

12 August 2015

Investor Q&A

The Company is pleased to provide its ongoing investor Q&A setting out responses to questions from investors. It should be noted that those queries that were already addressed in the previous Company announcements and Q&A forums, are not included in this Q&A. The wording of similar questions has been amalgamated to better reflect a broader spread of investor interests.

Trinidad

1. What work is currently out for competitive tendering?

Range is in the early stages of commencing competitive tendering for exploration work on the St Mary’s block and will advise shareholders upon further developments.

2. In the event that a third party wins a competitive bid process, how would Range pay for the services?

Range will assess any financial obligations as part of the bid process. Any payments would be made from cash from operations, cash from equity and other sources of finance available to the Company.

The Company’s preference is to use a contractor that can provide all or partial vendor financing, as it allows the Company to pay the invoices from future cashflows.

3. Can the Company provide a detailed breakdown of timelines and expectation of production for waterflood projects?

As previously announced, over the last months LandOcean has been evaluating multiple waterflood blocks in the Beach Marcelle field, two blocks in the South Quarry field, and expansion of the existing pilot project on Morne Diablo field.

Range and LandOcean have concluded that Phase 1 waterflooding on Beach Marcelle field will comprise the South East, North East and South West blocks, plus parts of the North West block previously partially waterflooded by Texaco (subject to the relevant approvals).

The South East block was chosen as the first preferred waterflood project, and all existing wells in this area have now been subject to integrity testing of existing wellbores. Two wells in the block have also been sampled for formation water analysis. One well was perforated, tested for flow rate, and the formation water sampled and analysed. As a result, it is expected that sufficient volumes for initial water injection of the block should be available from the overlying aquifer in shallower sand bodies.

Following completion of detailed economics and feasibility studies, Range and LandOcean presented their updated plans for waterflooding the Beach Marcelle field to the MEEA and Petrotrin. Range will be applying for the relevant approvals during August. Once all approvals are obtained, implementation of water injection is expected to commence approximately five months thereafter. In the meantime, surface facility planning and scheduling for implementation are underway.

On Morne Diablo field, LandOcean completed a review of the previous plans for expansion of the existing pilot waterflood scheme, and suggested changes to the waterflooding pattern which could enhance incremental production and recovery from the project. Range will be applying for the relevant approvals for Morne Diablo waterflooding during August. Once all approvals are obtained, implementation of water injection is expected to commence approximately four months thereafter. In the meantime, surface facility planning and scheduling for implementation are underway.

The Company will release its upcoming waterflood work programme and plans once it has been agreed with the government (as part of the aforementioned government approval process), as well as production forecast for the projects.

- 4. In his speech dated 22 December 2014, the Minister of Energy and Energy Affairs (MEEA) the Hon. Kevin Ramnarine stated that the MEEA was working with Petrotrin to reduce the time taken to give drilling approvals to lease operators to 30 days as the maximum period (link to the article: http://www.energy.gov.tt/wp-content/uploads/2014/12/Speech-Signing-East-Brighton-License_-_Dec-22-2014_-FINAL.pdf). Can Range confirm if this target has been achieved?**

Applications for approvals are treated individually and are typically processed within approximately 30 days in our experience.

- 5. Will the Company be providing operational reports on a monthly basis going forward?**

The Company is committed to providing regular operational updates and is mindful of its reporting obligations as a listed company. As the operational activities increase, the frequency of the updates will increase accordingly. At this stage, the timing of the updates will be determined by the newsflow rather than on a scheduled basis.

- 6. Mr Liu was quoted in an article published in the Trinidad News as predicting a total of 20 wells drilled in 2015? Does the Company believe these targets are achievable?**

At the time when the interview was conducted, the Company was hoping to drill approximately 20 wells in 2015. However, given the operational delays (as announced on 7 August 2015), the Company now expects to drill 4 wells in Q3 2015. The work programme for Q4 2015 will be dependent upon availability of the existing rigs and arrival and deployment of four new rigs (subject to the relevant approvals). The Company will continue to update shareholders in due course.

- 7. What oil price is required to make the drilling campaigns viable and specifically waterflooding?**

The Company is finalising its waterflooding programmes and once all the details are confirmed, the Company expects to provide further details relating to the project.

Range is committed to its long term goals and production growth. The Company does not envisage that its drilling campaign will be impacted by the fluctuation in the oil price.

- 8. What measures are being put in place to avoid future operational delays?**

Operational delays during the last few months were mainly caused by issues with the existing rigs. The Company believes that the next six months should show substantial improvements in operational

performance. The access to four brand new drilling rigs during 2H 2015, will be pivotal to improving capabilities and limiting the downtime of Range's development and exploration drilling.

The Company also believes that the appointment of Mr Xiu as Trinidad Deputy General Manager and Chief Geologist will strengthen the management team. In addition, Range will be making further changes to the management team in Trinidad, which will ensure more efficient and robust operations. These changes will be announced once finalised in due course.

The Company has also been working on improving forward planning in permitting as much as possible, and has implemented a new tracking system which has resulted in several of the processes becoming more consistent. In addition, Range along with other operator companies in Trinidad, has been working with the relevant authorities on issues that cause problems to define better guidelines, which have led to improved submissions and approval timelines.

9. Once the authorities have investigated the rig 6 incident, will investors be advised of the cause and consequences?

The incident was caused by a small fire at the mud tank of the rig. Testing of the rig is ongoing and Range was advised that LandOcean plans to evaluate the feasibility of re-introducing the rig into drilling operations, once the inspections are finalised, expected at the end of August. In the event that it is considered not feasible to use the rig for drilling purposes, the rig is expected to be used for workover operations.

Range is hopeful that the necessary steps will be taken by the contractor LandOcean to ensure that this type of incident is prevented in the future.

10. Investors were advised that LandOcean and Range were looking at minimizing the impact of the rig 6 incident on the planned drilling schedule. What are the results of this review?

To supplement the drilling fleet as the rig 6 inspections are continuing, LandOcean will be contracting a locally rented rig with a drilling depth of approximately 6,000 ft. to provide further capabilities for Range's drilling campaign (as announced on 7 August). The contract for the rented rig is currently being finalised.

11. What due diligence has been undertaken on LandOcean and its subsidiaries in respect of their drilling experience?

LandOcean is a committed contractor, which is demonstrated by the fact that they have purchased Range's loss making drilling business, invested in four new rigs (worth approx. US\$20 million) and offered a 12 month credit facility, allowing Range to proceed with its drilling campaign. Therefore, Range believes that LandOcean is a very capable contractor to execute its drilling programme with the arrival of the four new rigs.

12. Under the contract with LandOcean, is Range able to make a financial claim against LandOcean for delays?

The delays were caused by failures of old equipment and rigs and not due to LandOcean's drilling capabilities. Range will not be making a financial claim against LandOcean.

13. Under the contract with LandOcean, it was originally stated that LandOcean could apply a 10% handling fee on materials and equipment. Would this fee apply if the materials and equipment were supplied by a LandOcean subsidiary?

No, the fee only applies to third parties and not LandOcean subsidiaries.

14. Please advise how much is currently outstanding under 12 month credit facility with LandOcean?

Given the low drilling activity since RRDSL sale completion in May 2015, the balance outstanding under the facility is not material. As a general principle, the information on individual outstanding payments due to suppliers is confidential business information and will not be disclosed.

Investors should note that it is a rolling 12 month credit facility (i.e. Range will pay for each invoice submitted by LandOcean 12 months after the date of that particular invoice).

Investors should also note that if no drilling activity is taking place, there is no credit being accrued under this facility.

15. Is an investigation being undertaken as to how the repair work needed on Rig 8 was missed?

This initial upgrades of the rig were initiated in order to improve drilling capabilities of the rig in March 2014 (prior to acquisition of RRDSL by LandOcean). The upgrades were partially completed, which enabled RRDSL to drill the QU 454 well during Q4 2014 / Q1 2015.

After completion of the QU 454 well, RRDSL was working to complete the required upgrades, which was expected in time for the Canari North well spud. However, as announced on 7 August 2015, following further inspections and tests of the rig indicated that both the mast and the crown require additional repair work, which was not properly completed previously. These repairs are anticipated to be completed during September.

16. Has the location of the two wells on the Guayaguayare block been selected with assistance from LandOcean's analytical software and experience?

No. The locations of the two wells were selected by Range and Niko Resources Ltd in 2014.

17. Can you please provide the details of the vessels that the new rigs are being transported to Trinidad in, as well as estimated delivery times?

Rig	Ship name	Left port in China	Expected arrival in port in Trinidad
4000 m rig	Lianhuahai	July 2015	17 August 2015
1000 m, 1500 m and 2000 m rigs	Curia VA1508	4 August 2015	1 October 2015

Other assets

18. Is there any financial liability for exiting Puntland?

No, there is no financial liability for exiting Puntland.

Corporate

19. The difference in funding between Sibio and the previously proposed Core Capital funding is around US\$25 million. What impact will it have on operational plans?

Range is comfortable with the investment amount provided under Sibio facility, and believes it will be sufficient for the planned work programme.

In addition, the existing 12 month credit facility with LandOcean ensures that Range is able to accelerate its planned exploration and development programmes in Trinidad, which is critical to grow production.

20. Is LandOcean making an investment in Range via Sibio?

No. LandOcean is not making an investment in Range via Sibio.

21. As stated in Range's announcements, Sibio may decide to increase their investment by a further US\$5 million between now and the end of August. What is this decision based upon?

The final investment amount will depend on the final amount provided by investors into Sibio fund.

Sibio advised that it currently intends to subscribe for ordinary shares in an amount of US\$22.1 million in cash as part of the Tranche 2 investment with the final amount to be confirmed after the General Meeting of the Company, which is taking place on 28 August 2015.

22. On what basis has Range requested that a US\$10 million advance be available from Sibio before the shareholder vote on the 31st August?

As per agreement, Sibio may advance some or all of the Tranche 2 Subscription funds to the Company prior to the General Meeting. Sibio agreed to provide up to US\$10 million to provide flexibility for any funding requirements that arose prior to the General Meeting, including any potential financing for the performance bond with respect to the St Mary's block. The Company has not utilized any pre-completion proceeds.

23. Following completion of the Sibio transaction, what percentage of shares will be in free float?

Assuming Sibio invests US\$30 million in total, free float of the Company would be approximately 58%.

Free float excludes:

- *Shares held by Sibio. Assuming Sibio invests US\$30 million in total, Sibio will hold approximately 2.4 billion shares, which will represent 32% of the issued capital.*

- *Shares held by Directors and Management. Following Sibo transaction, Directors and Management will hold approximately 35 million shares (David Chen, Chairman already holds 10,288,070 shares in the Company)*
- *Shares held by Abraham Ltd – approximately 712 million shares currently held.*

24. Can you confirm that none of the Directors have taken a loan with Range for the purchase of the share placement?

Confirmed. None of the Directors have taken a loan from Range for the purchase of the share placement.

25. Range has advised of an intention to apply for a main market listing. At what level of production does the Company believe that this is attainable?

The move to the main market will depend on a number of factors rather than production alone. However, the management believes that the production needs to grow substantially before the move is appropriate.

26. All Directors are due for election at the next Annual General Meeting. What performance criteria have the Directors set themselves to demonstrate that they are the best guardians for existing investors?

The Board's main focus is to create sustainable shareholder value and return for all shareholders (existing and new). The quality of the Board's performance is demonstrated by its effectiveness in providing stewardship and oversight of management and operations of the Company to ensure the Company's risks are appropriately mitigated and business objectives, strategies, and policies and practices are appropriate and executed effectively.

The Board has adopted a corporate governance framework which it considers to be suitable given the size, history and strategy of the Group, and consistent with the ASX Corporate Governance Principles (more information can be found on the Corporate Governance section of the Company's website).

Since the Board has been appointed in December 2014, the progress made to date has been transformational for the Company, as summarised below. The highlights of the achievements in the last year should provide investors with confidence that their Directors are indeed the best guardians for their investments.

- **Funding secured.** Despite the challenging oil price environment, the Company has established a stable funding position for the growth of the Company through a number of attractive funding equity, supplier and trade finance packages.
- **Cutting costs and streamlining operations.** The Board has been focused on driving efficiency and cost reduction by streamlining the scale and geographic footprint of non-core and cash draining businesses; and reduction in G&A costs which have shown a material decrease in the last year, with the Company striving to substantially reduce these costs even further. During the year, the Company has successfully completed the sales of its drilling business Texas assets, Citation Resources equity holding and exit from Puntland. These assets required capital funding so each sale has eliminated imminent spending commitments whilst raising cash for the Company (year to date Range has raised approximately US\$5.2 million from these disposals).

- **Trinidad operations.** Whilst disappointed with operational delays to date, the Board is confident that the next six months will be pivotal in improving operational performance and growing production. The access to additional four brand new drilling rigs during 2H 2015, will be crucial to improving capabilities and limiting the downtime of Range's development and exploration operations. The Company has a total of four wells scheduled to be drilling during Q3 2015 and the work programme for the remainder of the year is currently being finalised. The Company has also commenced exploration operations on the two highly prospective St Mary's and Guayaguayare blocks. Range is the only independent operator to be undertaking large exploration programmes onshore Trinidad during the current challenging oil price environment. Waterflood projects are also progressing, with water injections planned to commence once the necessary approvals have been received.

The Directors believe that in a relatively short period they have laid solid foundations to create shareholder value and fulfil longer term objectives of growing the business through expansion of operational activities, and growth of production and cashflows.

27. On the 14th May, investors were advised that Range was considering appropriate action in conjunction with its legal advisors against Core Capital. Please advise on how this action is progressing.

As stated in the announcement released on 14 May 2015, Range is consulting with its legal advisers with regards to appropriate action and will make a relevant announcement in due course.

28. Please provide an update on the position with the Avanti Advisors Ltd claim announced in the half yearly report for the period ended 31 December 2014?

The potential claim from Avanti Advisors Ltd related to a commission payment on the Core Capital investment, which was subsequently terminated, as announced on 14 May 2015.

29. When does the Company envisage providing an insight into its detailed future operational and financial performance and forecast production targets over the repayment cycle?

Once the Sibio funding has been completed, and the work programme / production forecast for 12 months has been finalised, the Company expects to provide a comprehensive presentation to all investors.

30. Will there be a London investor presentation soon?

The Company will consider an investor presentation in London later in the year, after the year-end accounts have been published and once Sibio funding has been completed.

31. Does Range have any financial connection with the World Stocks internet forum?

Range has no current financial connection or communication with the World Stocks internet forum.

32. Is the Company considering a merger with Trinity Exploration & Production PLC?

Given that Trinity Exploration & Production Plc is subject to the City Code on Takeovers and Mergers and has opted to conduct discussions with parties interested in making a proposal under the framework of a formal sale process, any discussions are to be conducted on a confidential basis, therefore Range cannot provide any further details on this matter.

33. Is there an intention for Mr David Chen to assume a role of an Executive Chairman in the future?

At this stage, Mr David Chen will continue in the role of a Non-Executive Chairman.

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