

25 February 2011

The Manager
Company Announcements
Australian Securities Exchange Limited
Level 6, 20 Bridge Street
Sydney NSW 2000



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By e-lodgement

UPDATE ON TEXAS ACTIVITIES

Highlights

- **Commencement of Drilling at the East Cotton Valley Prospect**
- **Successful fracture stimulation of the bottom two zones on the Russell Bevy Well**

International oil and gas exploration, development and production company, Range Resources Limited ("**Range**" or "**the Company**") is pleased to announce the following updates with regards to its two Texas interests at East Cotton Valley and North Chapman Ranch.

East Texas Cotton Valley Prospect

The Company would like to announce that it has commenced drilling operations at its East Texas Cotton Valley prospect, with the arrival of the Key #66 rig to site during the week.

The Ross 3H well will be the Company's first horizontal well and first in the shallow oil prospect, which covers approximately 1,570 acres and encompasses a recent oil discovery.

The well has a projected total depth of 8,200ft (2,500m), including a 2,500ft (762m) horizontal section through the Cotton Valley oil reservoir. If successful, the Ross 3H well would provide an immediate increase to the Company's oil reserves, production and cash flow, with the impact to reserves to be reported at a later date.

On 29 June 2010, the Company announced the results of leading Petroleum Consultants, Lonquist & Co LLC's independent reserves report which has estimated the following gross commercially recoverable oil reserves from the East Texas Cotton Valley Prospect (operated by Range's private US partner):

Reserves Category	Oil (Mmbbls)	
	Gross (100%)	Net Attributable to Range (21.75%)
Proved (1P)	1.5	0.33
Proved + Probable (2P)	2.7	0.59
Proved + Probable + Possible (3P)	5.4	1.17

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If successful, the Ross 3H well will trigger a multi-well program which is anticipated to move Possible Reserves into the Probable and Proved categories.

North Chapman Ranch – Russel Bevly Well Fracture Stimulation

The Company would also like to announce that the lower two pay zones in its Russel Bevly #1 well have been successfully fracture stimulated. The frac team has moved to another site and will return to Russel Bevly within the next three weeks to complete fracture stimulation of the upper two zones.

This has allowed the Company to test and clean the lower zones, with the well currently flowing in line with expectations, based on successful frac jobs that have been performed in the region. The Company will look to announce the achieved flow rates from the lower two zones once production has been stabilised.



Figure 1&2 – Fracture Stimulation operations on the Russel Bevly #1 Well

Range's Executive Director Peter Landau commented, "The recent activities and anticipated results in the Company's Texas interests will further strengthen the Company's reserves, production and cashflows at the same time as the Company embarks on its exciting exploration program in Georgia and Puntland."

The Company would also like to announce the draw down £5,000,000 of its £20,000,000 facility. Please find attached Appendix 3B.

Yours faithfully



Peter Landau
Executive Director

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Range Background

Range Resources is a dual listed (ASX: RRS; AIM: RRL) oil & gas exploration company with oil & gas interests in the frontier state of Puntland, Somalia, the Republic of Georgia and Texas, USA.

- Range holds a 25% interest in the initial Smith #1 well and 20% interest in further wells on the North Chapman Ranch project, Texas. The project area encompasses approximately 1,680 acres in one of the most prolific oil and gas producing trends in the State of Texas. Drilling of the first well has resulted in a commercial discovery with independently assessed gross recoverable reserves in place (on a 100% basis) of 240 Bcf of natural gas, 18 mmbbls of oil and 17 mmbbls of natural gas liquids.
- Range holds a 21.75% interest in the East Texas Cotton Valley Prospect in Red River County, Texas, USA, with the prospect's project area encompassing approximately 1,570 acres including a recent oil discovery. Independently assessed gross recoverable reserves in place (on a 100% basis) of 5.4 Mmbbls of oil.
- In Puntland, Range holds a 20% working interest in two licences encompassing the highly prospective Dharoor and Nugaal valleys with the operator and 45% interest holder Africa Oil Corp (TSXV:AOI) planning to drill two wells in 2011.
- In the Republic of Georgia, Range holds a 40% farm-in interest in onshore blocks VIa and VIb, covering approx. 7,000sq.km. Range has recently completed a 410km 2D seismic program with independent consultants RPS Energy identifying 68 potential structures containing an estimated 2.045 billion barrels of oil-in-place (on a mean 100% basis).
- In Trinidad, Range has entered into a HOA to acquire a 10% interest in holding companies with three onshore production licenses. Independently assessed gross recoverable 2P reserves in place of 4.8MMbbls (on a 100% basis).

The reserves estimate for the North Chapman Ranch Project and East Texas Cotton Valley has been formulated by Lonquist & Co LLC who are Petroleum Consultants based in the United States with offices in Houston and Austin. Lonquist provides specific engineering services to the oil and gas exploration and production industry, and consults on all aspects of petroleum geology and engineering for both domestic and international projects and companies. Lonquist & Co LLC have consented in writing to the reference to them in this announcement and to the estimates of oil, natural gas and natural gas liquids provided. These estimates were formulated in accordance with the guidelines of the Society of Petroleum Engineers ("SPE"). The SPE Reserve definitions can be found on the SPE website at spe.org.

The reserves estimates for the 3 Trinidad blocks referred above have been formulated by Forrest A. Garb & Associates, Inc. (FGA). FGA is an international petroleum engineering and geologic consulting firm staffed by experienced engineers and geologists. Collectively FGA staff has more than a century of world-wide experience. FGA have consented in writing to the reference to them in this announcement and to the estimates of oil and natural gas liquids provided. The definitions for oil and gas reserves are in accordance with SEC Regulation S-X.

RPS Group is an International Petroleum Consulting Firm with offices worldwide, who specialise in the evaluation of resources, and have consented to the information with regards to the Company's Georgian interests in the form and context that they appear. These estimates were formulated in accordance with the guidelines of the Society of Petroleum Engineers ("SPE").

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003.

Name of entity

RANGE RESOURCES LIMITED

ABN

88 002 522 009

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|--|
| 1 | ⁺ Class of ⁺ securities issued or to be issued | Ordinary Fully Paid Shares |
| 2 | Number of ⁺ securities issued or to be issued (if known) or maximum number which may be issued | 65,958,772 Ordinary Fully Paid Shares |
| 3 | Principal terms of the ⁺ securities (eg, if options, exercise price and expiry date; if partly paid ⁺ securities, the amount outstanding and due dates for payment; if ⁺ convertible securities, the conversion price and dates for conversion) | <p>21,744,486 Ordinary Fully Paid Shares to be issued upon exercise of listed options (\$0.05, 31 December 2011)</p> <p>35,714,286 Ordinary Fully Paid Shares to be issued upon drawdown of equity line of credit facility</p> <p>3,934,511 Ordinary Fully Paid Shares to be issued upon exercise of unlisted options (\$0.05, 31 March 2015)</p> <p>4,565,489 Ordinary Fully Paid Shares to be issued upon exercise of unlisted options (£0.04, 30 June 2015)</p> |

+ See chapter 19 for defined terms.

4 Do the ⁺securities rank equally in all respects from the date of allotment with an existing ⁺class of quoted ⁺securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment

the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

Yes – Ordinary Fully Paid

5 Issue price or consideration

21,744,486 Ordinary Fully Paid Shares to be issued upon exercise of listed options (\$0.05, 31 December 2011)

35,714,286 Ordinary Fully Paid Shares to be issued upon drawdown of equity line of credit facility at 14p (two week period 11/2 – 24/2)

3,934,511 Ordinary Fully Paid Shares to be issued upon exercise of unlisted options (\$0.05, 31 March 2015)

4,565,489 Ordinary Fully Paid Shares to be issued upon exercise of unlisted options (£0.04, 30 June 2015)

6 Purpose of the issue
(If issued as consideration for the acquisition of assets, clearly identify those assets)

21,744,486 Ordinary Fully Paid Shares to be issued upon exercise of listed options (\$0.05, 31 December 2011)

35,714,286 Ordinary Fully Paid Shares to be issued upon drawdown of equity line of credit facility at 14p (two week period 11/2 – 24/2)

3,934,511 Ordinary Fully Paid Shares to be issued upon exercise of unlisted options (\$0.05, 31 March 2015)

4,565,489 Ordinary Fully Paid Shares to be issued upon exercise of unlisted options (£0.04, 30 June 2015)

7 Dates of entering ⁺securities into uncertificated holdings or despatch of certificates

25 February 2011

	Number	⁺ Class
8 Number and ⁺ class of all ⁺ securities quoted on ASX	1,393,419,948 *	Ordinary fully paid shares (RRS)
(including the securities in clause 2 if applicable)	234,061,661 *	Listed Attaching Options (RRSO) (\$A0.05, 31 December 2011)

* 30m ordinary fully paid shares and 30m listed options RRSO (5 cents, 31 December 2011) still to be issued upon milestones in respect to the Georgian acquisition.

9	Number and ⁺ class of all ⁺ securities not quoted on ASX (<i>including</i> the securities in clause 2 if applicable)	Number	⁺ Class
		855,166	Unlisted Options (£0.04p, 30 June 2015)
		60,000,000	Unlisted Directors Options (A\$0.10, 31 Dec 2011)
		3,177,029	Unlisted Options (A\$0.50, 30 June 2012)
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Not applicable	

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	N/A
12	Is the issue renounceable or non-renounceable?	N/A
13	Ratio in which the ⁺ securities will be offered	N/A
14	⁺ Class of ⁺ securities to which the offer relates	N/A
15	⁺ Record date to determine entitlements	N/A
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
17	Policy for deciding entitlements in relation to fractions	N/A
18	Names of countries in which the entity has ⁺ security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	N/A
19	Closing date for receipt of acceptances or renunciations	N/A
20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A

⁺ See chapter 19 for defined terms.

24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of ⁺ security holders	N/A
25	If the issue is contingent on ⁺ security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	N/A
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do ⁺ security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do ⁺ security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A
32	How do ⁺ security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	⁺ Despatch date	N/A

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) ☒ Securities described in Part 1

(b) ☐ All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 ☐ If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by

- 36 ☐ those holders
If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 ☐ A copy of any trust deed for the additional ⁺securities

Entities that have ticked box 34(b)

- 38 Number of securities for which ⁺quotation is sought
- 39 Class of ⁺securities for which quotation is sought
- 40 Do the ⁺securities rank equally in all respects from the date of allotment with an existing ⁺class of quoted ⁺securities?

If the additional securities do not rank equally, please state:
 - the date from which they do
 - the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
 - the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment
- 41 Reason for request for quotation now
Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another security, clearly identify that other security)
- 42 Number and ⁺class of all ⁺securities quoted on ASX (*including* the securities in clause 38)
- | Number | ⁺ Class |
|----------------------|----------------------|
| <input type="text"/> | <input type="text"/> |

Quotation agreement

- 1 ⁺Quotation of our additional ⁺securities is in ASX's absolute discretion. ASX may quote the ⁺securities on any conditions it decides.
- 2 We warrant the following to ASX.

⁺ See chapter 19 for defined terms.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the +securities to be quoted, it has been provided at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:



Date: 25 February 2011

Print name: Jane Flegg – Company Secretary