

22 December 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 related questions

- 1. Given that part of the minimum work obligations on the St Mary’s block include seismic survey work, does the Stratagem survey fulfil these seismic requirements? What is the current status of the survey?**

No, the Stratagem survey would not qualify for seismic work. Stratagem is classified as electrical and magnetic geophysical surveying. The Company plans to commence Stratagem survey on the block and is currently in the preparation phase. The Company will also reprocess existing seismic data on the block as part of its 2016 work programme.

- 2. What is the existing field infrastructure, facilities, wells and the past production profile of wells on the St Mary’s block?**

The St Mary’s block comprises 44,731 acres (181 km<sup>2</sup>) spread over 3 sub-blocks contiguous to Range’s Morne Diablo and Guayaguayare blocks. The block contains highly prospective acreage with multiple plays and lies on trend with several producing onshore oilfields. The western part of the block is adjacent to Range’s extensive production infrastructure, which could be utilised in the development of any discoveries on this block. In general, existing facilities on the block are relatively limited, however, the proximity of several producing fields to the St Mary’s boundaries allows for future cooperation with the third party operators. Range is currently conducting a review of all facilities.

Historically, 42 wells have been drilled on the St Mary’s block primarily during the 1950-60’s as new discoveries were being made in the adjacent fields. Seven of the wells in the block show historical oil production, with the best well achieving 256,000 barrels of cumulative oil production and still having potential for future production following reactivation. Four of these seven wells are planned for reactivation as part of the upcoming work programme.

- 3. What are the possible attributable reserves on the St Mary’s block?**

As stated in the announcement released on 21 May 2015, Range’s best estimate of the prospective resources for the St Mary’s block is 66 MMBO and 1 TCF of gas. The Company is looking to do a further assessment of these resources during 2016 with the view of including these in the next reserves and resources statement.

- 4. What is the existing field infrastructure, facilities and wells on the Guayaguayare block?**

There is considerable infrastructure on the block and a number of historic wells. Significant work has been undertaken to date, including 3D seismic programme over the block. A number of prospective

structures were identified within the onshore area, each considered to have significant potential for oil production.

As announced on 21 May 2015, Range's estimate of the best case prospective resources of the Guayaguayare block is 129 mmbbl. The Company is looking to do a further assessment of these resources during 2016 with the view of including these in the next reserves and resources statement.

**5. Has the Company considered taking over Petrotrin's producing wells and infrastructure within the Beach Marcelle block?**

Range is continuously reviewing all options to streamline and optimize operations in the Beach Marcelle block and if economically feasible may consider taking over other producing wells and infrastructure within the Beach Marcelle block, subject to Petrotrin's approval.

**6. As the Company will be drilling three wells from a single pad using the new 4,000 m rig, what is the approvals process and likely timeline for drilling for each of those wells?**

The approval process is the same as for any development well, but with the addition of a directional well path plan to be prepared and submitted.

As previously advised, the 4,000 m rig is at the Morne Diablo field, with the construction of a three-cell drilling pad successfully completed. The Company aims to spud the three directional wells during Q1 2016.

**7. Is it possible to carry out concurrent operations from the same drill pad, thereby expediting the process of bringing wells into production? For example, whilst drilling is ceased for cementing operations on one bore could other work be carried out on a second bore such as logging perforating etc?**

No. As a standard practice and in line with safety requirements, completion operations on a pad area are performed after the drilling of all wells on that pad is completed.

**8. Can you explain the key changes that have been made to the revised work programme on the Morne Diablo waterflood project?**

During 2015, Range and LandOcean completed a review of the previous plans for expansion of the existing pilot waterflood scheme, and implemented changes to the waterflooding pattern in order to enhance incremental production and recovery from the project. The waterflood injection pattern has been changed from a line-drive (waterflood injection pattern in which the injection wells are located in a straight line parallel to the production wells) to a five-spot pattern (waterflood injection pattern in which four injection wells are located at the corners of a square and the production well is located in the centre).

**9. The annual accounts used a predicted oil price of US\$63 / barrel for 2016. Will field operations be effected at lower oil prices?**

Current oil price has not affected our previously announced work programme. Increased production levels create a lower break-even point for operations and therefore profit per barrel increases. This will further benefit the Company when oil prices do rise.

Range benefits from having funding in place (US\$24.9 million cash as at 30 September 2015), minimal debt (US\$2.6 million as at 30 September 2015), as well as a 12 month credit facility on drilling services with LandOcean. In addition, the Company has taken a number of measures to adapt to lower oil price environment, including reduced G&A costs, sales of cash draining assets, completion of funding, and reduced headcount.

**10. Is the Company applying for all necessary approvals in advance in order to mitigate any work programme delays?**

Yes, the Company has been working on improving forward planning and permitting as much as possible, and has implemented a new project tracking system to enhance planning and approval processes. In addition, Range has been working with the relevant authorities in Trinidad to improve approval timelines.

**11. Does the drilling contractor RRDSL carry the liability for any issues occurred during drilling operations?**

Yes. RRDSL carries the liability under the turn-key drilling arrangement in place.

**12. What is the netback per barrel at US\$40 oil price? At what production level is Range breaking even at this oil price?**

The Company will answer this question in the next Trinidad update announcement, as advised by its Nomad.

**13. What is the payback time for a typical 2,000 ft. well producing 30 bopd at US\$40 / barrel oil price?**

The Company will answer this question in the next Trinidad update announcement, as advised by its Nomad.

**Corporate questions**

**14. It appears that Strait Oil & Gas UK is in liquidation. Does this have an impact on Range as a shareholder of Strait and in particular the valuation placed on this holding / Georgia assets?**

The Block 6a in Georgia is held via Strait Oil & Gas Limited (incorporated in Gibraltar), in which Range holds a 45% interest. The liquidation process related to Strait Oil & Gas (UK) Limited, therefore has no impact on the assets in Georgia.

As per usual practice, the Company will be reviewing the valuation of all assets on the balance sheet (including the equity interest in Strait Oil & Gas Limited) as part of the next half-yearly financial review.

**15. Can you summarise the key benefits of Range maintaining a listing on ASX?**

Range is an Australian registered Company and approximately 50% of Range's shares are held on ASX. The Company has substantially reduced its costs associated with ASX listing, including the sale of unmarketable parcels facility to reduce the number of small ASX holders and share registry costs

associated with maintaining these holdings by approx. US\$50,000 / year. As a result of these actions, the costs of maintaining Range's ASX listing are not material.

An ASX listing has a number of advantages. It can be more attractive for potential investors, depending on geographic location (e.g. for Australasian and Asian investors). The listing may also attract institutional investment in a company as a result of increased liquidity and transparency; and it can improve a company's capital raising ability to fund future growth and acquisitions. In addition, the market develops a greater awareness of the company, thus giving a company a more enhanced public status.

**16. Please identify item in the accounts, which includes the outstanding loan to RRDSL due to Range as advised in the previous announcements?**

During May and June 2015, Range incurred costs with RRDSL for work performed during that period. Therefore, there was a net payable balance due to RRDSL at year end, as published in the annual accounts (refer to the trade and other payables balance).

**17. The value of producing asset has increased from US\$82 million to US\$90 million, primarily as a result of "Additions" (Note 18 to the accounts). Can you please expand on these additions?**

These additions were a result of development work programme and waterflood programme.

## Contact Details

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