating in Indonesia in senior positions, most notably as CEO for Standard Chartered Bank and then President, Director & CEO for PermataBank. Stewart's core strength is building high performance businesses through leadership and engagement of management teams to execute successfully on a vision and strategy. Stewart was appointed a director of Range International Holdings Limited in October 2012 when Range moved to Indonesia. He was later appointed, Executive Chairman. As part of the restructure of Range in 2016, Stewart's role as Executive Chairman was transferred from RIHL to Range International Limited. Stewart became a Non-Executive Director on 18 May 2017.
Interests in shares and options
8,584,504 shares.
Other Directorships in the last three years
Nil

William (Bill) Koeck, Non-Executive Director

Mr Koeck was appointed on 10 June 2016 and resigned on 28 February 2018
Qualifications: LLB, LLM (Hons), GradDip Applied Corporate Finance, MAICD
Responsibilities: Chair of the Audit and Risk Committee and Member of the Remuneration and Nomination Committee
Experience: Bill has over 40 years' experience in Australian and international corporate law specialising in mergers and acquisitions, equity capital markets, private equity, restructures and corporate governance. Bill has advised clients across a broad range of industry sectors including transport and logistics, manufacturing, consumer goods and energy and resources as a senior partner at Ashurst, a global law firm. Bill was appointed to the Australian Takeovers Panel in 2015. Bill was previously chairman of former ASX listed entity Fleet Capital Limited.
Interests in shares and options
249,388 shares.
Other Directorships in the last three years
Nil

Company Secretary

Kim Bradley Ware, BCom, LLB, CPA

Kim was engaged by Range as Chief Financial Officer and Company Secretary on 1 April 2018. She is an experienced corporate governance professional with more than 20 years financial, commercial and company secretarial experience gained in private practice and in-house roles.

Principal activities

The Groups' principal activity in the course of the financial year was the manufacture of plastic pallets made from 100% recycled mixed waste plastic. There was no significant change in the nature of the Group's activities during the financial year.

Remuneration Report

The remuneration report required under section 300A(1) of the Corporations Act 2001 is set out within this report and forms part of the Directors' Report.

Review and Results of Operations

Information on the operations and financial position of the Group and its business strategies is set out in the review of operations and activities of this annual report.

Significant Changes in the State of Affairs

There have been no significant changes in the state of affairs of the Group since the end of the financial year.

Going Concern

During the year, the Group incurred an operating loss after tax of $7.2 million (FY2017: $34.8 million), net operating cash outflows of $4.2 million (FY2017: $13.1 million) and investing cash outflows of $1.6 million (FY2017: $12.0 million).

As at 31 December 2018 the Group has cash and cash equivalents of $3.3 million (Dec 2017: $9.7 million).

To preserve the cash on hand the Board implemented a number of cost savings measures during the reporting period to reduce the expense base, including reducing headcount, administrative costs, a focus on accounts receivable collections and lowering raw materials costs. Other cost restructure efforts have allowed Range to extend its cash flow runway. In addition the Board is working hard to give the business more sales capacity and strengthen the sales pipeline.

The Group's ability to continue as a going concern, to recover the carrying value of its assets and meet its commitments as and when they fall due is dependent on the ability of the Group to deliver its sales targets, improve its margins, manage its cost base and/or access additional sources of capital. The Directors believe the reductions in production and administrative costs combined with current and prospective sales in its pipeline will further extend the Company's cash flow runway. As a result of these matters, there is a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern and, therefore, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. However, the Board and management believe that the consolidated entity will be successful in the above matters and, accordingly, have prepared the financial statements on a going concern basis.

At this time, the Board and management are of the opinion that no asset is likely to be realised for an amount less than the amount at which it is recorded in the financial report at 31 December 2018. Accordingly, no adjustments have been made to the financial report relating to the recoverability and classification of the asset carrying amounts or the amounts and classification of liabilities that might be necessary should the Group not continue as a going concern.

Dividends

There is no current intention for Range to pay a dividend. In the event that Range reaches profitability, it may consider the payment of a dividend, although for the foreseeable future it expects to reinvest any free cash flow in the further expansion of the business.

Subsequent events

Other than as disclosed in the financial statements, the Directors are not aware of any matter of material circumstances which has arisen since the end of the financial year which would be expected to have a material effect on the financial or operating performance or results of the Group.

Likely developments in future years

Continued growth in the global demand for pallets, more global focus on environmental issues and possible need for fresh capital which will allow the growth in the Company's production capacity are expected to provide a favourable platform for the future. Range will continue with its longer-term strategy of developing its product range, developing its sales capability, driving product quality, and ultimately scaling up production.

Environmental regulations

The Company's operations are not subject to any particular and significant environmental regulation under a law of the Commonwealth or of a State or Territory.

Meetings of Directors

The number of Board and Board Committee meetings held and attended by each Director during the year ended 31 December 2018 is detailed below:

Director	Board		Audit & Risk Committee		Remuneration & Nomination Committee		Special Purpose Committee	
	Held	Attended	Held	Attended	Held[1]	Attended	Held[1]	Attended
Matthew Darby	17	15	1	1	1	1	-	-
Kenneth MacMillan	10	10	2	2	2	2	1	1
Peter Wallace	3	3	1	1	1	1	-	-
Stephen Bowhill	9	8	1	1	1	1	-	-
William(Bill) Koeck	8	7	1	1	-	-	-	-
Mark Daniel	-	-	-	-	-	-	-	-
Stewart Hall	8	8	1	1	-	-	-	-

Corporate governance

The Company and the Board are committed to achieving and demonstrating the highest standards of corporate governance. The Company has reviewed its corporate governance practices against the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (3rd edition) and the Company's corporate governance statement which can be found on its website at http://investors.rangeinternational.com/Investors/?page=corporate-governance

Indemnification of officers

The Company has entered into a deed of access, indemnity and insurance with each Director, which confirms each Director's right of access to certain books and records of the Company while they are a Director and after they cease to be a Director. The deed also requires the Company to provide an indemnity for liability incurred as an officer of the Company and its subsidiaries, to the maximum extent permitted by law.

Pursuant to the Company's Constitution, to the fullest extent permitted by law, the Company must indemnify each officer of the Company and its wholly owned subsidiaries and may indemnify its auditor against any liability incurred as such an officer or auditor to a person (other than the Company or a related body corporate). The deed of access, indemnity and insurance restates this indemnity and also provides that the Company must advance to the Director, costs reasonably incurred by the Director in connection with certain proceedings.

The Company's Constitution also allows the Company to enter into and pay premiums on contracts of insurance, insuring any liability incurred by a current or former Director and officer of the Company. The deed of access, indemnity and insurance requires the Company to use its best endeavours to maintain an insurance policy, which insures the Director against liability as a Director and officer of the Company from the date of the deed until the date which is seven years after the Director ceases to hold office as a Director.

During the reporting period, the Company entered into and paid premiums on:

(i) a contract of insurance in respect of the Directors and other officers of the Company insuring them in accordance with the requirements of the Company's Constitution and the deeds of access, indemnity and insurance. The insurance policy prohibits disclosure of the nature of the cover, the amount of the premium, the limit of liability and other terms.

(ii) a contract of insurance in respect of the Directors insuring them for costs incurred in defending proceedings relating to alleged conduct involving a wilful breach of duty or a contravention of Sections 182 or 183 of the Corporations Act 2001 provided that to the extent it is finally established in a final and non-appealable judgement or adjudication adverse to the insured that such conduct occurred, any previously advanced amounts must be repaid to the insurer (as permitted by Section 199B of the Corporations Act).

Non audit services

The following non-audit services were provided by the entity's auditor, PriceWaterhouseCoopers (PwC). The Directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001.* The nature and scope of each type of non-audit service provided means that auditor independence was not compromised.

PwC received or are due to receive the following amounts for the provision of non-audit services:

	US$'
Other assurance services	15,295
	15,295

After Balance Date Events

Other than the activities described in the Directors' report above there were no other significant changes in the state of affairs of the Company for the year ended 31 December 2018.

Auditor's Independence Declaration

The Auditor's independence declaration, as required under section 307C of the Corporations Act 2001, is set out on page 13.

Rounding of amounts

The Company is of a kind referred to in Legislative Instrument 2016/191 issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the Directors' Report. Amounts in the Directors' Report and in the financial report have been rounded off in accordance with that Legislative Instrument.

This report is made in accordance with a resolution of Directors.

Peter Wallace
Chairman
29 March 2019

Auditor's Independence Declaration

As lead auditor for the audit of Range International Limited for the year ended 31 December 2018, I declare that to the best of my knowledge and belief, there have been:

(a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Range International Limited and the entities it controlled during the period.

Mark Dow
Partner
PricewaterhouseCoopers

Sydney
29 March 2019

PricewaterhouseCoopers, ABN 52 780 433 757
One International Towers Sydney, Watermans Quay, Barangaroo, GPO BOX 2650, SYDNEY NSW 2001
T: +61 2 8266 0000, F: +61 2 8266 9999, www.pwc.com.au

Level 11, 1PSQ, 169 Macquarie Street, Parramatta NSW 2150, PO Box 1155 Parramatta NSW 2124
T: +61 2 9659 2476, F: +61 2 8266 9999, www.pwc.com.au

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Remuneration Report

The Directors present the Company's remuneration report for the period 1 January 2018 to 31 December 2018 (FY18) (Report).

The Report has been prepared in accordance with the disclosure requirements of the Corporations Act 2001 (Cth), the regulations made under that Act and Australian Accounting Standard AASB 124: Related Party Disclosures and outlines the remuneration arrangements for the Key Management Personnel of the Group (KMP) during FY18. KMP are those persons who directly or indirectly had authority and responsibility for planning, directing and controlling the Group's activities during the reporting period.

KMP

The Board has determined that the following individuals were KMP during FY18 within the meaning of Australia Accounting Standard AASB 124:

Name	Position title	Term as KMP
Non-Executive Directors		
Peter Wallace	Non-Executive Director Non-Executive Chairman	Appointed 10 September 2018 to 24 January 2019 Appointed 24 January 2019
Kenn McMillan	Non-Executive Director	Appointed 28 February 2018
Stephen Bowhill	Non-Executive Director	Appointed 28 February 2018 / Resigned 10 September 2018
Stewart Hall	Non-Executive Chairman	Appointed 1 January 2018 / Resigned 28 February 2018
William (Bill) Koeck	Non-Executive Director	Appointed 10 June 2016 / Resigned 28 February 2018
Mark Daniel	Non-Executive Chairman	30 October 2017 – 1 January 2018 / Resigned 1 January 2018
Matthew Darby	Non-Executive Director	30 October 2017 - 28 February 2018 and from 24 January 2019
Executive Chairman		
Matthew Darby	Executive Chairman	Appointed 28 February 2018 to 24 January 2019
Executive Management		
Stephen Bowhill	Chief Executive Officer (CEO)	Appointed 10 September 2018
Kim Bradley Ware	Chief Financial Officer and Company Secretary	Appointed 1 April 2018
Jonathan Guyett	Chief Executive Officer (CEO)	30 October 2017 – 30 April 2018
Evasio Barbero	Chief Financial Officer	6 November 2017 – 30 April 2018
Matthew Allard	Head of Product Development	6 November 2017 – 31 July 2018
Rachelle Woodsford	Head of Global Sales and Marketing	25 April 2017 – 11 February 2018
Bambang Garnadi	Head of Global Operations	1 January 2017 – 1 April 2018 / Not considered KMP after 1 April 2018

The terms Non-Executive Directors', 'Executive Directors and Executive Management' are used in this Report to describe the persons grouped under these headings in the table above. 'Executive KMP' means the Executive Directors and Executive Management.

Determination of KMP Remuneration

Role of the Board and Remuneration and Nomination Committee

The Company's Board of Directors has reserved to itself for decision the following remuneration related matters:

(i) the determination of the CEO's remuneration arrangements and review of the CEO's performance; and
(ii) approval of:
   a. the Company's remuneration policy including:
      i. the remuneration of Executive Directors, the Chief Financial Officer, the Company Secretary and senior executives;
      ii. industrial instruments or agreements of general application to some or all of the Company's employees; and
      iii. incentive plans; and
   b. the performance evaluation of senior executives and any other officers as the Board may determine.

To assist the Board in making decisions on the above matters, the Board has delegated responsibility to the Remuneration and Nomination Committee (**Committee**) in respect of:

- reviewing and making recommendations to the Board on the remuneration arrangements for the KMPs including contractual terms, annual remuneration and participation in any short or long term incentive plans;
- reviewing and recommending short term incentive strategies, performance targets and bonus payments for employees;
- reviewing and recommending to the Board implementation of, or any major changes to, employee equity incentive plans;
- recommending to the Board whether offers are to be made under the Company's employee equity incentive plans in respect of a financial year and the terms of performance hurdles or other conditions;
- assessing and recommending to the Board whether performance hurdles or other conditions have been satisfied in respect of a particular award under an employee equity incentive plan;
- overseeing the processes for the performance evaluation of the executives reporting to the Managing Director and reviewing the results of that performance evaluation process; and
- reviewing and approving the remuneration arrangements for senior management including contractual terms, annual remuneration and participation in any short or long-term incentive plans.

On 31 December 2018 the Committee's two members are the Company's two Non-Executive Directors – Ken McMillan and Peter Wallace - Chair of the Committee.

No remuneration consultants were engaged during FY18.

Remuneration policy and link to performance

Remuneration Policy

The Company has established a formal remuneration policy to provide a framework for the making of decisions about pay design and reward to ensure fair and consistent decisions are made.

The purpose of the Company's pay design is to: attract, incentivise and retain the management talent the Company needs to build its business; balance value creation for shareholders, employees and customers; and drive good performance within a pay governance framework that is appropriate for an Australian listed company.

KMP remuneration elements FY18

Executive KMP remuneration in FY18 was comprised of the following elements:

Component	Fixed remuneration
Determination	Based on relevant market relativities reflecting responsibilities, performance, qualifications, experience and geographic location.
Delivery	Salary plus benefits including any fixed elements relating to local markets such as superannuation or equivalents. All income taxation on net fixed remuneration is for the Company's account.
Total target remuneration	Set by reference to the relevant geographic market for each KMP which in FY18 was Australia. Intended to be positioned in the 60th percentile compared to the relevant market benchmark comparison. The Committee has determined that this is appropriate given the present size of the Company and market penetration of its product.

KMP incentive strategy in FY18

Short Term Incentive (STI)

Due to the resignation and departure of all the Executives in office at the commencement of FY 2018 there was no assessment of entitlement to an STI, for these KMPs.

No STI targets were set by the Remuneration Committee for Senior Executives under their employment contracts for FY 2018. This was based on the Company's performance during FY2017 and the results of the Company's Operational Review (as announced on 20 December 2017) that identified a number of challenges impacting the Company's ability to reach operational cashflow breakeven and the restructure of the Company's Senior Management team as part of the Back to Basics program. The Company amended its Remuneration Policy temporarily to Fixed Remuneration only.

Mr Bowhill commenced as CEO on 10 September 2018. Mr Bowhill's STIs as set out in his Employment contract are not applicable until FY 2019. Please refer to KMP Contractual Arrangements for details of the STIs.

Long Term Incentives (LTI)

No LTI targets were set by the Remuneration Committee for Senior Executives under the ESOP in FY18.

Non-Executive Directors' remuneration

The Company's Non-Executive Directors are remunerated in accordance with the Company's Constitution which provides for an aggregate pool that is set and varied only by approval of a resolution of shareholders. During FY17 shareholder approval was sought and granted to increase the aggregated fee pool as set by the Constitution from A$500,000 to A$750,000. The total fees paid to Non-Executive Directors in FY18 was within the approved aggregate fee pool of A$750,000.

The remuneration paid to the Company's Non-Executive Directors consists of base salary and fees for chairing a Board Committee. Annual Non-Executive Directors' fees were A$90,000 and the annual fee for the role of chairing a Board Committee was A$15,000. Superannuation contributions provided by the Company are included in these amounts. On 1 January 2019, the Directors reduced their remuneration to $90,000 for the Non-Executive chair and $50,000 for Non-Executive Directors, there are no annual fee for the role of chairing a Board Committee in 2019.Non-Executive Directors are entitled to be reimbursed for expenses reasonably incurred in performing their duties. They do not receive any performance based remuneration, nor are they entitled to retirement or termination benefits other than statutory superannuation contributions.

During FY17 two of the Non-Executive Directors, David Lee and Stewart Hall, agreed to take 6 months of their annual fees in respect of their services as directors in the form of Company shares. Accordingly, David was issued 150,000 shares and Stewart was issued 150,000 shares at a share price of A$0.30 during the Company's Capital Raising in September 2017.

During FY17 Bill Koeck, performed additional consulting work in respect of the capital raising and recruitment of executives. Bill agreed to payment for these services in the form of Company Shares. Accordingly, Bill was issued 133,333 shares at a share price of A$0.30.

No options were granted during 2018 year to Non-Executive Directors.

Executive Directors' remuneration

On 28 February 2018 the Company announced a restructure of its Senior Management team with Matthew Darby being appointed as Executive Chairman. The remuneration paid to the Company's Executive Chairman remained the same as his Non-Executive Annual base salary and fees of A$90,000, any applicable superannuation contributions provided by the Company are included in these amounts. In addition to this fee, until 1 December 2018 the Executive Chairman was paid an annual fee of A$90,000 as Commissioner for the Group's operating entity PT Re>Pal Internasional Indonesia (Indonesian based entity).After 1 December 2018 this fee was reduced to A$30,000.

The Executive Chairman is entitled to be reimbursed for expenses reasonably incurred in performing his duties. He did not receive any performance based remuneration, during FY 2018 nor is he entitled to retirement or termination benefits other than statutory superannuation contributions.

KMP Contractual Arrangements

The CEO has an ongoing employment contract with the Group. The key terms of Executive KMP contracts are detailed in table below:

Term	CEO
Duration	No fixed term
Notice period	6 months either party
Termination for misconduct	Immediate dismissal, no notice
Termination payments	Nil, however, the Company may elect to pay Mr Bowhill in lieu of working out the notice period.
Post Employment	Mr Bowhill is unable to compete with the Company or be employed or involved in a joint venture in which the Company has an interest of more than 25%, for maximum restraint period of six (6) months from the termination date.
STI	STIs are not applicable until FY 2019: • 10% of EBITDA within 14 days of publication of the audited annual accounts each financial year; • A commission payment of 10c per pallet order for FY19, and an accelerator payment of 50c per pallet order, for FY 2019 once pallet purchase orders exceed 300,000; • A cash payment to be made six months from the date of appointment equal to the amount of any increase in the Company's share price above 7.5 cents, multiplied by twelve million (12,000,000).

Loans and other transactions with KMPs or entities over which they have influence

The Company outsourced the CFO and Company Secretarial role to Company Matters Pty Limited for 2018. Company Matters Pty Limited 2018 remuneration comprised US$170,434 inclusive of GST. Remuneration is paid on hourly rates basis.

There were no loans or other transactions transacted with KMPs during FY18.

KMP Remuneration Outcomes for FY18

The table below shows the accounting expense of remuneration received by the KMP during FY18.

KMP Statutory Disclosures

KMP remuneration

Set out in the following table is the remuneration received by KMP for the financial year ended 31 December 2018.

	Fixed Remuneration					Variable Remuneration		% Remuneration		
KMP	**Salary & Fees[1]**	**Other Benefits[2]**	**Post-employment benefits[3]**	**Accrued leave**	**STI Bonus**	**LTI Value of Equity[5]**	**Total**	**Fixed**	**STI**	**LTI**
Financial Year 31 Dec 2018	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**%**	**%**	**%**
Non-Executive directors										
Bill Koeck	11,986	-	1,139	-	-	(13,718)	-593	100%	-	-
Stewart Hall	11,250	-	-	-	-	(69,930)	-58,680	100%	-	-
Matthew Darby	22,500	-	-	-	-	8,271	30,771	73%	-	27%
Ken Macmillan	65,625	-	-	-	-	-	65,625	100%	-	-
Peter Wallace	24,609	-	-	-	-	-	24,609	100%	-	-
Stephen Bowhill	41,280	-	-	-	-	-	41,280	100%	-	-
Sub-total non-executive directors	**177,250**	**-**	**1,139**	**-**	**-**	**(75,377)**	**103,012**			
Executive directors							0			
Matthew Darby[6]	108,750	-	-	-	-	39,979	148,729	73%	-	27%
Sub-total executive directors	**108,750**	-	-	-	-	**39,979**	**148,729**			
Senior management										
Stephen Bowhill	64,329	989	4,922	5,442	-	-	75,682	100%	-	-
Jonathan Guyett[4]	136,365	-	-	-	-	(9,077)	127,288	100%	-	-
Evasio Barbero	82,261	-	-	-	-	(3,938)	78,323	100%	-	-
Matthew Allard	133,307	-	-	-	-	(5,875)	127,432	100%	-	-
Bambang Garnadi	27,727	598	-	6,492	-	(14,447)	20,370	100%	-	
Rachelle Woodsford	40,125	23	4,152	-	-	-	44,300	100%	-	-
Sub-total senior management	**484,114**	**1,610**	**9,074**		**-**	**(33,337)**	**473,395**			
TOTAL	**770,114**	**1,610**	**10,213**	**11,934**	**-**	**(68,735)**	**725,136**			

1. Includes the value of individual incomes taxes accrued on behalf of the KMPs by the Company.
2. Other benefits comprise of medical and car allowances.
3. Post-employment benefits are provided through a contribution pension plan. The amounts disclosed as remuneration represent each person's share of the current service cost of the plan measure in accordance with AASB119 *Employee Benefits.*
4. On 24 April 2018 Jonathan Guyett re-paid US$166,611 of a lump-sum sign on payment of US$250,000 paid in 2017 (not included in the table above).
5. LTI Value of Equity includes negative amounts for options forfeited during the year (not included in % remuneration in the table above).
6. The Company outsourced the CFO and Company Secretarial role to Company Matters Pty Limited for 2018. Company Matters Pty Limited 2018 remuneration comprised US$170,434 inclusive of GST

KMP Statutory Disclosures

KMP remuneration

Set out in the following table is the remuneration received by KMP for the financial year ended 31 December 2017.

	Fixed Remuneration					Variable Remuneration			% Remuneration		
KMP	Salary & Fees[1]	Other Benefits[2]	Post-employment benefits[3]	Termination	Accrued leave	STI Bonus	LTI Value of Equity[6]	Total	Fixed	STI	LTI
Financial Year 31 Dec 2017	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**$**	**%**	**%**	**%**
Non-Executive directors											
Bill Koeck[11]	36,861	-	3,502	-	-	-	40,203	80,566	50%	-	50%
Mark Daniel	42,127	-	4,002	-	-	-	9,450	55,579	83%	-	17%
David Lee	-	-	-	-	-	-	34,597	34,597	-	-	100%
Stewart Hall	5,766	-	-	-	-	-	-	5,766	100%	-	-
Matthew Darby	23,065	-	-	-	-	-	-	23,065	100%	-	-
Sub-total non-executive directors	**107,819**	**-**	**7,504**	**-**	**-**	**-**	**84,250**	**199,573**			
Executive directors											
Stewart Hall	135,000	10,575	-	-	-	-	74,776	220,351	66%	-	34%
Matthew Darby	278,598	13,849	-	-	-	-	48,177	340,624	86%	-	14%
Lars Amstrup	134,631	66,899	-	116,206	15,990	-	(25,052)	308,674	70%	-	-8%
Sub-total executive directors	**548,229**	**91,323**	**-**	**116,206**	**15,990**	**-**	**97,901**	**869,649**			
Senior management											
Jonathan Guyett[4]	47,423	19,244	-	-	5,556	250,000	148	322,371	22%	78%	-
Evasio Barbero	49,698	-	-	-	3,272	-	64	53,034	100%	-	-
Matthew Allard	46,125	-	-	-	-	-	64	46,189	100%	-	
Geoff Walker	226,375	37,190	1,957	90,696	13,873	-	(6,267)	363,824	77%	-	-2%
Ken Brandt	144,964	26,696	-	90,768	19,875	-	(6,267)	276,036	69%	-	-2%
Bambang Garnadi	111,653	6,768	-	-	5,302	-	6,752	130,475	95%	-	5%
Rachelle Woodsford	150,164	-	6,948	-	18,403	-	-	175,515	100%	-	-
Sub-total senior management	**776,402**	**89,898**	**8,905**	**181,464**	**66,281**	**250,000**	**(5,506)**	**1,367,444**			
TOTAL	**1,432,450**	**181,221**	**16,409**	**297,670**	**82,271**	**250,000**	**176,645**	**2,436,666**			

1. Includes the value of individual incomes taxes accrued on behalf of the KMPs by the Company. The Company has structured all new KMP fixed remuneration such that all taxation on fixed remuneration will be for the KMP's account.
2. Other benefits comprise of housing, medical and car allowances.
3. Post-employment benefits are provided through a defined benefit and contribution pension plan. The amounts disclosed as remuneration represent each person's share of the current service cost of the plan measure in accordance with AASB119 *Employee Benefits.*
4. Jonathan Guyett received a lump-sum sign on payment of US$250,000 in compensation for incentives forgone.
5. Bill Koeck has received payment in the form of shares for fees due to consulting services performed during the Capital Raising.
6. LTI Value of Equity includes negative amounts for options forfeited during the year (not included in % remuneration in the table above).

KMP Statutory Disclosures

Equity awards

The following tables set out the details of options which were granted, forfeited and vested during FY18 to key management personnel and other officers who are among the five highest remunerated officers of the Company and the Group, but are not key management personnel.

31-Dec-18	Number of Options				
Details of option holder	Opening balance 1 Jan '18	Granted no of options	Options Forfeited	Closing Balance 31 Dec '18	Options vested
Stewart Hall	1,413,448	-	(1,413,448)	-	-
Matthew Darby	1,413,448	-	-	1,413,448	-
Jonathan Guyett	2,000,000	-	(2,000,000)	-	-
Bill Koeck	125,000	-	(125,000)	-	-
Mark Daniel	125,000	-	(125,000)	-	-
Evasio Barbero	1,000,000	-	(1,000,000)	-	-
Matthew Allard	1,000,000	-	(1,000,000)	-	-
Bambang Garnadi	1,198,100	-	(1,198,100)	-	-
Total	**8,274,996**	**-**	**(6,861,548)**	**1,413,448**	**-**

	Terms and Conditions for each Grant							Exercisable			
Details of option holder	Grant date	Date of forfeiture	Expiry date	Fair value per option Tranche 1 Note 22	Fair value per option Tranche 2 Note 22	Total value A$	Total value USD	Exercise price per option	First available exercise date	Last available exercise date	No of options
Matthew Darby	20/07/2016		20/07/2022	A$0.0550	A$0.3150	A$187,989	$144,752	A$1.00	20/07/2019	20/07/2022	
Total						**A$187,989**	**$144,752**				

Option values have been converted to USD using the rate of exchange on grant date being AUD:USD$0.77.

Up until the date of this report, the following changes have occurred in the equity awards since year end:

On 14 February 2019 the Company held an Extraordinary General Meeting to seek approval to issue 12,000,000 options to Mr Bowhill as part of his remuneration package on the following terms:

- the options are exercisable at $0.075 (7.5 cents) per share;
- the options will vest on 10 September 2019 except in the event of a change of control (Event) of the Company, prior to 10 September 2019, and the Event Price is less than 7.5 cents, then the options will vest on the date the Event occurs. (Vesting date);
- the options expire on 10 September 2024, subject to an Event; and
- if an Event occurs prior to 10 September 2019, and the Event Price is greater than 7.5 cents, then the options will vest on the Vesting Date, and Mr Bowhill will be entitled to a cash payment (payable on 10 September 2019) as outlined in the Explanatory Memorandum of the Company's EGM held on 14 February 2019.

31-Dec-17	Number of Options				
Details of option holder	Opening balance 1 Jan '17	Granted no of options	Options Forfeited	Closing Balance 31 Dec '17	Options vested
Stewart Hall	1,413,448	-	-	1,413,448	-
Matthew Darby	1,413,448	-	-	1,413,448	-
Jonathan Guyett	-	2,000,000	-	2,000,000	-
Lars Amstrup	1,635,802	-	(1,635,802)	-	-
Bill Koeck	125,000	-	-	125,000	-
Mark Daniel	125,000	-	-	125,000	-
Evasio Barbero	-	1,000,000	-	1,000,000	-
Geoff Walker	409,238	-	(409,238)	-	-
Matthew Allard	-	1,000,000	-	1,000,000	-
Ken Brandt	409,238	-	(409,238)	-	-
Russell Twine	257,959	-	(257,959)	-	-
Bambang Garnadi	198,100	1,000,000	-	1,198,100	-
Total	**5,987,233**	**5,000,000**	**(2,712,237)**	**8,274,996**	**-**

	Terms and Conditions for each Grant								Exercisable		
Details of option holder	Grant date	Date of forfeiture	Expiry date	Fair value per option Tranche 1 Note 22	Fair value per option Tranche 2 Note 22	Total value A$	Total value USD	Exercise price per option	First available exercise date	Last available exercise date	No of options
Stewart Hall	20/07/2016	-	20/07/2022	A$0.0550	A$0.3150	A$187,989	$140,991	A$1.00	20/07/2019	20/07/2022	-
Matthew Darby	20/07/2016	-	20/07/2022	A$0.0550	A$0.3150	A$187,989	$140,991	A$1.00	20/07/2019	20/07/2022	-
Jonathan Guyett	29/12/2017	-	29/12/2023	A$0.0165	A$0.0945	A$95,400	$73,458	A$0.30	29/12/2019	29/12/2023	-
Lars Amstrup	20/07/2016	7/07/2017	-	-	-	-	-	-	-	-	-
Bill Koeck	20/07/2016	-	20/07/2021	A$0.2950	-	A$36,875	$27,656	A$1.00	20/07/2019	20/07/2021	-
Mark Daniel	20/07/2016	-	20/07/2021	A$0.2950	-	A$36,875	$27,656	A$1.00	20/07/2019	20/07/2021	-
Evasio Barbero	29/12/2017	-	29/12/2023	A$0.0165	A$0.0945	A$39,900	$30,723	A$0.30	29/12/2019	29/12/2023	
Geoff Walker	20/07/2016	30/11/2017	-	-	-	-	-	-	-	-	-
Matthew Allard	29/12/2017	-	29/12/2023	A$0.0165	A$0.0945	A$39,900	$30,723	A$0.30	29/12/2019	29/12/2023	
Ken Brandt	20/07/2016	7/08/2017	-	-	-	-	-	-	-	-	-
Russell Twine	20/07/2016	30/06/2017	-	-	-	-	-	-	-	-	-
Bambang Garnadi	20/07/2016	-	20/07/2022	A$0.0550	A$0.3150	A$26,347	$19,760	A$1.00	20/07/2019	20/07/2022	-
	29/12/2017	-	29/12/2023	A$0.0165	A$0.0945	A$39,900	$30,723	A$0.30	29/12/2019	29/12/2023	
Total						**A$691,175**	**$522,681**				**-**

KMP Statutory Disclosures

KMP interests in Range shares

The table below details the movements in the number of shares held by KMP during FY18 and the comparative year FY17. Up until the date of this report, there has been no change to these interests since year end.

31 Dec 2018	Balance at 1 Jan 2018 or at appointment No.	Granted as remuneration No.	On exercise of options No.	Shares sold No.	Shares Purchased No.	Balance end of period 31 Dec 2018 No.
Matthew Darby	19,098,899	-	-	-	-	19,098,899
Peter Wallace	200,000	-	-	-	-	200,000
Ken MacMillan	-	-	-	-	-	-
Stephen Bowhill	-	-	-	-	550,000	550,000
Total	19,298,899				550,000	19,848,899

31 Dec 2017	Balance at 1 Jan 2017 No.	Granted as remuneration No.	On exercise of options No.	Shares sold No.	Shares Purchased No.	Balance end of period 31 Dec 2017 No.
Stewart Hall	7,917,838	150,000	-	-	516,666	8,584,504
Matthew Darby	18,598,899	-	-	-	500,000	19,098,899
Jonathan Guyett	-	-	-	-	333,333	333,333
Lars Amstrup	200,000	-	-	-	-	200,000
Bill Koeck	116,055	133,333	-	-	-	249,388
Mark Daniel	50,000	-	-	-	-	50,000
David Lee	-	150,000	-	-	16,666	166,666
Evasio Barbero	-	-	-	-	-	-
Geoff Walker	25,000	-	-	(33,334)	33,334	25,000
Matthew Allard	-	-	-	-	308,000	308,000
Ken Brandt	34,000	-	-	-	-	34,000
Bambang Garnadi	4,000	-	-	-	-	4,000
Total	26,945,792	433,333	-	(33,334)	1,707,999	29,053,790

Financial Statements

For the year ended 31 December 2018 – Range International Limited and its Controlled Entities

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Financial Statements

The financial statements were authorised for issue by the directors on 29 March 2019. The directors have the power to amend and reissue the financial statements

Consolidated Income Statement

For the year ended 31 December 2018

	NOTE	Consolidated 31 Dec 2018 US$'000	Consolidated 31 Dec 2017 US$'000
Sales revenue	10	1,655	1,383
Cost of sales		(3,791)	(5,394)
Gross loss		(2,136)	(4,011)
Other income	11	76	38
Employee benefits	12	(1,106)	(4,071)
Professional fees		(775)	(1,953)
Impairment of assets	13	-	(17,139)
Other expenses		(3,286)	(6,214)
Foreign exchange gain/(loss)		20	(1,420)
Loss before tax		(7,207)	(34,770)
Tax expense	14		(48)
Loss for the period after tax		(7,207)	(34,818)
Attributable to:			
Non-controlling interest		-	-
Members of the parent		(7,207)	(34,818)
		(7,207)	(34,818)
Loss per share (cents per share)			
- basic loss per share	4	(3.58)	(21.29)
- diluted loss per share	4	(3.58)	(21.29)

The above consolidated income statement should be read in conjunction with the accompanying notes.

Consolidated Statement of Comprehensive Income

For the year ended 31 December 2018

	Consolidated	
	31 Dec 2018 US$'000	31 Dec 2017 US$'000
Loss for the period after tax	(7,207)	(34,818)
Other comprehensive (loss)/income	-	-
Exchange differences on translating foreign controlled entities	(1,164)	900
Total comprehensive loss for the year	(8,371)	(33,918)
Comprehensive loss attributable to:		
Non-controlling interest	-	-
Members of the parent	(8,371)	(33,918)
	(8,371)	(33,918)

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

As at 31 December 2018

		Consolidated	
	NOTE	31 Dec 2018 US$'000	31 Dec 2017 US$'000
ASSETS			
Current assets			
Cash and cash equivalents	5	3,275	9,656
Trade and other receivables	15	487	735
Inventories	16	57	335
Other current assets		57	157
Total current assets		**3,876**	**10,883**
Non-current assets			
Intangible assets	6	4,582	5,188
Property, plant and equipment	7	11,586	14,509
Other non-current assets		103	130
Total non-current assets		**16,271**	**19,827**
Total assets		**20,147**	**30,710**
LIABILITIES			
Current liabilities			
Trade and other payables	17	913	2,611
Provisions	18	2,637	3,027
Total current liabilities		**3,550**	**5,638**
Non-current liabilities			
Provisions	18	89	137
Total non-current liabilities		**89**	**137**
Total liabilities		**3,638**	**5,775**
Net assets		16,508	24,935
EQUITY			
Contributed equity	2.1	109,676	109,676
Other reserves	2.2	(28,563)	(27,343)
Accumulated losses	2.3	(64,605)	(57,398)
Total equity		**16,508**	**24,935**

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows

For the year ended 31 December 2018

	NOTE	Consolidated 31 Dec 2018 US$'000	Consolidated 31 Dec 2017 US$'000
Cash flows from operating activities			
Receipts from customers		1,590	754
Payments to suppliers and employees		(5,821)	(13,886)
Net Interest received/(Interest paid)		76	(14)
Net cash used in operating activities		(4,155)	(13,146)
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		-	27
Payments for property, plant and equipment		(1,596)	(11,811)
Payments for intangible assets		-	(169)
Net cash used in investing activities		(1,596)	(11,953)
Cash flows from financing activities			
Net Proceeds from issue of shares, net of transaction costs		-	11,336
Non-controlling interest share buy-back		-	-
Net cash inflow from financing activities		-	11,336
Net increase in cash and cash equivalents		(5,751)	(13,763)
Cash and deposits, net of overdrafts, at beginning of the period		9,656	23,947
Effect of exchange rate changes		(630)	(528)
Cash at end of the period	5	3,275	9,656

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

For the year ended 31 December 2018

	Contributed equity US$'000	Other reserves US$'000	Accumulated losses US$'000	Non-controlling interest US$'000	Total equity US$'000
31 December 2017					
Opening balance at 1 January 2017	98,341	(28,363)	(22,580)	-	47,398
Loss for the year	-	-	(34,818)	-	(34,818)
Other comprehensive income	-	900	-	-	900
Total comprehensive loss	**-**	**900**	**(34,818)**	**-**	**(33,918)**
Equity Transactions:					
Issue of ordinary shares	12,000	-	-	-	12,000
Transaction costs	(665)	-	-	-	(665)
Share based payment transactions	-	120	-	-	120
Closing balance at 31 December 2017	**109,676**	**(27,343)**	**(57,398)**	**-**	**24,935**
31 December 2018					
Opening balance at 1 January 2018	109,676	(27,343)	(57,398)	-	24,935
Loss for the year	-	-	(7,207)	-	(7,206)
Other comprehensive income	-	(1,164)	-	-	(1,164)
Total comprehensive loss	**-**	**(1,164)**	**(7,207)**	-	**(8,370)**
Equity Transactions:					
Share based payment transactions	-	(56)	-	-	(56)
Closing balance at 31 December 2018	**109,676**	**(28,563)**	**(64,605)**	**-**	**16,508**

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Notes to the Consolidated Financial Statements – About this Report

For the year ended 31 December 2018

About this report

Range International Limited (referred to as Range or the Company) is a for-profit company limited by shares incorporated in the Commonwealth of Dominica and re-domiciled to Australia whose shares are publicly traded on the Australian Securities Exchange. The nature of the operations and principal activities of Range and its subsidiaries (referred to as 'the Group') are described in the segment information in note 10.

The financial report is a general purpose financial report which has been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

These financial statements present the consolidated results of the Company and its subsidiaries for year ended 31 December 2018.

Significant judgements and estimates

In the process of applying the Group's accounting policies, management has made a number of judgements and applied estimates of future events. Judgements and estimates which are material to the financial statements include:

Going Concern	Note 1
Impairment of assets	Note 13

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The notes to the financial statements

The notes include information which is required to understand the financial statements and is material and relevant to the operations, financial position and performance of the Group. Information is considered material and relevant if, for example:

〉 The amount in question is significant because of its size or nature;
〉 It is important for understanding the results of the Group;
〉 It helps to explain the impact of significant changes in the Group's business – for example, acquisitions and impairment write downs or;
〉 It relates to an aspect of the Group's operations that is important to its future performance.

The notes are organised into the following sections:

〉 Capital Management: provides information about the capital management practices of the Group, shareholder returns and significant capital investments during the year;

〉 Group structure: explains aspects of the group structure and how changes have affected the financial position and performance of the Group;

〉 Key Numbers: provides a breakdown of individual line items in the financial statements that the directors consider most relevant and summarises the accounting policies, judgements and estimates relevant to understanding these line items;

〉 Other Information: This section of the notes includes other information that must be disclosed to comply with the accounting standards and other pronouncements, but that is not immediately related to individual line items in the financial statements.

Notes to the Consolidated Financial Statements – Capital Management

For the year ended 31 December 2018

Capital Management

1. Capital Structure

<u>Capital management objectives</u>

Range's objectives when managing capital are to

〉 safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders: and

〉 maintain an optimal capital structure to reduce the cost of capital.

<u>Going Concern</u>

During the year, the Group incurred an operating loss after tax of $7.2 million (FY2017: $34.8 million), net operating cash outflows of $4.2 million (FY2017: $13.1 million) and investing cash outflows of $1.6 million (FY2017: $12.0 million).

As at 31 December 2018 the Group has cash and cash equivalents of $3.3 million (Dec 2017: $9.7 million).

To preserve the cash on hand the Board implemented a number of cost savings measures during the reporting period to reduce the expense base, including reducing headcount, administrative costs, a focus on accounts receivable collections and lowering raw materials costs. Other cost restructure efforts have allowed Range to extend its cash flow runway. In addition the Board is working hard to give the business more sales capacity and strengthen the sales pipeline.

The Group's ability to continue as a going concern, to recover the carrying value of its assets and meet its commitments as and when they fall due is dependent on the ability of the Group to deliver its sales targets, improve its margins, manage its cost base and/or access additional sources of capital. The Directors believe the reductions in production and administrative costs combined with current and prospective sales in its pipeline will further extend the Company's cash flow runway. As a result of these matters, there is a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern and, therefore, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. However, the Board and management believe that the consolidated entity will be successful in the above matters and, accordingly, have prepared the financial statements on a going concern basis.

At this time, the Board and management are of the opinion that no asset is likely to be realised for an amount less than the amount at which it is recorded in the financial report at 31 December 2018. Accordingly, no adjustments have been made to the financial report relating to the recoverability and classification of the asset carrying amounts or the amounts and classification of liabilities that might be necessary should the Group not continue as a going concern.

Notes to the Consolidated Financial Statements – Capital Management (continued)

For the year ended 31 December 2018

2. Equity and Reserves

2.1 Share Capital

	Consolidated			
	2018 Number of shares ‘000	**2017 Number of shares ‘000**	**2018 US$’000**	**2017 US$’000**
Movement in ordinary shares on issue				
Opening balance	201,055	150,000	109,676	98,341
Issue of ordinary shares post-restructure (a)	-	51,055	-	12,000
Transaction costs capitalised (a)	-	-	-	(665)
Closing balance	201,055	201,055	109,676	109,676

Share capital is classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

(a) Issue of Ordinary Shares post-restructure:

On 30 August 2017, the Company announced a capital raising which successfully raised net proceeds of $11.3 million to fund operational and working capital requirements.

Ordinary shares are fully-paid and have no par value. They carry one vote per share and the right to dividends. They carry no special terms or conditions affecting income or capital entitlements of the shareholders and are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds. There are no shares authorised for issue that have not been issued at reporting date.

Notes to the Consolidated Financial Statements – Capital Management (continued)

For the year ended 31 December 2018

2.2 Other reserves

	Notes	Restructure Reserve US$'000	Share based Payment reserve US$'000	Currency Translation reserve US$'000	Total reserves US$'000
At 1 January 2017		**(27,891)**	**106**	**(578)**	**(28,363)**
Exchange differences on translating foreign controlled entities	(a)	-	-	900	900
Other comprehensive income		-	-	900	900
Transactions with owners in their capacity as owners:					
Share based payment transactions	(b)	-	120	-	120
At 31 December 2017		**(27,891)**	**226**	**322**	**(27,343)**
At 1 January 2018		**(27,891)**	**226**	**322**	**(27,343)**
Exchange differences on translating foreign controlled entities		-	-	(1,164)	(1,164)
Other comprehensive income		-	-	(1,164)	(1,164)
Transactions with owners in their capacity as owners:					
Share based payment transactions, net	(b)	-	(56)	-	(56)
At 31 December 2018		**(27,891)**	**170**	**(842)**	**(28,563)**

a) The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:
- assets and liabilities are translated at the closing exchange rates at the reporting date;
- income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and
- all resulting currency translation differences are recognised in other comprehensive income and accumulated in the currency translation reserve. These currency translation differences are reclassified to profit or loss on disposal or partial disposal of the entity giving rise to such reserve.

b) The share-based payments reserve is used to recognise the grant date fair value of options issued to employees but not exercised. Reserve for options forfeited during the year reclassified to profit and loss.

2.3 Accumulated losses

Movements in accumulated losses were as follows:

	Consolidated	
	2018 US$'000	**2017 US$'000**
Opening balance	(57,398)	(22,580)
After tax loss attributable to the equity holders of the parent during the year	(7,207)	(34,818)
Closing balance	(64,605)	(57,398)

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

3. Dividends

The Board of Directors resolved not to declare a dividend for the year ended 31 Dec 2018 (31 Dec 2017: nil).

Notes to the Consolidated Financial Statements – Capital Management (continued)

For the year ended 31 December 2018

4. Loss per share

	Consolidated	
	2018	**2017**
Loss attributable to ordinary equity holders of the parent ($'000)	(7,207)	(34,818)
Weighted average number of shares used in calculation of basic LPS (shares, '000)	201,055	163,559
Weighted average number of shares used in calculation of diluted LPS (shares, '000)	201,055	163,559
Basic LPS (cents per share)	(3.58)	(21.29)
Diluted LPS (cents per share)	(3.58)	(21.29)

Calculation of Loss per share

Basic loss per share (LPS)

Basic LPS is calculated by dividing the loss attributable to members of the parent by the weighted average number of ordinary shares outstanding.

Diluted loss per share

Diluted LPS is calculated by dividing the loss attributable to member of the parent by the weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares.

Notes to the Consolidated Financial Statements – Capital Management (continued)

For the year ended 31 December 2018

5. Cash and cash equivalents

	Consolidated	
	2018 US$'000	2017 US$'000
Current assets		
Cash at bank and in hand	3,275	9,656
	3,275	9,656
Reconciliation of net loss before tax to net cash flows from operations		
Loss from ordinary activities before income tax	(7,207)	(34,770)
Adjustments:		
Depreciation (note 7)	1,292	1,359
Amortisation of intangibles (note 6)	606	998
Restructure costs provision reversal	(192)	-
Loss on disposal of assets	107	10
Foreign exchange loss, net	(20)	1,420
Share based payment movements	(56)	120
Provision for doubtful debts	169	348
Defined benefits plan liability movements	(28)	-
Write-off of inventory to net realisable value	44	82
Impairment of assets	-	17,139
Asset write-off	1,115	728
Write-off of tax assets	158	-
Working Capital Adjustments:		
Decrease/(Increase) in trade and other receivables	79	(993)
Decrease/(Increase) in inventories	234	(178)
Decrease in other current assets	100	271
Decrease in other non-current assets	27	61
(Decrease) in trade and other payables	(145)	(128)
(Decrease)/Increase in provisions	(438)	387
Net cash used in operating activities	(4,155)	(13,146)

Recognition and measurement

Cash and cash equivalents in the consolidated statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less and are classified as financial assets held at fair value.

Cash at bank earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods between one day and three months, depending on the immediate cash requirements of the Group and earn interest at the respective short-term deposit rates.

Notes to the Consolidated Financial Statements – Capital Management (continued)

For the year ended 31 December 2018

6. Intangible assets

	Consolidated		
	Design & Development US$'000	Intellectual property US$'000	Total US$'000
Year ended 31 December 2017			
Opening balance at 1 Jan 2017	109	10,424	10,533
Additions	168	-	168
Amortisation charge	(44)	(954)	(998)
Impairment charge	(108)	(4,407)	(4,515)
Closing net book amount	125	5,063	5,188
At 31 December 2017			
Cost	277	10,424	10,701
Accumulated amortisation and impairment	(152)	(5,361)	(5,513)
Closing balance at 31 Dec 2017	125	5,063	5,188
Year ended 31 December 2018			
Opening net book amount	125	5,063	5,188
Additions	-	-	-
Amortisation charge	(55)	(551)	(606)
Closing net book amount	70	4,512	4,582
At 31 December 2018			
Cost	277	10,424	10,701
Accumulated amortisation and impairment	(207)	(5,912)	(6,119)
Closing balance at 31 Dec 2018	70	4,512	4,582

Recognition and measurement

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination are fair valued at the date of acquisition. Following initial recognition, intangible assets with finite lives are carried at cost less any accumulated amortisation and any accumulated impairment losses.

Intangible assets with finite lives are amortised on a straight-line basis and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the income statement in the expense category consistent with the function of the intangible asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the income statement when the asset is derecognised.

Intellectual Property

Range's IP portfolio comprises of several trademark applications protecting its brands, as well as trade secrets protecting its ThermoFusion™ technology. Amortisation of the IP commenced 1 February 2017 to coincide with the commissioning of the first production line. They are recorded at cost less accumulated amortisation and impairment losses, using the straight-line method over 10 years.

Design and Development

Capitalised development costs are recorded as an intangible asset and amortised from the point at which the asset is ready for use. They are recorded at cost less accumulated amortisation and impairment losses, using the straight-line method over 5 years.

Notes to the Consolidated Financial Statements – Capital Management (continued)

For the year ended 31 December 2018

7. Property, Plant and Equipment

Consolidated	Motor vehicles US$'000	Factory & office furniture & fixtures US$'000	Plant & equipment US$'000	Land & Building US$'000	Capital – work-in-progress US$'000	Total US$'000
2017						
Cost	14	683	19,083	6,606	3,694	30,080
Accumulated depreciation and impairment	(4)	(282)	(10,457)	(3,110)	(1,718)	(15,571)
Closing net book value	10	401	8,626	3,496	1,976	14,509
Opening net book value	50	267	3,991	-	11,653	15,961
Additions		275	4,541	4,342	4,204	13,362
Translation differences		7	(3)	1	(67)	(62)
Transfers classes	-	-	9,382	2,296	(11,678)	-
Impairment, disposals and write-offs	(33)	(4)	(8,177)	(3,043)	(2,136)	(13,393)
Depreciation	(7)	(144)	(1,108)	(100)	-	(1,359)
Closing net book value	10	401	8,626	3,496	1,976	14,509
2018						
Cost	14	686	19,115	6,606	2,200	28,620
Accumulated depreciation and impairment	(7)	(468)	(13,134)	(3,426)	-	(17,035)
Closing net book value	7	218	5,981	3,180	2,200	11,586
Opening net book value	10	401	8,626	3,496	1,976	14,509
Additions	-	3	32	-	544	579
Translation differences	-	(16)	(490)	(145)	(124)	(775)
Transfers	-	-				-
Impairment, disposals and write-offs	-	(48)	(1,159)	(31)	(196)	(1,435)
Depreciation	(3)	(121)	(1,027)	(140)	-	(1,292)
Closing net book value	7	218	5,982	3,180	2,200	11,586

All assets as at 31 December 2018 and 2017 are owned by the Group.

Recognition and measurement

Items of property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses. The cost of the asset also includes the cost of replacing parts that are eligible for capitalisation, and the cost of major inspections.

Components of costs

The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Depreciation and amortisation

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives. The estimated useful life of Motor vehicles is 5 years; Factory and office furniture and fixtures is 4 to 8 years; Plant and equipment is 4 to 10 years; Plant machinery is 4 to 10 years.

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are recognised in profit or loss when the changes arise. Fully depreciated assets are retained in the financial statements until they are no longer in use and no further charge for depreciation is made in respect of these assets.

Notes to the Consolidated Financial Statements – Capital Management (continued)

For the year ended 31 December 2018

7. Property, Plant and Equipment (continued)

Impairment of non-current assets

Property, plant and equipment, intangibles and investments in subsidiaries are tested for impairment whenever there is any objective evidence or indication that these assets may be impaired. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in use) is determined on an individual asset basis unless the asset does not generate cash inflows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the Cash Generating Unit ("CGU") to which the asset belongs. If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss. An impairment loss for an asset other than goodwill is reversed only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss.

Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

Disposal

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss within "other expenses". Any amount in revaluation reserve relating to that item is transferred to retained profits directly.

Significant Judgements & Estimates

Depreciation methods, estimation of useful lives and residual value require management judgement and are reviewed annually. If they need to be modified, the change is accounted for prospectively from the date of reassessment until the end of the revised useful life (for both the current and future years). Such revisions are generally required when there are changes in economic circumstances impacting specific assets or groups of assets. Refer to note 13 for impairment.

Notes to the Consolidated Financial Statements – Group Structure

For the year ended 31 December 2018

Group Structure

8. Subsidiaries

The Group's principal subsidiaries at 31 December 2018 are set out below. Unless otherwise stated, they have share capital consisting solely of ordinary shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

		Ownership interest held by the Group	
Legal entity	Country of incorporation	2018 %	2017 %
Range International Holdings Limited	Singapore	100%	100%
PT Repal Internasional Indonesia	Indonesia	100%	100%
Re-Pal Australia Pty ltd	Australia	100%	100%

Accounting for Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to or has rights to, variable returns from its involvement with the entity and has the liability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

Accounting for Investments in a subsidiary

Investments in a subsidiary are carried at cost less accumulated impairment losses in the Company's statement of financial position. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

Business combinations

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in the income statement. Any contingent consideration payable is recognised at fair value at the acquisition date and included in the consideration transferred. If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in the income statement.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in the event of liquidation are measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets, at the acquisition date. The measurement basis taken is elected on a transaction-by-transaction basis. All other non-controlling interests are measured at acquisition-date fair value, unless another measurement basis is required by IFRS.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Notes to the Consolidated Financial Statements – Group Structure

For the year ended 31 December 2018

9. Segment information

Identification of reportable segments

The Group has determined operating segments based on the information provided to the CEO (Chief Operating Decision Maker).

The Group operates predominately in one business segment, being the manufacture and sale of plastic pallets. There is no material difference between the financial information presented to the Chief Operating Decision Maker and the financial information presented in this report.

Sales revenue by geographic location

Revenue obtained from external customers is attributed to individual countries based on the location of the customer. The majority of sales to external customers are made within Indonesia.

	Consolidated	
	2018 US$'000	2017 US$'000
Indonesia	1,274	815
China	-	478
Australia & New Zealand	29	57
Thailand	131	-
Philippines	50	-
Other	171	33
Total external revenue	1,655	1,383

Non-current assets by geographical location

The total of non-current assets broken down by location of the assets are as follows:

	Consolidated	
	2018 US$'000	2017 US$'000
Indonesia		
Property, plant and equipment	11,584	14,427
Other non-current assets	103	113
Singapore		
Property, plant and equipment	-	8
Intangible assets	4,582	5,188
Australia		
Property, plant and equipment	2	74
Other non-current assets	-	17
Total non-current assets	16,271	19,827

Notes to the Consolidated Financial Statements – Key Numbers - Performance

For the year ended 31 December 2018

Performance

10. Sales revenue

	Consolidated	
	2018 US$'000	2017 US$'000
Pallet sales	1,655	1,383
	1,655	1,383

Revenue recognition

Sales comprise the fair value of the consideration received or receivable for the sale of goods and rendering of services in the ordinary course of the Company's activities. Sales are presented, net of value-added tax, GST, rebates and discounts.

Sale of goods

The Group manufactures and sells a range of plastic pallets to different customers in Indonesia and other markets. Sales are recognised when control of the products has transferred, being when the products are delivered to the customers. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract / purchase order, the acceptance provisions have lapsed, or the Group has objective evidence that all criteria for acceptance have been satisfied. Revenue invoiced and earned with every delivery at point of time. No element of financing is deemed present as the sales are made with a credit term of 30 days, which is consistent with market practice.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

11. Other income

	Consolidated	
	2018 US$'000	2017 US$'000
Interest income	76	38
	76	38

Other income comprises of bank interest received.

12. Employee benefits expense

	Consolidated	
	2018 US$'000	2017 US$'000
Remuneration, bonuses and on-costs	1,768	4,989
Defined benefits liability /superannuation expenses	67	(36)
Net share-based payments expense/(reversal for option forfeited)	(56)	120
	1,779	5,073
Less amounts included in Cost of sales	(673)	(1,002)
Employee benefits expense	1,106	4,071

Recognition and measurement

Employee benefits are recognised as an expense, unless the cost qualifies to be capitalised as an asset.

Defined benefit plans

Defined benefit plans are post-employment benefit pension plans other than defined contribution plans. Defined benefit plans typically define the amount of benefit that an employee will receive on or after retirement, usually dependent on one or more factors such as age, years of service and compensation.

Notes to the Consolidated Financial Statements – Capital Management (continued)

For the year ended 31 December 2018

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

The Group's accounting policy for share-based payments is set out in note 22.

13. Significant items

Significant Items are items of income or expense which are, either individually or in aggregate, material to Range and are:

- outside the ordinary course of business (e.g. termination of operations, the cost of significant reorganisations or restructuring); or
- Part of the ordinary activities of the business but unusual due to their size and nature.

Significant items are disclosed to assist the users of the financial statements to better understand Range's business results.

	Consolidated	
	2018 US$'000	2017 US$'000
Restructuring costs (a)	-	1,029
Asset write off (b)	1,115	740
Impairment of assets (c)	-	17,139
	1,115	18,908

(a) Restructuring costs of nil (2017:$1 million) consist of employment terminations and leasehold expenses in relation to closure of redundant offices.
(b) Asset write-off of $1.1 million (2017:$0.7 million) relate mainly to obsolete assets.
(c) As a result of 2017 impairment review, the carrying amount of Group's non-current assets was reduced to its recoverable amount through the recognition of a non cash impairment charge of$17.1 million.

Significant Judgements & Estimates

Significant estimate: key assumptions used for value-in-use calculations
Assets are assessed for impairment at each reporting period end by evaluating whether indicators of impairment exist. It was determined that there were indicators of impairment of the Group's assets as at year end as operating performance in the year ended 31 December 2018 was below performance expectations. In accordance with applicable accounting standards, management performed an impairment review applying value-in-use principals.

In performing the value-in-use calculations, the Group has applied the following key assumptions:

- Revenue forecasts for a 5 year forecast period based on management's detailed FY19 budget and FY20-FY2023 projections;
- A growth rate to extrapolate cashflows beyond the 5 year period of 4%; and
- A discount rate applied to forecast cash flows of 13.5%.

Discount rates reflect the Group's estimate of the time value of money and the risks specific to CGU that are not already reflected in the cash flows. In determining appropriate discount rates, regard has been given to the weighted average cost of capital of the Group and business risks.

Range has considered and assessed reasonably possible changes to key assumptions and have not identified any instances that could cause the carrying amount on non-current assets to exceed its recoverable amount.

Notes to the Consolidated Financial Statements – Key Numbers – Performance (continued)

For the year ended 31 December 2018

14. Tax expense

	Consolidated	
	2018 US$'000	**2017 US$'000**
Tax reconciliation		
Loss before tax	7,207	34,770
Income tax at the statutory tax rate of 30%	2,162	10,431
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
- Impairment charges	-	(3,924)
- Amortisation of intangible assets	(182)	(300)
Difference in overseas tax rates	(170)	(766)
Adjustments related to prior years	-	48
Non-deductible expenses	(464)	-
Income subject to final tax	-	-
Tax losses for which no deferred tax asset has been recognised	(1,712)	(5,441)
Income tax on loss before tax	-	48

Recognition and measurement

Current taxes

Current income tax charge for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxes

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiaries, associated companies and joint ventures, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to utilise them.

Deferred income tax is measured:

- at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date; and
- based on the tax consequence that will follow from the manner in which the Group expects, at the balance sheet date, to recover or settle the carrying amounts of its assets and liabilities.

Notes to the Consolidated Financial Statements – Key Numbers - Position

For the year ended 31 December 2018

15. Trade and other receivables

	Consolidated	
Current receivables	**2018 US$'000**	**2017 US$'000**
Trade receivables	410	693
Provision for impairment	(169)	(348)
	241	345
Other receivables	246	390
	487	735

The carrying value of trade and other receivables is assumed to approximate the fair value due to the short term nature of the trade and other receivables.

Impaired trade and other receivables

The Group applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on the days past due. The Group uses judgement in assessing expected credit losses based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

The other receivables are assessed collectively to determine whether there is objective evidence that an impairment has been incurred but not yet been identified. For these receivables, the estimated impairment losses are recognised in a separate provision for impairment. The Group considers that there is evidence of impairment if any of the following indicators are present:

- significant financial difficulties of the debtor;
- probability that the debtor will enter bankruptcy or financial reorganisation;
- and default or delinquency in payments.

Receivables for which an impairment provision was recognised are written off against the provision when there is no expectation of recovering additional cash. Impairment losses are recognised in profit or loss within other expenses.

Subsequent recoveries of amounts previously written off are credited against other expenses.

Movements in the provision for impairment of trade receivables that are assessed for impairment are as follows:

	Consolidated	
	2018 US$'000	**2017 US$'000**
Opening balance	348	39
Provision for impairment (derecognised)/recognised during the year	(179)	309
Closing balance	169	348

16. Inventory

	Consolidated	
	2018 US$'000	**2017 US$'000**
Raw materials at cost	24	62
Finished goods at net realisable value (2017: net realisable value)	33	273
	57	335

Recognition and measurement

Inventories are carried at the lower of cost and net realisable value. Cost is determined using the weighted-average method. The cost of finished goods and work-in-progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity) but excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and applicable variable selling expenses.

Notes to the Consolidated Financial Statements – Key Numbers – Position (continued)

For the year ended 31 December 2018

17. Trade and other payables

	Consolidated	
Current payables	**2018 US$'000**	**2017 US$'000**
Trade creditors	422	1,863
Sundry creditors and accruals	491	748
Trade and other payables	913	2,611

Trade payables are unsecured and are usually paid within 30 days of recognition.

The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

Recognition and measurement

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

18. Provisions

	Consolidated	
	2018 US$'000	**2017 US$'000**
Current		
Restructuring provision	-	371
Tax provisioning	2,637	2,656
	2,637	3,027
Non-current		
Employee benefits	89	137
	89	137

Recognition and measurement

Employee benefits – short term obligations

Short-term employee benefit obligations are measure on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Post-employment obligations

The Group operates a defined benefit pension plan in Indonesia and defined contribution pension plans. The Defined benefit plan provides benefits to members in the form of a guaranteed level of pension payable for life. The level of benefits provided depends on members' length of service and their salary in the final years leading up to retirement.

Restructuring provision

A restructuring provision is recognised only when the general recognition criteria for provision are met. The obligation for a restructuring is often constructive. A constructive restructuring obligation arises only when there is:

(a) a detailed formal plan identifying the main features of the restructuring; and
(b) a valid expectation in those affected that the entity will carry out the restructuring by starting to implement the plan or announcing its main features to those affected.

Restructuring provision includes only the direct expenditures arising from the restructuring, which are necessarily entailed by the restructuring and not those associated with the entity's ongoing activities. Any expected gains on the sale of assets are not considered in measuring a restructuring provision.

Provisions

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax discount rate that reflects the current market assessment of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is as finance expense.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in profit or loss when the changes arise.

Notes to the Consolidated Financial Statements – Key Numbers – Position (continued)

For the year ended 31 December 2018

19. Capital Commitments and contingencies

	Consolidated	
	2018 US$'000	2017 US$'000
Contracted for property, plant and equipment	-	1,570
	-	1,570

Contingent assets and liabilities

There are no contingent assets or liabilities outstanding or recorded at 31 December 2018.

20. Financial risk management and objectives

The Group has exposure to a variety of financial risks including market risk, credit risk and liquidity risk. Risk management is carried out by the Audit Committee.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

Foreign exchange risk

Foreign exchange risk arises from commercial transactions and recognised assets and liabilities that are denominated in currencies other than the functional currency of each entity in the Group. Translation exposures arise from financial and non-financial items held by each entity within the Group with a functional currency that is different from the Group's presentation currency which is United States Dollars (USD).

The following table represent the financial assets and liabilities denominated in foreign currencies:

	Consolidated					
	Foreign currency amount		Amount in USD		Rate of Exchange as at year end	
	2018 '000	2017 '000	2018 US$'000	2017 US$'000	2018	2017
Financial Assets						
Trade, and other receivables						
- Indonesian Rupiah	6,786,858	8,784,802	472	647	IDR/US14,381	IDR/US13,572
- AU Dollar	21	92	15	72	AUD/US1.4203	AUD/US1.2797
Cash and cash equivalents						
- Indonesian Rupiah	946,548	7,292,020	66	537	IDR/US14,381	IDR/US13,572
- AU Dollar	4,444	7,411	3,129	5,791	AUD/US1.4203	AUD/US1.2797
Financial Liabilities						
Trade and other payables						
- Indonesian Rupiah	(8,469,483)	(27,711,270)	(589)	(2,042)	IDR/US14,381	IDR/US13,572
- AU Dollar	(407)	(508)	(286)	(397)	AUD/US1.4203	AUD/US1.2797

Notes to the Consolidated Financial Statements – Key Numbers – Position (continued)

For the year ended 31 December 2018

20. Financial risk management and objectives (continued)

The following table demonstrates the estimated sensitivity to a 10% increase and decrease in the different exchange rates the Group is exposed to, with all other variables held constant, on a pre-tax basis.

	Pre-Tax Loss Higher/(lower)	
	2018 $'000	2017 $'000
US/IDR exchange rate – increase (10%)	(5)	(78)
US/IDR exchange rate – decrease (10%)	5	78
US/AUD$ exchange rate – increase (10%)	260	(497)
US/AUD$ exchange rate – decrease (10%)	(260)	497

Interest rate risk

Interest rate risk includes cash flow and fair value interest rate risk arising from borrowings. The Group has no borrowing facilities at year end.

Credit risk

Credit risk arises from the financial assets of the Group, which comprise cash and cash equivalents and trade and other receivables. Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group and Company minimises credit risk by dealing exclusively with high credit rating counterparties. The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit worthiness procedures and is arranged with each individual customer. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to impairment of trade and other receivables is not significant.

Exposure to credit risk

At the balance sheet date, the Group's maximum exposure to credit risk is the carrying amount of the related financial assets presented on the balance sheet.

Financial assets that are neither past due nor impaired

Trade and other receivables that are neither past due nor impaired are creditworthy debtors with good payment record with the Group. Cash and cash equivalents are placed with or entered into with reputable financial institutions which are regulated.

The following table represents the aging profile of the Group's trade receivables:

	Consolidated	
	2018 US$'000	2017 US$'000
Trade receivables past due but not impaired		
Not yet due	159	65
Under three months	78	177
Three to six months	4	103
Over six months	-	-
	241	345

Notes to the Consolidated Financial Statements – Key Numbers – Position (continued)

For the year ended 31 December 2018

20. Financial risk management and objectives (continued)

Credit risk concentration profile

The Group determines concentrations of credit risk by monitoring the country of its trade and other receivables on an ongoing basis. The credit risk concentration profile of the Group's trade and other receivables (excluding prepayment) and cash and cash equivalents as at the date of the balance sheet is as follows:

	Consolidated	
	2018 US$'000	2017 US$'000
By Country		
Australia	3,127	5,798
Singapore and others	25	3,342
Indonesia	610	861
	3,762	10,001

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows. The Group utilises a detailed cash flow model to manage its liquidity risk.

The operating and financial performance of Range and its ability to grow, is partly reliant on its ability to manage all of its activities which generate cashflow and if needed, secure sufficient capital. There is a risk that Range may not be able to access capital from debt or equity markets for future expansion or may only be able to do so on restricted terms. The inability to access required capital could have a material adverse impact on Range's business and financial condition.

The table below summarizes the maturity profile of the Group's contractual cash flow financial liabilities at 31 December 2018 based on contractual undiscounted repayment obligations. Repayments which are subject to notice are treated as if notice were to be given immediately.

	Consolidated	
	2018 US$'000	2017 US$'000
Trade and other payables		
Not yet due	857	1,275
Under three months	17	378
Three to six months	39	128
Over six months	-	830
	913	2,611

Notes to the Consolidated Financial Statements – Other information

For the year ended 31 December 2018

Other information

21. Key management personnel and related party transactions

(a) Interest in Subsidiaries

Interests in subsidiaries are set out in note 8.

(b) Transactions with other related parties

(i) Purchases of various goods and services from other related parties totalling $45,369.
(ii) Purchases of various goods and services from entities controlled by key management personnel $nil.
(iii) No loans have been granted to Directors/and or Director related entities.

(c) Key management personnel compensation

	Consolidated	
	2018 US$	2017 US$
Short-term employee benefits	771,724	1,863,671
Post-employment benefits	10,213	16,409
Long-term benefits	11,934	82,270
Termination benefits	-	297,670
Shares issued in lieu of fees	-	99,947
Share-based payments	(68,735)	176,698
	725,136	2,436,665

Detailed remuneration disclosures are provided in the remuneration report.

Notes to the Consolidated Financial Statements – Other information (continued)

For the year ended 31 December 2018

22. Share based payments

(a) Employee Option Plan

The Company has established an Employee Share Option Plan (ESOP) to assist in the motivation, retention and reward of certain employees (including Executive Directors) and Non-executive Directors. The ESOP was designed to align the interests of participants with the interests of shareholders by providing an opportunity for participants to receive an equity interest in the Company through the granting of options. Under the ESOP, eligible participants may be offered options which may be subject to vesting conditions set by the Board.

The fair value of the awards as at the grant date is set out in the following table.

Fair values of awards

Grant date	Award type	Vesting date	Vesting conditions	Expiry date	Fair value
20 July 2016	Employee performance options	20 July 2019	Share price hurdle (market based condition) and service condition (non-market condition)	20 July 2022	A$0.055
			Service condition (non-market condition)		A$0.315
	Non-executive Director performance options	20 July 2019	Service condition (non-market condition)	20 July 2021	A$0.295
29 December 2017	Employee Performance options	29 December 2019	Share price hurdle (market based condition) and service condition (non-market condition)	29 Dec 2023	A$0.02
			Service condition (non-market condition)		
29 December 2017	Employee performance options	29 December 2020	Service condition (non-market condition)	29 Dec 2023	A$0.09

The estimation of the fair value of the awards requires judgement with respect to the appropriate valuation methodology. The choice of valuation methodology is determined by the structure of the awards, particularly the vesting conditions. The valuation methodology used for each award is shown in table below.

Valuation methodology for each award

Grant date	Award type	Vesting conditions	Valuation methodology
20 July 2016	Performance options	Share price hurdle (market-based condition)	Monte-Carlo simulation
		Service condition (non-market condition)	Binomial tree
29 December 2017	Performance options	Share price hurdle (market-based condition)	Monte-Carlo simulation
		Service condition (non-market condition)	Binomial tree

The estimation of any market based performance conditions are incorporated into the valuation model used to determine the fair value of the awards whereas non-market based performance conditions are not included in the determination of fair value.

22. Share based payments (continued)

Valuation assumptions

The key assumptions adopted for valuation of the awards are summarized in the following table.

Key assumptions			
Grant date	29 December 2017	20 July 2016	20 July 2016
Award type	Employee performance options	Employee performance options	Non-executive Director performance options
Vesting date	29 Dec 2017 and 29 Dec 2020	20 July 2019	20 July 2019
Expiry date	29 Dec 2020	20 July 2022	20 July 2021
Share price at the grant date	A$0.06	A$1.00	A$1.00
Exercise price	A$0.30	A$1.00	A$1.00
Expected life	4.5 years	4.5 years	4.0 years
Volatility	35%	35%	35%
Risk free interest rate	1.57%	1.57%	1.53%
Dividend yield	0.0%	0.0%	0.0%

Set out below are summaries of options granted under the plan:

	Consolidated			
	2018		2017	
	Average exercise price per share option	Number of options	Average exercise price per share option	Number of options
As at 1 January	A$0.65	10,169,923	A$1.00	6,882,160
Granted during the year	-	-	A$0.30	6,000,000
Exercised during the year	-	-	-	-
Forfeited during the year	A$0.65	(7,963,548)	A$1.00	(2,712,237)
As at 31 December	A$0.65	2,206,375	A$0.65	10,169,923

No options expired during the periods covered by the above tables. No options vested or exercisable at 31 December 2018 (2017:nil).

Share options outstanding at the end of the year have the following expiry date and exercise prices:

			Consolidated	
Grant Date	Expiry date	Exercise price	Share options **2018**	Share options **2017**
20/07/2016	22/7/2021	A$1.00	1,413,448	250,000
20/07/2016	22/7/2022	A$1.00	792,927	3,919,923
29/12/2017	22/7/2023	A$0.30	-	6,000,000
Total			2,206,375	10,169,923

Weighted average remaining contractual life of options outstanding at end of period is 2.9 years (2017:5.38 years).

Notes to the Consolidated Financial Statements – Other information (continued)

For the year ended 31 December 2018

23. Auditor remuneration

During the year, the following fees were paid or payable for services provided by the auditor of the parent entity, its related practices and non-related audit firms:

	2018 US$	2017 US$
PricewaterhouseCoopers Australia		
(i) Audit and other assurance services		
Audit and review of financial statements	230,772	282,103
(ii) Other services		
Total remuneration for other services	15,295	56,764
PricewaterhouseCoopers Network		
(i) Audit and other assurance services		
Audit and review of financial statements	23,000	20,676
(ii) Other services		
Total remuneration for other services	-	31,061

24. Parent entity disclosures

Summary financial information

The individual financial statements for the parent entity show the following aggregate amounts:

	2018 US$'000	2017 US$'000
Balance sheet		
Current assets	3,875	6,986
Total assets	20,094	25,995
Current liabilities	905	1,059
Total liabilities	905	1,059
Shareholders' equity		
Issued capital	109,676	109,676
Restructure reserve	(16)	(16)
Share-based payments	169	225
Currency translation reserve	(2,868)	1,261
Retained earnings	(87,772)	(86,211)
Total equity	19,189	24,935
Loss for the period	(1,562)	(83,903)
Exchange rate differences	(5,486)	2,618
Total comprehensive loss for the year	(7,048)	(81,285)

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Notes to the Consolidated Financial Statements – Other information (continued)

For the year ended 31 December 2018

24. Parent entity disclosures (continued)

Contingent liabilities of the parent entity

The parent entity did not have any contingent liabilities as at 31 December 2018 or 31 December 2017.

Determining the parent entity financial information

The financial information for the parent entity has been prepared on the same basis as the consolidated financial statements, except as set out below.

(i) Investments in subsidiaries, associates and joint venture entities

Investments in subsidiaries, associates and joint venture entities are accounted for at cost in the financial statements of the Group. Dividends received from subsidiaries are recognised in the parent entity's profit or loss when its right to receive the dividend is established.

25. Other accounting policies

Significant and other accounting policies that summarise the measurement basis used and are relevant to an understanding of the financial statements are provided throughout the notes to the financial statements.

The financial report is a general purpose financial report which has been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). The financial statements have been prepared on a going concern basis using historical cost conventions, except for the following:

- available-for-sale financial assets, financial assets and liabilities (including derivative instruments), certain classes of property, plant and equipment and investment property – measured at fair value;
- assets held for sale – measured at fair value less cost of disposal; and
- defined benefit pension plans – plan assets measured at fair value.

(a) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Group. A list of controlled entities (subsidiaries) at year end is contained in note 8. The financial statements of subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. Adjustments are made to bring into line any dissimilar accounting policies that may exist. In preparing the consolidated financial statements, all inter-company balances and transactions, income and expenses and profits and losses resulting from intra-Group transactions have been eliminated. Subsidiaries are consolidated from the date on which control is obtained to the date on which control is disposed. The acquisition of subsidiaries is accounted for using the acquisition method of accounting.

(b) Functional and presentational currencies

Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The functional currency of the Company is Australian Dollars while the presentation currency of the financial statements is US Dollars. The Board resolved that the Company adopt US Dollars as its presentation currency of the financial statements as it believes US Dollars best reflects the global environment in which Range operates and is widely understood by Australian and international investors and analysts. All amounts shown are in US dollars (unless otherwise stated).

Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency exchange differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the balance sheet date are recognised in profit or loss. When a foreign operation is disposed of or any loan forming part of the net investment of the foreign operation is repaid, a proportionate share of the accumulated currency translation differences is reclassified to profit or loss, as part of the gain or loss on disposal.

Foreign exchange gains and losses that relate to borrowings are presented in the income statement within "finance cost". All other foreign exchange gains and losses impacting profit or loss are presented in the income statement within "foreign exchange gains and losses". Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

Notes to the Consolidated Financial Statements – Other information (continued)

For the year ended 31 December 2018

25. Other accounting policies (continued)

(c) Recognition and measurement of financial assets

Classification

From 1 January 2018, the Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI, or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows. The Group reclassifies debt investments when and only when its business model for managing those assets changes.

Financial assets measured at amortized costs are presented as "trade and other receivables" and "cash and cash equivalents" on the balance sheet. They are presented as current assets, except for those expected to be realised later than 12 months after the balance sheet date which are presented as non-current assets.

Initial measurement of financial assets

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Subsequent measurement

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses), together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.
- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the statement of profit or loss.
- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

Impairment

From 1 January 2018, the Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by AASB 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables. Refer to note 19.

(d) New or revised accounting standards and interpretations

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group.

The following Accounting Standards and Interpretations are most relevant to the Group**:**

AASB 9 Financial Instruments

'AASB 9 Financial Instruments' has been adopted in the current period. AASB 9 replaces the provisions of AASB 139 that relate to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting.

Upon adoption of AASB 9, the Group now applies the simplified approach to providing for expected credit losses, which requires the use of the lifetime expected loss provision for all trade receivables. The Group has assessed the financial impact of adopting the new impairment model on transition to be immaterial.

Notes to the Consolidated Financial Statements – Other information (continued)

For the year ended 31 December 2018

25. Other accounting policies (continued)

AASB 15 Revenue from Contracts with Customers

The Group has adopted AASB 15 Revenue from Contracts with Customers from 1 January 2018. AASB 15 applies to all revenue arising from contracts with customers unless the contracts are within the scope of other standards such as AASB 117 Leases.

The standard outlines the principles entities must apply to measure and recognise revenue with the core principle being that entities should recognise revenue at an amount that reflects the consideration to which the entity expects to be entitled in exchange for fulfilling its performance obligation to a customer.

The principles in AASB 15 must be applied using the following 5 step model:

(a) Identify the contract(s) with a customer
(b) Identity the performance obligation in the contract
(c) Determine the transaction price
(d) Allocate the transaction price to the performance obligation in the contract
(e) Recognise revenue when or as the entity satisfied its performance obligation.

The standard requires entities to exercise considerable judgement taking into account all the relevant facts and circumstances when applying each step of this model to their contracts with customers. On adoption of the new revenue standard the Group has reviewed potential performance obligations which may arise under its revenue contracts, based on management assessment there are no areas of Revenue recognition that are materially affected:

Adoption of AASB 15 has no material impact on the financial statements in the period or at the date of initial application.

(e) New accounting standards and interpretations not yet mandatory or early adopted

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. The following Accounting Standards and Interpretations are most relevant to the Group:

Leases AASB 16 Leases will primarily impact the accounting by lessees and will result in the recognition of almost all leases on the balance sheet. The standard removes the distinction between operating and financing leases and requires recognition of a 'right to-use' asset and a financial liability to pay rentals for almost all lease contracts. The Group is yet to fully assess the impact but it is likely that the Group's assets and liabilities will not be significantly impacted. The standard is applicable from 1 January 2019.

26. Subsequent events

As disclosed to the market the following event occurred after balance sheet date:

On 14 February 2019 the Company held an Extraordinary General Meeting to seek approval to issue 12,000,000 options to Mr Bowhill as part of his remuneration package on the following terms:

- the options are exercisable at $0.075 (7.5 cents) per share;
- the options will vest on 10 September 2019 except in the event of a change of control (Event) of the Company, prior to 10 September 2019, and the Event Price is less than 7.5 cents, then the options will vest on the date the Event occurs. (Vesting date);
- the options expire on 10 September 2024, subject to an Event; and
- if an Event occurs prior to 10 September 2019, and the Event Price is greater than 7.5 cents, then the options will vest on the Vesting Date, and Mr Bowhill will be entitled to a cash payment (payable on 10 September 2019) as outlined in the Explanatory Memorandum of the Company's EGM held on 14 February 2019.

Other than those outlined above no matters or circumstances have arisen since 31 December 2018 that have significantly affected or may significantly affect:

- the Company's operations in future financial years; or
- the result of those operations in future financial years; or
- the Company's state of affairs in future financial years.

27. Corporate Information

Range International Limited ("Range") is a manufacturer of plastic pallets listed on the Australian Securities Exchange (ASX:RAN). Range's ThermoFusion™ technology allows it to make plastic pallets from 100% recycled mixed waste plastic.

Range has production facilities located in Indonesia operated by its subsidiary Repal Internasional Indonesia and sells its pallets under the brand Re>Pal™, while its Singapore subsidiary, Range International Holdings Limited ("RIHL"), owns all of Range's intellectual property.

The address of Range International Limited's registered office and its principal place of business is Level 12, 680 George Street, Sydney, NSW Australia 2000.

Directors' Declaration

In the opinion of the Directors of Range International Limited:

the financial statements and notes set out on pages 24 to 54are in accordance with the *Corporations Act 2001*, including:

- complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
- giving a true and fair view of the consolidated financial position of Range International Limited as at 31 December 2018 and of its performance for the year ended on that date; and
- there are reasonable grounds to believe that Range International Limited will be able to pay its debts as and when they become due and payable.

The Directors have been given the declarations by the Managing Director and Chief Financial Officer required by Section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of the Directors.

Peter Wallace

Chairman

29 March 2019

Independent auditor's report

To the members of Range International Limited

Report on the audit of the financial report

Our opinion

In our opinion:

The accompanying financial report of Range International Limited (the Company) and its controlled entities (together the Group) is in accordance with the *Corporations Act 2001*, including:

a) giving a true and fair view of the Group's financial position as at 31 December 2018 and of its financial performance for the year then ended

b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What we have audited

The Group financial report comprises:

- the consolidated statement of financial position as at 31 December 2018
- the consolidated income statement for the year then ended
- the consolidated statement of comprehensive income for the year then ended
- the consolidated statement of changes in equity for the year then ended
- the consolidated statement of cash flows for the year then ended
- the notes to the consolidated financial statements, which include a summary of significant accounting policies
- the directors' declaration.

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (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.

PricewaterhouseCoopers, ABN 52 780 433 757
One International Towers Sydney, Watermans Quay, Barangaroo, GPO BOX 2650, SYDNEY NSW 2001
T: +61 2 8266 0000, F: +61 2 8266 9999, www.pwc.com.au

Level 11, 1PSQ, 169 Macquarie Street, Parramatta NSW 2150, PO Box 1155 Parramatta NSW 2124
T: +61 2 9659 2476, F: +61 2 8266 9999, www.pwc.com.au

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Material uncertainty related to going concern

We draw attention to Note 1 in the financial report, which states that the:

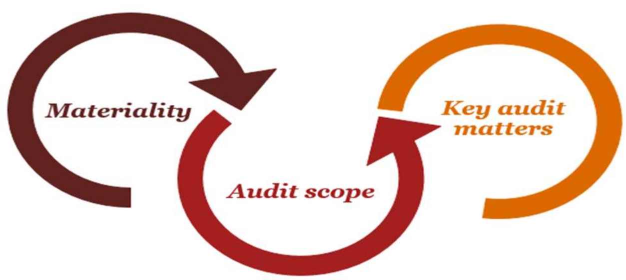
- Group incurred a loss after tax of $7.2 million, net operating cash outflows of $4.2 million and investing cash outflows of $1.6 million during the year ended 31 December 2018
- Group has cash and cash equivalents of $3.3 million at year end and
- Group's ability to continue as a going concern, to recover the carrying amount of its assets and meet its commitments as and when they fall due is dependent on the ability of the Group to meet its sales targets, improve its margins, manage its cost base and/or access additional sources of capital.

These conditions, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Our audit approach

An audit is designed to provide reasonable assurance about whether the financial report is free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial report as a whole, taking into account the geographic and management structure of the Group, its accounting processes and controls and the industry in which it operates.



Materiality

For the purpose of our audit we used an overall materiality of US$0.6 million, which represents approximately 5% of the Group's loss before impairment of assets and before tax averaged over the current and two previous reporting periods. We selected this threshold, based on our professional judgement, noting that:

- loss before tax is a key benchmark against which the performance of the Group is commonly measured
- we adjusted for impairment as it is an infrequently occurring item impacting profit
- we applied a three year average to address volatility in the calculation of materiality that arises from fluctuations in loss from year to year
- approximately 5% is within the range of commonly acceptable profit-based thresholds.

We applied this threshold, together with qualitative considerations, to

- determine the scope of our audit and the nature, timing and extent of our audit procedures
- evaluate the effect of identified misstatements on the financial report as a whole.

Audit Scope

Our audit focused on:

- subjective judgements made by the Group and
- significant accounting estimates involving assumptions and inherently uncertain future events.

The Group comprises entities located in Australia and South East Asia with the most financially significant operations being those located in Indonesia, Australia and Singapore. Accordingly, we structured our audit as follows:

- The group audit was led by our team from PwC Australia ("group audit team").
- Under instruction from and on behalf of the group audit team, component auditors in Indonesia conducted an audit of the special purpose financial information of the Indonesian operation used to prepare the consolidated financial statements.
- The group audit team undertook the remaining audit procedures, including specified procedures over specific financial statement items of the Singaporean operation and the Australian entity and procedures over significant financial statement items controlled at the Group level, the Group consolidation and the audit of the financial report and remuneration report.
- The group audit team decided on their level of involvement needed in the work performed by the component auditor, to be satisfied that sufficient appropriate evidence had been obtained for the purpose of our opinion. Review of the work undertaken by the component team, and regular communication between the teams up to the reporting date, supplemented the specific direct written instruction provided by PwC Australia and augmented the reporting provided by the component auditor. The combination of all these procedures provided us with sufficient and appropriate audit evidence to express an opinion on the Group's financial report as a whole.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. The key audit matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Further, any commentary on the outcomes of a particular audit procedure is made in that context. We communicated the key audit matters to the Audit and Risk Committee.

In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matter described below to be the key audit matter to be communicated in our report.

Key audit matter	*How our audit addressed the key audit matter*
Impairment of intangible assets and property, plant and equipment *Refer to note 6 Intangible assets and note 7 Property, plant and equipment* Having concluded that there were indicators of impairment, in accordance with AASB 136 *Impairment of Assets*, the Group performed an assessment of the carrying value of the Group's assets. This assessment is inherently complex and judgemental. It requires judgement by the Group in forecasting the operational cash flows of the Group and determining discount rates and terminal value growth rates used in the discounted cash flow model (the models) used to assess impairment. As a result of the assessment no impairment was recognised. The impairment of intangible assets and property, plant & equipment was considered a key audit matter given: - the financial significance of the intangible and property, plant and equipment assets - the judgement applied by the Group in completing the impairment assessment.	We focused our efforts on developing an understanding of and testing the overall calculation and methodology of the Group's impairment assessment. In obtaining audit evidence, our procedures included, amongst others: - assessing the cash flow forecasts included in the models with reference to actual historical earnings - testing the mathematical calculations within the models - assessing the terminal value growth rates and discount rates applied in the models by comparing them to external information sources - performing sensitivity analyses over the key assumptions used in the models - evaluating the related financial statement disclosures for consistency with Australian Accounting Standards requirements.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 31 December 2018, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly 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. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, 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 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 ability of the Group 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 Group 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 the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar1.pdf. This description forms part of our auditor's report.

Report on the remuneration report

Our opinion on the remuneration report

We have audited the remuneration report included in pages 14 to 22 of the directors' report for the year ended 31 December 2018. In our opinion, the remuneration report of Range International Limited for the year ended 31 December 2018 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of *the Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

PricewaterhouseCoopers

PricewaterhouseCoopers

Mark Dow
Partner

Sydney
29 March 2019

Shareholder information as at 8 March 2019

Number of securityholders

There were 1,661 holders of ordinary shares (quoted and unquoted) in the Company and 3 holders of options over ordinary shares (unquoted). These were the only classes of equity securities.

Shareholding Distribution

Size of shareholding	Number of holders	Number of shares	% of issued capital
1-1,000	92	44,896	0.02
1,001-5,000	334	1,122,713	0.56
5,001 – 10,000	311	2,614,680	1.30
10,001 – 100,000	685	25,877,339	12.87
100,001 and over	239	171,395,358	85.25
Total	1,661	201,054,986	100.00

Twenty largest holders of ordinary shares

Name	Shares held	% of issued capital
MATTHEW JOSEPH DARBY	19,098,899	9.50
SRI WIDATI ERNAWAN PUTRI	11,526,575	5.73
CITICORP NOMINEES PTY LIMITED	11,092,648	5.52
BNP PARIBAS NOMS PTY LTD	9,112,860	4.53
BNP PARIBAS NOMINEES PTY LTD	7,082,019	3.52
ENVIROPALLETS EUROPE S.A.R.L	5,264,701	2.62
SHELL COVE CAPITAL MANAGEMENT LIMITED	5,000,000	2.49
DJM CAPITAL LIMITED	4,897,838	2.44
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	4,437,399	2.21
MR CHRISTOPHER FONG	4,290,259	2.13
MR GUY CLEMENTS	2,872,439	1.43
RANGE INDUSTRIES HOLDINGS LTD	2,780,968	1.38
MR LINDSAY BARTLEY RUNDLE	2,500,000	1.24
MS ZOE SCOTT BURR	2,075,000	1.03
JASZAC INVESTMENTS PTY LTD	2,042,800	1.02
PEJAY PTY LIMITED	2,005,380	1.00
HIGHLAND CAPITAL LIMITED	1,820,373	0.91
MICHAEL CHARLES GARWOOD	1,814,368	0.90
FONGORO PTY LTD	1,725,000	0.86
JULIAN CHARLES EDWARD PITTAM	1,590,411	0.79
Total	103,029,937	51.24

Substantial holders

Substantial shareholders as disclosed in substantial holding notices given to the Company were as follows:

Name of substantial holder	Number of shares over which relevant interest is held	% of issued capital
Matthew Joseph Darby	19,098,899	9.5
SRI Widati Ernawan Putri	11,526,575	5.73

Unquoted securities

There were 14,206,375 unquoted options over ordinary shares on issue as follows:

Unquoted options	Number of options	Number of holders
Options expiring 20 July 2021	1,413,448	1
Options expiring 20 July 2022	792,927	2
Options expiring 10 September 2024	12,000,000	1
Total	14,206,375	4

Options on issue expiring 20 July 2021 and 20 July 2022 were issued under the Company's employee share option plan.

Options on issue expiring 10 September 2024 were approved by Shareholders on 14 February 2019, on the terms as outlined in note 25.

Voting Rights

Ordinary issued shares carry voting rights on a one for one basis and unlisted options do not carry voting rights.

Unmarketable parcels

There were 883 holders of less than a marketable parcel of shares based on the closing market price of $0.064 at the specified date.

Corporate Information

Directors
Peter Wallace, Chairman
Matthew Darby, Non-Executive Director
Kenneth MacMillan, Non-Executive Director

Registered office
Range International Limited
Level 12, 680 George Street
Sydney NSW 2010 Australia

T: +61 2 8280 7355

Company Secretary
Kim Bradley Ware
T: +61 2 9547 4379
E: kb@rangeinternational.com

Auditor
Pricewaterhouse Coopers
One International Towers Sydney
Watermans Quay, Barangaroo,
GPO Box 2650, Sydney, NSW 2001.

Share Registry
Link Market Services
Level 12, 680 George Street
Sydney NSW 2000

T: +61 1300 554 474
E: registrars@linkmarketservices.com.au
www.linkmarketservices.com.au

Websites
www.rangeinternational.com
www.re-pal.com

Subsidiaries

PT RePal Internastional Indonesia
JL. Raya Semer #23A, Kerobokan
Bali 80361, Indonesia

Range International Holdings Pte Ltd
6 Raffles Quay
#14-04/05
Singapore 048580

Re-Pal Australia Pty Limited
Level 12, 680 George Street
East Sydney NSW 2010
Australia

Repal Malaysia SDN BHD
Suite#20-11, Level 20
Centro, No. 8, Jalan Batu Tiga Lama
41300 Klang, Selangor, Malaysia

Re-Pal Sustainability Philippines Inc
12th Floor, Robinsons Summit Center
6783 Ayala Avenue
Barangay Bel-Air, Makati City 1209

Re-Pal Sustainability China, Co. Ltd
Room 1110 Building 10
No.111 Feng Pu Road Feng Pu Industry Park
Fengxian District, Shanghai

www.rangeinternational.com