

4 February 2016

## **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. The Company reported that as a result of perforation on a new zone on the QUN 47 well, the well is flowing a stabilized rate of 50 bopd from this new zone. Given this success, will similar existing wells be targeted for same new zone perforation?**

Yes. The Company has evaluated its inventory of producing wells for optimization work and there are similar wells planned for new zone perforation.

- 2. The Company reported that it was observing the performance of the 180SE development well. Can you please provide further details?**

The Company plans to test the upper zone of the well and has submitted the relevant approvals to do so.

- 3. The last two development wells that were brought into production (MD 42N and GY 161 S wells) are producing an average of 33 bopd in total. Has this bopd hit expectations that the Company had prior to drilling? Does it make economic sense to drill these wells at current oil price?**

These wells had multiple objectives.

The MD 42N well was only drilled to one of the targets initially planned due to well bore instability (as announced). The well was, therefore, only completed in the secondary objective. Production from this target exceeded expectations.

The GY 161 S well is producing less than expected. However, the well is being considered for future use as a water injector for Beach Marcelle waterflood project.

Range continues to review any proposed development wells to ensure economic viability in the current oil price environment.

- 4. How do the costs compare between normal oil drilling and waterflood?**

Total cost for waterflood / barrel basis is approximately half the cost of development wells. Waterflood is key to Range’s operations and to longer term production growth for the Company.

**5. Is Range happy with results derived from LandOcean's technical input and US\$5 million Purchase Order? Will Range be tendering services to other oil service providers?**

Under the first US\$5 million Purchase Order, LandOcean provided geological and engineering studies related to waterflood projects. Range is pleased with the results derived from this technical input. The work done to date has resulted in identifying priority waterflood projects and revision of previous waterflood plans to improve the economics of the projects. The revised waterflood plans were subsequently approved by the government with water injections and implementations underway.

Range uses other services providers but LandOcean acts as a preferred services provider to Range in Trinidad under the Integrated Master Services Agreement which was entered into in May 2014.

**6. Is the 1,000 bopd target for the end of Q1 2016 still on track?**

As stated in the announcement released on 13 January 2016, the Company is reviewing its work programme for 2016. Range will make any appropriate notification should there be any change in expectation regarding production targets.

**7. Why has Rig 8 not been signed off by MEEI for drilling?**

As previously announced, the Ministry of Energy and Energy Industries ("MEEI") requested RRDSL to provide additional data on the modifications to the mast, as part of the approval process, which was submitted by RRDSL in early November. Once all the required data is approved by MEEI, final regulatory inspections of the rig will take place.

**8. What is the current status regarding the hiring of crew for the four new rigs?**

The hiring process has been ongoing. Significant proportion of the staff has been hired. As the rigs are not approved for drilling yet, there is no need to have full crews in place.

**9. When does Range expect the new rigs will receive certification and commence drilling?**

The rigs are currently awaiting certification from the MEEI. Range has been advised that RRDSL expects the rigs to be operational during 1H 2016. Further updates will be provided once certification is in place.

**10. Does Range feel the Trinidad government is aiding & facilitating the approvals process?**

The government of Trinidad and Tobago facilitates Range's requests for approvals. Through continuous communication with various government offices, Range continues to work on expediting the approval processes as much as possible.

**Other questions**

**11. What is the latest status of the US\$50m waterflood-related finance package?**

The funding is still in the process of being finalised. The delay in securing the funding has not impacted the planned programme to date. The waterflood injection on Morne Diablo project already commenced in December and implementation of Beach Marcelle waterflood project is also progressing. The expenditure to date is being financed under the existing Integrated Master Services Agreement with LandOcean which provides Range with credit terms of two years.

## 12. Is Range still looking at potential asset acquisitions given it has US\$21.9m in cash?

As stated previously, in line with the business growth strategy of the Company, the Board continues to evaluate potential acquisitions of high quality assets at attractive valuations, in order to create value for shareholders, provide Range with additional production and revenue, and leverage our partner's capabilities and resources. Further details will be announced if and when appropriate.

## 13. Can Range provide further details on any potential claim from ANH with regards to the Colombian licences?

Under the terms of the Joint Operating Agreement ("JOA") between the consortium parties, it is the sole responsibility of Optima to complete the work commitments and provide all necessary letters of credit. Both the Company and the consortium are obtaining legal advice with regard to this matter and it is currently anticipated that the consortium will lodge an appeal against the decision. The Company will update shareholders as appropriate.

## 14. What reason did CEO give for his recent resignation?

Mr Liu resigned as he wasn't able to commit to being full time in Trinidad for personal reasons. He remains on the Board to provide his knowledge of Trinidad operations. Following a review, the Board decided that given his extensive experience and invaluable operational expertise, the Company's Trinidad Deputy General Manager and Chief Geologist Mr Xiu will lead Trinidad operations as the General Manager.

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