

27 May 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.

### **Operational**

#### **1. What is the current status of the Morne Diablo and Beach Marcelle waterflood?**

An update on the waterflood programme will be announced shortly.

#### **2. What water pressure has been assumed for 200 bopd production at the Morne Diablo and 1,600 bopd at the Beach Marcelle waterflood projects? When does Range expect to achieve this projected production?**

Water injection pressures on both fields have not yet been finally defined. The pressure will be chosen based on a number of operational aspects and the well and reservoir capabilities to handle water volume.

In line with production guidance announced on 22 February 2016, this production is expected to be achieved by the end of 2017.

#### **3. Why does Range estimate to achieve only 700 bopd from the current production plus the 5 new wells to be drilled this year towards the 2,500 bopd target (the rest being contributed from Morne Diablo – 200 bopd and Beach Marcelle – 1,600 bopd)?**

In general, natural decline rates in Trinidad are relatively high given low pressure of the reservoirs. The expected production from the existing and new wells at the end of 2017 has been estimated by taking these decline rates, as well as other risk factors into account.

#### **4. Why did the Company not submit a multi-well plan for approvals in advance? Why did it take over 40 days to make a decision with regards to drilling a follow on well from the drilling pad?**

The approvals are only issued by the government for a certain length of time. As announced on 22 February 2016, the Company was initially looking to drill only one well from the drilling pad. In line with these expectations, a single well plan was submitted. Given the encouraging results of the first well, it was decided to drill a follow on well. The approval to drill the second well was subsequently submitted.

The Company believes that the time taken to make a decision with regards to drilling a follow on well is acceptable given the work required to analyse the results of the first well and to assimilate these expectations for the second well.

## 5. Why has the Company not announced the flow rates for the MD 250 well?

As announced on 12 May 2016, in line with safety requirements, testing operations of the MD 250 and MD 51-2 wells will be undertaken only once all drilling operations on the pad area are completed. Flow rate testing results will not be available until such time as these drilling operations and the subsequent testing operations have been completed.

## 6. When is the MD 51-2 well likely to spud?

An update on the well and its anticipated spudding will be provided in due course.

## 7. Are Range's expectations for the MD 51-2 well in line with results achieved with the MD 250 well?

The Company cannot publish any pre-drill expectations in the investor Q&A forums.

## 8. Is a third well from the same drill pad still an option? If so, have approvals been submitted in advance?

Yes, it is an option. The drilling of a third well will be dependent on the drilling results of the second well. The approvals are only issued by the government for a certain length of time, therefore once the decision with regard to drilling a third well is made, approvals will be submitted.

## 9. Will such potential third well spud without testing the second well?

Yes. If the Company was to drill a third well, the well would spud without production testing the second well. As previously announced, production testing operations of the wells on the drilling pad can be performed only once all drilling operations on the pad area are completed due to safety requirements.

## 10. What is the current status with the other three new rigs?

The rigs are pending final approvals from the Ministry of Energy and Energy Industries (MEEI). Approvals cannot be granted until all documentation on the rigs, as requested by the MEEI is provided by RRDSL. RRDSL is currently working on acquiring the requisite documents for submission to the MEEI. Range continues to provide assistance to RRDSL to expedite the process.

A more detailed status of each rig is as follows:

**2,000 m rig:** The rig has been mobilized to Beach Marcelle location and rig up of equipment is currently in progress. RRDSL will need to perform a function test on the rig, conduct non-damage testing and prepare a data package for submission to the MEEI including the American Petroleum Institute (API) certification for equipment from the rig manufacturer.

**1,500 and 1,000 m rigs:** Data packages have been submitted and reviewed by the MEEI. The MEEI has requested additional information on the rigs. RRDSL is awaiting API certification documents from the rig manufacturer to be submitted to the MEEI.

**11. In the future, is Range able to provide specific timelines for drilling, evaluating, testing of the wells etc?**

The Company will continue to provide timelines with its announcements that it believes are achievable.

**Corporate**

**12. Going forward, can the Company include in its quarterly reports the amount of outstanding debt for work undertaken by LandOcean under the existing Integrated Master Services Agreement?**

Once the Sinosure funding is finalised, Range intends to disclose the amount due to LandOcean in the Company's annual and interim accounts.

**13. Is Mr. Cukavac still employed by the Company? If not, why did the Company not announce his resignation?**

Mr. Cukavac is no longer working for the Company. As announced on 27 January 2016, Mr. Lijun Xiu has been appointed as a Trinidad General Manager. Mr. Cukavac was not a director or an officer of the Company, therefore no announcement was required.

**14. Given current oil prices, service providers in the O&G industry have been reducing their prices accordingly. Has the Company negotiated a price reduction with LandOcean?**

The rates with LandOcean are reviewed on a regular basis. To date, there has been no material change to the contract price.

**15. Can Range list all its companies & confirm none are owed monies / shares from any of Peter Landau dealings or any of his companies?**

Please refer to note 14 of the Annual financial accounts, which lists all of Range's controlled entities. As stated previously, Range is not owed monies / shares from any of Peter Landau dealings or any of his companies.

**16. Is the Company aware of the allegations with regards to the historic payments to third parties made by previous management?**

The Company is aware of the allegations and will action it as appropriate.

**17. Can Range confirm that details and contracts of the previously terminated merger with International Petroleum (IOP) have been reviewed by the Company's current management to ensure that the money was not used by the previous management for unauthorised purposes?**

Range provided a loan of US\$8 million to IOP during 2013, and as announced on 23 October 2014, Range and IOP have reached a settlement agreement. Management are not aware of any evidence that the money was used for unauthorised purposes.

**18. Has the previous Chairman Sir Sam Jonah and / or his legal advisers been in contact with Range about compensation of any kind?**

Range cannot provide comments on any legal matters or confidential discussions taking place. Any material matters will be disclosed by the Company in its annual and interim accounts.

## Contact Details

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