



Quarterly Activities Report

For the period ended 30 September 2017

Range Resources Limited
('Range' or 'the Company')

31 October 2017

The Company provides its quarterly activities report for the period ended 30 September 2017.

PRODUCTION AND FINANCIAL SUMMARY

| Key Performance Metrics | | September Quarter Q1 FY18 | June Quarter Q4 FY17 | Change % |
|---|--------------|---------------------------|----------------------|----------|
| Total oil production (net to Range) | <i>bbl</i> | 53,304 | 48,294 | 10% |
| Daily average oil production (net to Range) | <i>bopd</i> | 579 | 531 | 10% |
| Receipt from sales and debtors | <i>US\$m</i> | 2.3 | 2.3 | 0 |
| Capital expenditure | <i>US\$m</i> | 1.1 | 0.2 | 450% |
| Closing cash position | <i>US\$m</i> | 17.7 | 17.5 | 1% |

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CORPORATE

Update on acquisition of Range Resources Drilling Services Limited (“RRDSL”)

During the previous quarter, Range signed a Sale and Purchase Agreement (“the SPA”) with LandOcean Energy Services Co., Ltd (“LandOcean”) for the acquisition of 100% of RRDSL, an established oilfield services business based in Trinidad.

The acquisition is subject to a vote of the Company's shareholders at the Annual General Meeting of the Company (the “AGM”). The AGM will be held at 10:00 AEDT on 30 November 2017 at RSM Corporate Australia Pty Ltd, Level 13, 60 Castlereagh Street, Sydney NSW 2000. Both Shareholders and Depositary Interest holders will be able to vote in the usual way. Further details are available in the Company's Notice of Meeting released on 30 October 2017.

Update on Alternative Investment Market (“AIM”) listing

The Company announced that its share trading on AIM, part of the London Stock Exchange, was cancelled effective 14 September 2017, pursuant to AIM Rule 41. Range remains committed to maintain a listing in London. The Company is working on the required AIM admission documentation, which is progressing well. Range intends to seek admission to AIM, currently expected during December 2017.

Acquisition of oil and gas interests in Indonesia

During the quarter, Range announced that it signed SPA with PT Hengtai Weiye Oil and Gas (“Hengtai”), to acquire a 23% interest in the Perlak field, Indonesia for cash consideration of US\$3.2 million. The Perlak field is an established oilfield, located in a mature hydrocarbon province of Northeast Sumatra. The field has produced c. 60 mmbbls to date. The acquisition completed on 30 October 2017.

The Company plans to undertake a work programme aimed at re-initiating production from the existing wells, firming up the field development plan (“FDP”), and fully exploiting the potential resources. Range's initial indirect interest of 23% will increase to 42% once the minimum work programme is completed.

The vendor agreed to provide Range with a put option, whereby Range has the option to enforce a buyback of its full 60% interest in Hengtai should the agreed milestones not be achieved, therefore providing protection to Range's investment. These milestones, include achieving minimum production of 800 bopd from the Perlak field over a continuous 90-day period, as well as proving up independently audited 1P reserves of at least 10 mmbbl within a three-year period.

Acquisition of producing assets in Trinidad

Range announced that it entered into a binding SPA to acquire certain producing assets from a wholly owned subsidiary of Trinity Exploration and Production Plc (“Trinity”) for a cash consideration of US\$4.55 million. Pursuant to the acquisition, the Company will acquire a significant interest in two offshore producing licences, Brighton Marine (“BM”) and Point Ligoure-Guapo Bay-Brighton Marine (“PGB”) (collectively the “West Coast Assets”). Both licences are located offshore West Coast of Trinidad.

Completion of the acquisition is conditional (amongst other things) upon a waiver of pre-emption rights by Petrotrin and receipt of all necessary regulatory approvals from Petrotrin and the Ministry of Energy and Energy Industries of Trinidad and Tobago ("MEEI").

American Depository Receipt ("ADR") termination

During the quarter, as part of continued cost cutting exercise the Company announced its decision to close its ADR programme. Further information for ADR holders can be found on the Bank of New York Mellon website at <https://www.adrbnymellon.com/directory/dr-directory>.

Update on LandOcean payment arrangements

During the quarter, Range received notification from LandOcean that it entered into a short-term factoring arrangement with Huayuan Commercial Factoring Ltd and Sichuan XW Bank Co Ltd (the "Factor"). Range consented to the factoring arrangement and has provided a confirmation that if required, it will pay the invoices when due to the Factor instead of LandOcean.

The factoring arrangement entered into by LandOcean has a maturity date of 30 April 2018 which results in a mismatch between the maturity date by when LandOcean require to repay Factor and the due date for payment by Range of the amounts due. There has been no change to the contractual obligation of Range to repay the invoices before April 2020 and Range has no express obligation to repay Factor prior to that date.

However, Range recognises there is a potential risk that should LandOcean default on their repayment obligation, the Factor may attempt to demand payment of the invoices by Range at the maturity date. To provide Range with further comfort on this point, LandOcean has provided Range with a guarantee and indemnity to ensure that Range does not have to pay any party (either LandOcean or the Factor), and LandOcean further indemnifies Range to ensure that Range is only liable to pay by no later than 30 April 2020.

Director resignation

During the quarter, Mr Yu Wang tendered his resignation as Non-Executive Director to pursue other opportunities.

OPERATIONS – TRINIDAD

Beach Marcelle waterflood

During the period production at the South East Block of Beach Marcelle field continued at an average rate of 90 bopd and water injection rate of 885 bwpd.

In order to increase the water injection rate, the Company signed agreements with Petrotrin to use produced water from their operations, which will increase the rates by a further 700 bwpd. During the period, the Company completed pipeline construction to connect to Petrotrin's water supply. The Company is currently awaiting Petrotrin's final notice to commence water injection from this source.

Morne Diablo waterflood

During the period, production continued at an average rate of approximately 30 bopd. The Company completed injectivity tests on parts of the block and continues to analyse the results. Once this has been completed, the Company intends to commence work to increase water supply, including construction of a new water pipeline, and gathering and transfer stations.

Other waterflood projects

The Company has been undertaking initial preparatory work (including injectivity testing) on other parts of its acreage, and is planning to expand its waterflood programme to other areas of the Beach Marcelle, South Quarry and Morne Diablo fields, with initial work expected to commence towards the end of 2018 and into 2019.

Development drilling

During the period, the Company drilled one development well located on its Morne Diablo field, the QUN 161 well. The well was drilled to a total depth of 2,300 feet ahead of schedule. Production testing has been completed with the well flowing at a stabilised average rate of 30 bopd.

As announced on 26 July 2017, the Company was planning on drilling two further wells on the Morne Diablo field during 2017. Upon further review, it was decided to drill one development well on the Beach Marcelle field instead. The well is planned to be drilled to 4,300 feet targeting Lower Gros Morne sands. The well will be drilled by RRDSL using rig 18. Well location construction is currently underway.

Workovers

During the period, the Company continued to undertake low cost workovers on selected wells to provide additional production. 66 workovers on the existing wells have been completed during the period.

Petroleum tenements held at the end of the quarter (Appendix A)

| Tenement Reference | Location | Working Interest | Operator |
|-----------------------------------|----------|------------------|----------|
| Morne Diablo | Trinidad | 100% | Range |
| South Quarry | Trinidad | 100% | Range |
| Beach Marcelle | Trinidad | 100% | Range |
| St Mary's | Trinidad | 80% | Range |
| Guayaguayare Shallow ¹ | Trinidad | 65% | Range |
| Guayaguayare Deep ¹ | Trinidad | 80% | Range |

Notes:

1. The Production Sharing Contracts relating to Guayaguayare expired in 2015. Renewal is subject to final government approvals.
2. The Company believes that it holds a 45% interest in Block VIa in Georgia via its shareholding in Strait. Range disputes the actions of the Georgian government in attempting to re-licence this block to third parties. Range is working with its legal advisers to seek an amicable resolution to this matter and is exploring relevant routes to preserve the value of its investment.

Competent Person statement

The information contained in this announcement has been reviewed and approved by Mr Lijun Xiu. Mr Xiu is a suitably qualified person with over 30 years' experience in assessing hydrocarbon reserves, and holds a Bachelor degree in Geological Prospecting. In addition, he holds a number of professional titles, including Reserves Evaluation Specialist from the Ministry of Land and Resources of the People's Republic of China. Mr Xiu is a member of the SPE (Society of Petroleum Engineers). Mr Xiu holds a role of a Vice President of Operations and Production with the Company.

Contact Details

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Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

Range Resources Limited

ABN

88 002 522 009

Quarter ended ("current quarter")

30 September 2017

| Consolidated statement of cash flows | Current quarter \$US'000 | Year to date (3 months) \$US'000 |
|---|-----------------------------|--|
| 1. Cash flows from operating activities | | |
| 1.1 Receipts from customers | 2,331 | 2,331 |
| 1.2 Payments for | | |
| (a) exploration & evaluation | - | - |
| (b) development | (971) | (971) |
| (c) production | (139) | (139) |
| (d) staff costs | (593) | (593) |
| (e) administration and corporate costs | (238) | (238) |
| 1.3 Dividends received (see note 3) | - | - |
| 1.4 Interest received | 57 | 57 |
| 1.5 Interest and other costs of finance paid | - | - |
| 1.6 Income taxes paid/refunded | 1,401 | 1,401 |
| 1.7 Research and development refunds | - | - |
| 1.8 Other (provide details if material) | - | - |
| 1.9 Net cash from / (used in) operating activities | 1,848 | 1,848 |

| | | |
|--|---|---|
| 2. Cash flows from investing activities | | |
| 2.1 Payments to acquire: | | |
| (a) property, plant and equipment | - | - |
| (b) tenements (see item 10) | - | - |
| (c) investments | - | - |
| (d) other non-current assets | - | - |

+ See chapter 19 for defined terms.

Mining exploration entity and oil and gas exploration entity quarterly report

| Consolidated statement of cash flows | | Current quarter \$US'000 | Year to date (3 months) \$US'000 |
|---|---|-------------------------------------|---|
| 2.2 | Proceeds from the disposal of: | | |
| | (a) property, plant and equipment | - | - |
| | (b) tenements (see item 10) | - | - |
| | (c) investments | - | - |
| | (d) other non-current assets | - | - |
| 2.3 | Cash flows from loans to other entities* | (1,661) | (1,661) |
| 2.4 | Dividends received (see note 3) | - | - |
| 2.5 | Other (provide details if material) | - | - |
| 2.6 | Net cash from / (used in) investing activities | (1,661) | (1,661) |

*Loans to other entities represent amounts advanced to RRDSL pending completion of the acquisition

| | | | |
|-------------|---|----------|----------|
| 3. | Cash flows from financing activities | | |
| 3.1 | Proceeds from issues of shares | - | - |
| 3.2 | Proceeds from issue of convertible notes | - | - |
| 3.3 | Proceeds from exercise of share options | - | - |
| 3.4 | Transaction costs related to issues of shares, convertible notes or options | - | - |
| 3.5 | Proceeds from borrowings | - | - |
| 3.6 | Repayment of borrowings | - | - |
| 3.7 | Transaction costs related to loans and borrowings | - | - |
| 3.8 | Dividends paid | - | - |
| 3.9 | Other (provide details if material) | - | - |
| 3.10 | Net cash from / (used in) financing activities | - | - |

| | | | |
|-----------|--|---------|---------|
| 4. | Net increase / (decrease) in cash and cash equivalents for the period | | |
| 4.1 | Cash and cash equivalents at beginning of period | 17,458 | 17,458 |
| 4.2 | Net cash from / (used in) operating activities (item 1.9 above) | 1,848 | 1,848 |
| 4.3 | Net cash from / (used in) investing activities (item 2.6 above) | (1,661) | (1,661) |
| 4.4 | Net cash from / (used in) financing activities (item 3.10 above) | - | - |

+ See chapter 19 for defined terms.

Mining exploration entity and oil and gas exploration entity quarterly report

| Consolidated statement of cash flows | | Current quarter \$US'000 | Year to date (3 months) \$US'000 |
|---|---|-------------------------------------|---|
| 4.5 | Effect of movement in exchange rates on cash held | 17 | 17 |
| 4.6 | Cash and cash equivalents at end of period | 17,662 | 17,662 |

| 5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | Current quarter \$US'000 | Previous quarter \$US'000 |
|--|-------------------------------------|--------------------------------------|
| 5.1 Bank balances | 13,112 | 17,458 |
| 5.2 Call deposits | - | - |
| 5.3 Bank overdrafts | - | - |
| 5.4 Other (provide details)* | 4,550 | - |
| 5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above) | 17,662 | 17,458 |

*Represents amount held in an escrow account related to the proposed acquisition of the West Coast assets in Trinidad.

| 6. Payments to directors of the entity and their associates | Current quarter \$US'000 |
|--|-------------------------------------|
| 6.1 Aggregate amount of payments to these parties included in item 1.2 | 191 |
| 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3 | - |
| 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2 | |

Directors' fees and Directors' consulting fees

| 7. Payments to related entities of the entity and their associates | Current quarter \$US'000 |
|--|-------------------------------------|
| 7.1 Aggregate amount of payments to these parties included in item 1.2 | - |
| 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3 | - |
| 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2 | |

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+ See chapter 19 for defined terms.

Mining exploration entity and oil and gas exploration entity quarterly report

| 8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i> | Total facility amount at quarter end \$US'000 | Amount drawn at quarter end \$US'000 |
|--|--|---|
| 8.1 Loan facilities | 20,000 | 20,000 |
| 8.2 Credit standby arrangements | - | - |
| 8.3 Other (please specify) | - | - |
| 8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well. | | |

The details of the US\$20,000,000 convertible loan facility are as follows:

| | |
|--------------------------|--|
| Issuer: | Range Resources Limited |
| Noteholder: | LandOcean Energy Services Co., Ltd |
| Amount: | US\$20,000,000 |
| Maturity Date: | 28 November 2019 |
| Repayment: | Bullet at maturity date |
| Interest: | 8% per annum, payable annually in arrears |
| Security: | None |
| Conversion Price: | £0.0088 per share |
| Lender Conversion Right: | At any time, in a minimum amount of US\$10,000,000 |

| 9. Estimated cash outflows for next quarter | \$US'000 |
|--|-----------------|
| 9.1 Exploration and evaluation | - |
| 9.2 Development | 960 |
| 9.3 Production | 3,401 |
| 9.4 Staff costs | 1,530 |
| 9.5 Administration and corporate costs | 2,079 |
| 9.6 Other (provide details if material)* | - |
| 9.7 Total estimated cash outflows | 7,970 |

+ See chapter 19 for defined terms.

Mining exploration entity and oil and gas exploration entity quarterly report

| 10. | Changes in tenements (items 2.1(b) and 2.2(b) above) | Tenement reference and location | Nature of interest | Interest at beginning of quarter | Interest at end of quarter |
|------|---|---------------------------------|--------------------|----------------------------------|----------------------------|
| 10.1 | Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced | Block VIa, Georgia* | - | 45% | Nil |
| 10.2 | Interests in mining tenements and petroleum tenements acquired or increased | - | - | - | - |

*The Company believes that it holds a 45% interest in Block VIa in Georgia via its shareholding in Strait. Range disputes the actions of the Georgian government in attempting to re-licence this block to third parties. Range is working with its legal advisers to seek an amicable resolution to this matter and is exploring relevant routes to preserve the value of its investment.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here:

Date: 30 October 2017

Director

Print name: Yan Liu

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

+ See chapter 19 for defined terms.