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The Manager
Company Announcements
Australian Securities Exchange Limited
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By e-lodgement

Puntland Drilling Contract Signed – Drilling Set for Q4, 2011

Highlights:

- **Africa Oil signs landmark contracts for a drilling rig and third party services to drill first well in Puntland in over 20 years**
- **Mobilization of required personnel and equipment to commence to allow for spudding of first drill target, Shabeel-1 (with targeted best estimate Prospective Resources of 300m bbls), to spud in Q4, 2011**

International oil and gas exploration, development and production company, Range Resources Limited ("**Range**" or "**the Company**") is pleased to announce that its joint venture partner and PSA operator Africa Oil Corp ("**Africa Oil**") (TSXV: AOI) has signed a landmark contract with Sakson Drilling and Oil Services who will provide a 1,500 horse-power, top drive drilling rig to drill two highly anticipated exploration wells in Puntland, Somalia.

The majority of the drilling-related third party service contracts have now been entered into, with the mobilisation of required personnel and equipment to commence, which is expected to allow for the spudding of the first well during the fourth quarter of this year.

Drilling locations have been selected over two robust prospects targeting total gross best estimate Prospective Resources of 675 million barrels of oil (with 135 million barrels net attributable to Range). The first prospect, Shabeel-1, is targeting Prospective Resources of in excess of 300 million barrels of oil (with 60 million barrels net attributable to Range).

From Range's perspective, the Puntland Government and key Dharoor Valley clans fully support the project, and will assist to ensure the drilling project moves forward safely and expeditiously.

Africa Oil will hold its interest in the Puntland Projects through its shareholding in Horn Petroleum, who recently completed a \$41m capital raising.

For and on behalf of the Board

Regards

Peter Landau – Executive Director

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Range Background

Range Resources Limited 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, Texas, USA and Trinidad.

- In Trinidad Range recently completed the acquisition of a 100% interest in holding companies with three onshore production licenses and fully operational drilling subsidiary. Independently assessed gross recoverable 3P reserves in place of 6.9 MMbbls (on a mean 100% basis) with an additional 20 MMbbls of prospective resources.
- In the Republic of Georgia, Range holds a 40% farm-in interest in onshore blocks VIa and VIb, covering approx. 7,000sq.km. Currently, Range has recently completed a 410km 2D seismic program with independent consultants RPS Energy identifying 68 potential structures containing and estimated 2 billion barrels of oil-in-place (on a mean 100% basis) with the first of two exploration wells having spudded in July in 2011.
- 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.
- 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 mean 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 encompasses approximately 1,570 acres encompassing a recent oil discovery. Independently assessed gross recoverable reserves in place (on a mean 100% basis) of 5.4 mmbbls of oil.

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").

The prospective resource estimates for the two Dharoor Valley prospects are internal estimates reported by Africa Oil Corp, the operator of the joint venture, which are based on volumetric and related assessments by Gaffney, Cline & Associates.