

FOR IMMEDIATE RELEASE

**SIGA AND OPEN RANGE ENTER INTO LETTER OF INTENT  
FOR  
QUALIFYING TRANSACTION OF OPEN RANGE**

Calgary, Alberta, December 16, 2005 – **SIGA Resources Limited** (“**SIGA**”) (TSXV:SIG) and **Open Range Capital Corp.** (“**Open Range**”) (TSXV:RGE.P), a capital pool company, jointly announce the entering into of a letter of intent (the “**Letter of Intent**”), dated December 16, 2005, for the acquisition by Open Range of 100% of the issued and outstanding shares of SIGA at a price of \$0.20 per share for an aggregate purchase price of approximately \$2.8 million, such arm’s length acquisition to be the qualifying transaction (the “**Qualifying Transaction**”) of Open Range in accordance with the policies of the TSX Venture Exchange (the “**TSXV**”). SIGA is a TSXV listed oil and gas company with production from long established Alberta crude oil and natural gas pools with very low decline rates.

Upon completion of the Qualifying Transaction, Open Range will be an oil and gas company.

*Summary of the Qualifying Transaction*

The Letter of Intent provides for the proposed terms pursuant to which SIGA, Open Range and Open Range Resources Ltd. (“**OR Resources**”), a private oil and gas company formed by the management of Open Range for the purposes of financing the Qualifying Transaction, will amalgamate or complete a statutory arrangement or other form of merger or business combination which shall result in the combination of SIGA and OR Resources with Open Range to form a new oil and gas corporation (the “**Resulting Issuer**”) continuing under the name of “Open Range Resources Ltd.” or such other name acceptable to the TSXV. In addition to any shareholder approval requirements of the TSXV, shareholder approvals will be required from each of the parties in the event the Qualifying Transaction is structured as an amalgamation or arrangement under the *Business Corporations Act* (Alberta).

The Qualifying Transaction will have the holders of the common shares of SIGA (the “**SIGA Shares**”) exchange their SIGA Shares for cash on the basis of \$0.20 per for every one (1) issued SIGA Share, while the shareholders of Open Range will receive one (1) common share of the Resulting Issuer (“**Resulting Issuer Shares**”) for each one (1) common share of Open Range (“**Open Range Share**”), and the shareholders of OR Resources will receive one (1) Resulting Issuer Share for each one (1) common share of OR Resources (“**OR Resources Share**”).

Upon completion of the Qualifying Transaction, the Resulting Issuer’s initial oil and gas interests will consist of approximately 55 BOE per day of production consisting of 234 Mcf (40 BOE equivalent) per day of natural gas production and 15 bbls per day of oil and liquids production. After completion of the Qualifying Transaction, the Resulting Issuer will have 21,000,000 Resulting Issuer Shares issued and outstanding which shares will be listed on the TSXV under the trading symbol will be “RGE”.

*Capital Structure and Proposed Private Placement*

Open Range, which was listed on the TSXV on October 14, 2004, raised \$400,000 on its initial public offering in addition to the \$150,000 that was raised from founders as seed capital. Open Range currently has issued and outstanding 7,000,000 Open Range Shares, incentive stock options to purchase up to 700,000 Open Range Shares and agent’s warrants to purchase up to 400,000 Open Range Shares.

SIGA currently has issued and outstanding 13,358,809 SIGA Shares and incentive stock options to purchase up to 1,310,000 SIGA Shares.

OR Resources currently has one (1) OR Resources Share issued and outstanding. Prior to and concurrently with the closing of the Qualifying Transaction, OR Resources will be conducting private placements, either brokered or non-brokered, of up to 4,000,000 OR Resources Shares on a “flow-through” basis, as such term is described in the *Income Tax Act* (Canada), at a price of \$0.25 per share (proposed closing no later than December 31, 2005), and 10,000,000 OR Resources Shares at a price of \$0.20 per share (collectively, the “**OR Resources Private Placements**”), in accordance with the prospectus and registration exemptions under National Instrument 45-106.

OR Resources will have, upon completion of the OR Resources Private Placements, 14,000,000 OR Resources Shares issued and outstanding.

Completion of the Qualifying Transaction will be subject to numerous conditions, including the requirement that \$3.0 million be raised under the OR Resources Private Placements for application to the purchase price of the SIGA Shares.

#### ***About SIGA Resources Ltd.***

SIGA is a TSXV listed oil and gas company (TSXV: SIG) that was incorporated under the *Business Corporations Act* (Alberta) on April 22, 1994. SIGA's oil and gas assets consist of various operated and non-operated properties located in Alberta.

SIGA's oil and gas production averaged 55 BOE per day in 2005 and 2004. During 2005, approximately 70% of such production is attributable to natural gas and 30% to oil and liquids, as compared to approximately 84% of production from natural gas and 16% from oil and liquids in 2004.

SIGA's most recent Form 51-101F1 *Statement of Reserves Data and Other Oil and Gas Information* (the "**SIGA Report**"), dated September 6, 2005 (effective date June 30, 2005), prepared by Fekete Associates Inc., estimates the net present value, on a constant price and cost basis, of SIGA's total proved plus probable reserves at \$4,929,600 discounted at 10% (or \$4,070,300 discounted at 15%). The net present value, on an escalated price and cost basis, of SIGA's total proved plus probable reserves is estimated in the SIGA Report at \$3,899,200 discounted at 10% (or \$3,285,300 discounted at 15%).

The SIGA Report estimates SIGA's proved developed producing reserves at 41.9 Mbbls of oil (net of royalties) with 239 MMcf of natural gas (net of royalties), and 2.8 Mbbls of natural gas liquids (net of royalties) having a net present value of \$2,270,100 discounted at 10% (or \$1,970,200 discounted at 15%), developed non-producing reserves of 17 MMcf of natural gas (net of royalties) having a net present value of \$49,500 discounted at 10% (or \$43,000 discounted at 15%), and probable reserves of 87.5 Mbbls of oil (net of royalties) with 158 MMcf of natural gas (net of royalties) and 2.2 Mbbls of natural gas liquids (net of royalties) having a net present value of \$2,610,000 discounted at 10% (or \$2,057,100 discounted at 15%), all on a constant price and cost basis.

Based upon escalated prices and costs, the SIGA Report attributes a net present value of \$1,935,100 discounted at 10% (or \$1,716,500 discounted at 15%) to SIGA's proved developed producing reserves, \$48,700 discounted at 10% (or \$42,900 discounted at 15%) for its developed non-producing reserves, and \$1,915,400 discounted at 10% (or \$1,525,900 discounted at 15%) for its probable reserves.

SIGA's revenues (net of royalties) increased to \$772,077 for the year ended June 30, 2005, from \$601,727 for the year ended June 30, 2004, based on the audited financial statements for the periods then ended. The unaudited results for SIGA's first quarter ended September 30, 2005, show revenues (net of royalties) of \$239,818 as compared to \$153,396 for the same period in 2004. At September 30, 2005, SIGA's bank debt is \$300,000 on its \$550,000 revolving production loan facility, bearing interest at prime plus 1.5%.

The SIGA Report and the financial statements of SIGA, together with other information of SIGA, are available on the website [www.sedar.com](http://www.sedar.com).

#### ***About Open Range Resources Ltd.***

OR Resources is an Alberta corporation formed on November 18, 2005, for the purposes of facilitating any ancillary matters related to Open Range completing a qualifying transaction in accordance with the requirements and policies of the TSXV. OR Resources presently has one (1) OR Resources Share issued and outstanding to its incorporating shareholder, Leigh Stewart, who is a director and senior officer of Open Range (such share will be cancelled and returned to treasury at the first closing of the OR Resources Private Placements). The board of directors of OR Resources consists of Messrs. Hugh Thomson, William Macdonald, Leigh Stewart, Thomas Robinson and Geoffery Paskuski, who also comprise the current board of directors of Open Range.

Prior to and concurrently with the closing of the Qualifying Transaction, OR Resources will complete the OR Resources Private Placements, from which, not less than \$2.5 million of the proceeds will be applied to the approximate \$2.8 million purchase price of all the issued and outstanding SIGA Shares. In connection with certain requirements under the *Income Tax Act* (Canada), it is anticipated that no later than the closing of the issue and sale

of up to 4,000,000 OR Resources Shares, on a “flow-through” basis, a minor oil and natural gas working interest will be vended into OR Resources by the members of the board of directors of Open Range or their affiliates for nominal consideration.

### ***Sponsorship***

Sponsorship of a qualifying transaction of a capital pool company is required by the TSXV unless exempt in accordance with TSXV policies. Open Range will apply for an exemption from sponsorship requirements on the basis that Open Range is not a foreign issuer, the proposed directors and officers meet the higher standard of the TSXV and Open Range will meet the Tier 2 Minimum Listing Requirements for Oil and Gas Issuers. However, there is no assurance that Open Range will obtain this exemption.

### ***Insiders and Board of Directors of the Resulting Issuer***

Upon completion of the Qualifying Transaction, it is proposed that Messrs. Hugh Thomson, William Macdonald, Leigh Stewart, Thomas Robinson and Geoffrey Paskuski, the current board of directors of Open Range and OR Resources, will comprise the board of directors of the Resulting Issuer. The proposed officers of the Resulting Issuer are Hugh Thomson as President and Chief Executive Officer, William Macdonald as Vice-President, Land, and Leigh Stewart as Vice-President, Finance, Chief Financial Officer and Corporate Secretary. Each of the directors and officers of SIGA will resign in connection with the Qualifying Transaction.

The following is a summary of the principal occupations for the last five years of the proposed directors, officers and promoters of the Resulting Issuer:

#### **Hugh M. Thomson, President, Chief Executive Officer, Director and Promoter**

Mr. Thomson is a Chartered Accountant, having worked at a major accounting firm in Calgary, Alberta from 1981 to 1986. Subsequent thereto, Mr. Thomson served as Vice President, Finance, and Chief Financial Officer from 1993 to 1996 for Hartwell Petroleum Ltd., an oil and natural gas company listed on the Alberta Stock Exchange. From 1996 to 1999, Mr. Thomson served as Vice President, Finance, Chief Financial Officer and a director of Dundee Petroleum Corp., an oil and natural gas company listed on the Alberta Stock Exchange. Mr. Thomson worked as a corporate finance consultant for Emerging Equities Inc., a securities brokerage firm, from April to November, 1999. In December 1999, Mr. Thomson became the President, Chief Executive Officer, Secretary and a director of New North Resources Ltd., an oil and natural gas company listed on the TSXV. New North was acquired in a friendly take-over in March of 2004 and continues operating as a private company. In March 2004, Mr. Thomson resigned as a director of New North, but continues in the role of President, CEO, CFO and Secretary of New North. Mr. Thomson also consults in the areas of corporate finance, accounting and taxation. Mr. Thomson received his Bachelor of Commerce from the University of Calgary in 1981.

#### **William (Bill) C. Macdonald, Vice-President, Land, a Director and Promoter**

Mr. Macdonald is the President of Bilmac Resources Ltd. (“Bilmac”), an oil and gas consulting firm specializing in petroleum land and private oil and gas start up financings. He has over twenty five years of petroleum land experience. Prior to Bilmac he was a co-founder and Vice President, Land, at Avalanche Energy Limited, a private oil and gas company from December 1997 to June 2000. From July 1995 until December 1997 he started Bilmac and provided consulting land services to a broad base of clientele. He was Land Manager at Hardy Oil and Gas Limited, a private subsidiary of Hardy PLC (1990-95) and a senior negotiator at Amerada Hess and prior thereto DeKalb Petroleum Corporation. He became a member of the Canadian Association of Petroleum Landmen in 1980, attained his P. Land designation in April 1989, and remains an active member of the Association.

#### **Leigh D. Stewart, Vice-President, Finance, Chief Financial Officer, Corporate Secretary and a Director**

Mr. Stewart began his legal career with Milner Fenerty in 1990 in the energy department. He then worked as an associate lawyer at a corporate securities law firm from 1993 to 2000, and as a sole practitioner from 2000 to 2002. In 2002 to the spring of 2003, Mr. Stewart was seconded to a law firm in Kuwait City providing advice in connection with industrial construction projects and general international business matters. Mr. Stewart is presently the corporate secretary of Mises Capital Corporation an TSXV listed capital pool company. Prior thereto, Mr. Stewart served as corporate secretary of Kinloch Resources Inc., a TSX listed oil & gas exploration corporation, from May 2001 until it merged with Stylus Energy Inc. (formerly Stylus Exploration Inc.) in March 2005. Mr. Stewart was also the corporate secretary of Predator Exploration Ltd., an TSXV listed oil & gas exploration

corporation from December 2003 until it was acquired by SignalEnergy Inc. in January 2005. Mr. Stewart obtained his Bachelor of Science Degree (Geology) from the University of Alberta (1984) and his Bachelor of Laws Degree from the University of Western Ontario (1990). Mr. Stewart was admitted to the bar in the Province of Alberta in 1991.

**Thomas W. Robinson, Director**

Mr. Robinson has been practicing oil and gas and securities law in Alberta since 1975, with the exception of three years spent in Japan in an executive capacity. From March of 2000, he was in the legal department of EnCana Corporation and its predecessor PanCanadian Energy Corporation, most recently as an Associate General Counsel. In December 2003, Mr. Robinson left EnCana to be a partner in the law firm of Robinson Stewart. Mr. Robinson has been an officer and director of a number of public and private oil and gas companies. Mr. Robinson obtained a Bachelor of Arts from the University of Alberta in 1973, a Bachelor of Laws in 1974, and was admitted to the bar in the Province of Alberta in 1976.

**Geoffrey S. Paskuski, Director**

Mr. Geoffrey Paskuski has been practicing oil and gas law in Alberta since 1991, starting with the law firm Fenerty Robertson Fraser & Hatch (now Milner Fraser Casgrain LLP), then with Johnson Clark Robinson Anderson from 1995 to 2000. From April 2000, he consulted, and subsequently employed by PanCanadian Energy Corporation, and is currently employed by PanCanadian's successor, EnCana Corporation as a solicitor in its legal department. Mr. Paskuski obtained his Bachelor of Arts from the University of Lethbridge in 1986, his Bachelor of Laws from the University of Victoria in 1989, and was admitted to the bar in the Province of Alberta in 1990.

***Description of Significant Conditions to Closing***

Completion of the Qualifying Transaction is subject to a number of conditions, including but not limited to, TSXV acceptance and if applicable pursuant to TSXV requirements, majority of the minority shareholder approval. Where applicable, the Qualifying Transaction cannot close until the required shareholder approval is obtained. In addition, other conditions include all other necessary regulatory, court and third party approvals and authorizations, completion of the OR Resources Private Placements, completion of voting agreements with certain shareholders of SIGA, completion of a definitive agreement setting forth the terms and conditions set forth in the Letter of Intent and the completion of due diligence. There can be no assurance that the Qualifying Transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the information circular to be prepared in connection with the Qualifying Transaction any information released or received with respect to the Qualifying Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of a capital pool company should be considered highly speculative.

**Forward-looking Information**

This news release contains forward-looking information. Implicit in this information are assumptions, among other things, regarding oil and natural gas prices, production, royalties and expenses that, although considered reasonable by SIGA and Open Range at the time of preparation, may prove to be incorrect. These forward-looking statements are based on certain assumptions that involve a number of risks and uncertainties and are not guarantees of future performance. Actual results could differ materially as a result of changes in SIGA and Open Range's plans, changes in the commodity prices, general economic, market, regulatory and business conditions as well as production, development and operating performance and other risks associated with oil and gas operations. There is no guarantee by SIGA and Open Range that actual results achieved will be the same as those forecast herein. Readers are cautioned that the foregoing list of important factors is not exhaustive. The forward-looking statements contained in this news release are made as of the date hereof and SIGA and Open Range undertake no obligation to update publicly or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable securities laws. The forward-looking statements contained in this news release are expressly qualified by this cautionary statement.

Barrels of oil equivalent (BOE's) may be misleading, particularly if used in isolation. In accordance with NI 51-101, a BOE conversion ratio for natural gas of 6 Mcf:1bbl has been used, which is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

**In accordance with TSXV policy, the Open Range Shares and the SIGA Shares are currently halted from trading.**

**The TSX Venture Exchange Inc. has in no way passed upon the merits of the Qualifying Transaction and has neither approved nor disapproved the contents of this news release.**

**For further information, please contact:**

**Hugh M. Thomson**

President and a director of Open Range Capital Corp. at (403) 303 – 2505.

**Kim A. McKay**

President of SIGA Resources Limited at (403) 262 – 5075.