

5 December 2011

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



ABN 88 002 522 009  
[www.rangeresources.com.au](http://www.rangeresources.com.au)

**By e-lodgement**

## **INVESTOR PRESENTATION**

Range Resources Limited ("**Range**" or "**the Company**") is pleased to provide a copy of the investor presentation recently given in the UK. A copy of which will become available on the Company's website.

Yours faithfully

**Peter Landau**  
**Executive Director**

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Range  
Resources Ltd

Investor Evening

Company Presentation

December 2011

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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](http://spe.org) as well as in the full Lonquist report on the Range website.

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.

# Company Overview

- ASX (Ticker: RRS) – \$0.130
- AIM (Ticker: RRL) – £0.085
- Also trades on OTC Market,  
US ADR code: RGRLY/RGRLY.PK
- Shares on issue: 1.8 billion
- Options: 190m (5c, 31 Dec)  
60m (10c, 31 Dec)
- Market cap. A\$234m\* (£153m)
- Cash: US\$10m plus A\$15.5m in the  
money option exercise – 31.12.11

\* Based on share price on 2 December 2011

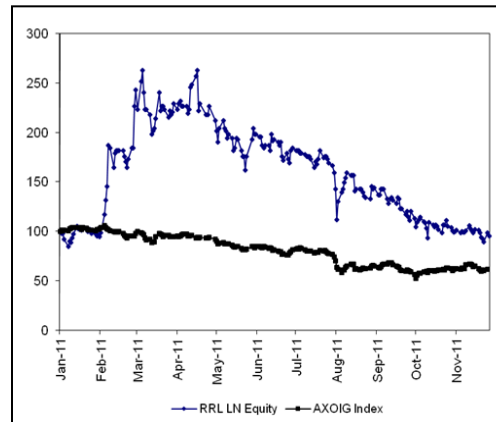


## Four geographic areas

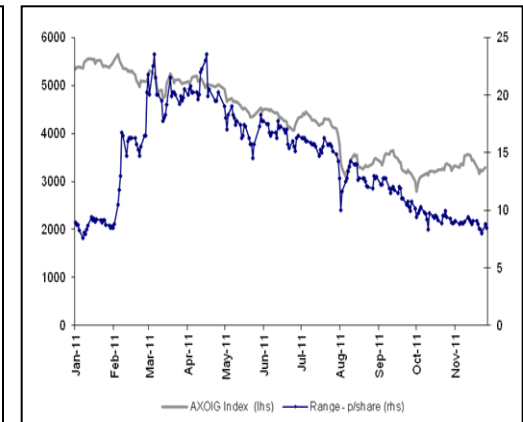
- Trinidad
- Republic of Georgia
- Texas, USA
- Puntland, Somalia

## Advisers

- Old Park Lane – Joint Broker
- Panmure Gordon – Joint Broker
- RFC Corporate – NOMAD



RRL v AXOIG Index



RRL S'Price v AXOIG Index

# Board & Directors

## **Sir Sam Jonah – Non-Executive Chairman**

Director on numerous public and private companies including Vodafone Group PLC. Adviser to three former Presidents in Africa

## **Peter Landau – Executive Director**

Corporate lawyer / adviser with a particular focus on oil & gas and mining development projects in Africa over the past 15 years

## **Anthony Eastman – Executive Director / Company Secretary**

Chartered Accountant with a number of years experience in financial management and corporate advisory services

## **Marcus Edwards-Jones – Non-Executive Director**

Significant experience in global institutional capital raisings for large resources projects in Africa

## **Alan Hitchins – Executive Consultant**

Extensive experience in the acquisition and funding of resource projects in the Caucasus region

## **Mark Patterson – Technical & Operations Advisor**

Highly experienced technical executive with over 25 years experience in the oil and gas industry

## **Gregory Smith – Executive Consultant**

Over 15 years of management experience in the oil and gas exploration industry

# 2011/12 Work Program – 25+ Wells

## Trinidad

- 21 well initial work program on P1-P2 reserves – targeting production increase to 1,400-1,800 bopd
- Commencement of Beach Marcelle Waterflood work program – targeting annualised production of 1-1.5m bbls / year by Q4 2012
- Highly prospective Herrera Prospects

## Texas

- Smith #2 appraisal well successfully logged and encountered in excess of 130 ft gross pay – Q4 2011
- Albrecht appraisal well to spud immediately after Smith #2
- Anticipated shift of P3 reserves to P2 & P1

## Georgia

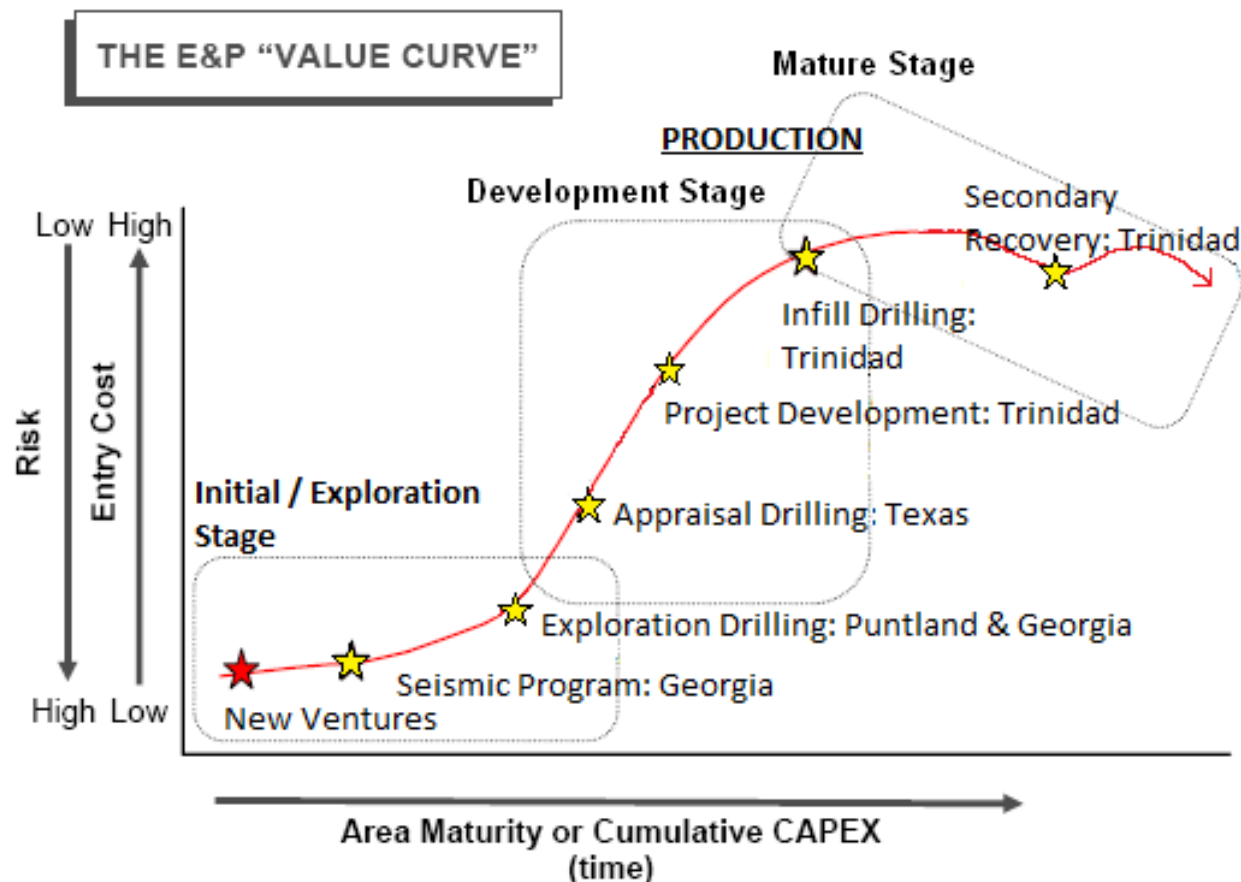
- Two high impact exploration wells (Mukhiani 1 VSP identified potential new fault trap and stratigraphic faulting potential side-track well 2H 2012)
- Additional 2D seismic on block VIb targeting both conventional and shale prospects

## Puntland

- Two highly prospective exploration well program to spud Dec '11 (300-375mbbl recoverable OIP per well)
- First wells to be drilled in Puntland in +20 years
- Potential JV on Wells in Nugaal and Offshore Seismic

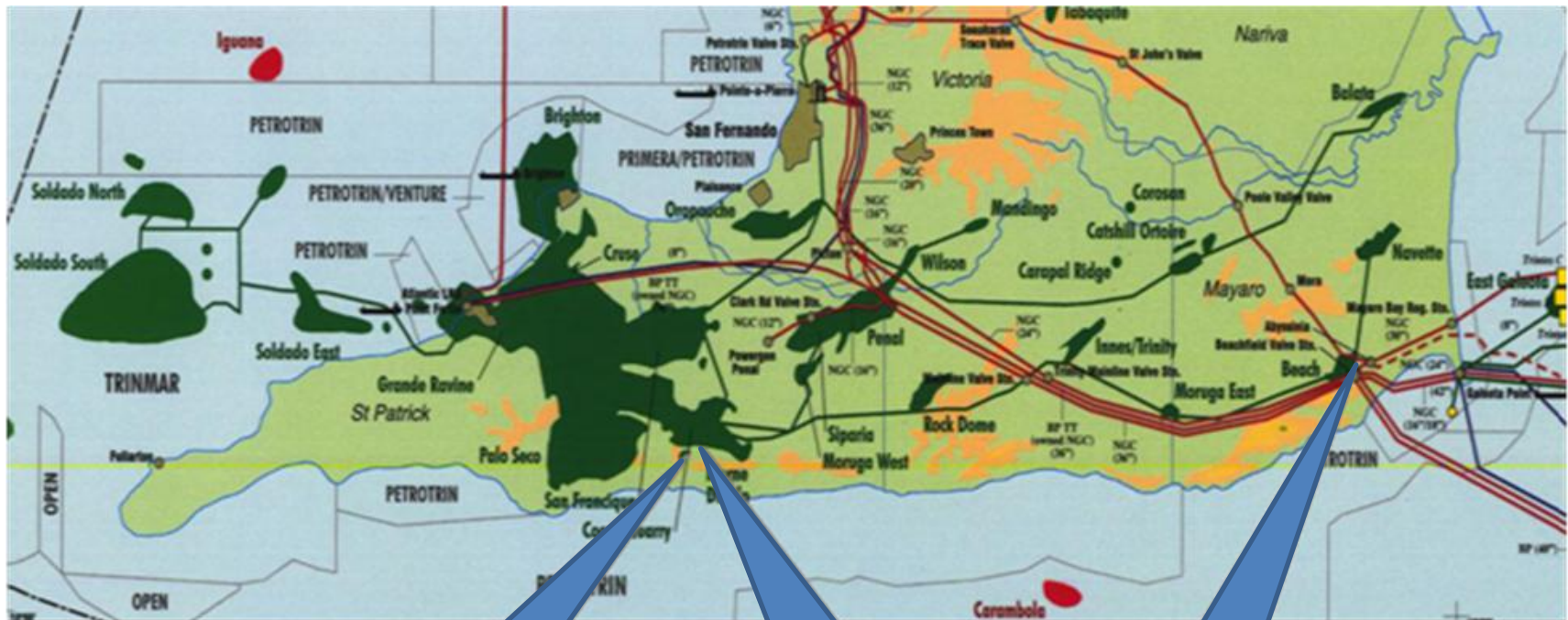
|                    |                                   | Range Interest | Oct 2011 | Nov 2011 | Dec 2011 | Q1 2012 | Q2 2012 | Target                                                                                        |
|--------------------|-----------------------------------|----------------|----------|----------|----------|---------|---------|-----------------------------------------------------------------------------------------------|
| <b>Georgia</b>     | Mukhiani Exploration Well         | 40%            |          |          |          |         |         | Suspended                                                                                     |
|                    | Kursebi 2 Exploration Well        | 40%            |          |          |          |         |         | Gross best estimate OIP – 160mbbls                                                            |
|                    | Additional 2D Seismic – Block VIb | 40%            |          |          |          |         |         |                                                                                               |
| <b>Puntland</b>    | Dharoor Valley - Shabeel 1 Well   | 20%            |          |          |          |         |         | Gross best estimate recoverable OIP – 300mbbls                                                |
|                    | Dharoor Valley - Shabeel 2 Well   | 20%            |          |          |          |         |         | Gross best estimate recoverable OIP – 375mbbls                                                |
| <b>Texas - NCR</b> | Smith #2 Infill Well              | 20%            |          |          |          |         |         | Appraisal well to move majority of 3P reserves to 1P & 2P                                     |
|                    | Albrecht Appraisal Well           | 20%            |          |          |          |         |         | Appraisal well to move majority of 3P reserves to 1P & 2P                                     |
| <b>Trinidad</b>    | 21 development well program       | 100%           |          |          |          |         |         | Initial program on 1P-2P reserves to lift production to 1,400-1,800 bopd – will then continue |
|                    | Beach Marcelle Water Flood        | 100%           |          |          |          |         |         | Aiming for production of 1-1.5mbbls/yr – 2H 2013                                              |
|                    | Herrera exploration well          | 100%           |          |          |          |         |         | Gross best estimate recoverable OIP – 10-30mbbls                                              |

# E & P Value Chain – Range Extremely Well Positioned & Diversified



# Trinidad: World class petroleum country

- Trinidad has produced over 3Bbbl to date and currently produces over 100,000 bopd
- Shallow wells with low drilling costs of approx US\$100/ft create high potential return with limited capex
- All locally produced onshore oil is acquired by the state owned refinery on a FOT basis



South Quarry  
Farmout

Morne Diablo  
Farmout

Beach Marcelle  
ISPC

# Trinidad: On Track with Early Results

- Range holds 100% interest in 3 onshore oil and gas licenses
- Current gross production is 550-600 bbl per day
- First four wells in production – on track to increase production to 1,400-1,800 bopd
- Planned work program expected to lift production to approx. 4,000 bopd within 24-36 months on known P1/P2 reserves
- Recent increase in P1 Reserves of 490% to 15.4MMbo following Waterflood Engineering Studies on Beach Marcelle
- Significant exploration upside with potential from deeper formations (Herrera) which host substantial producing reserves on adjacent blocks (500 – 2,000 bopd production) – 5-20MMbo recoverable per prospect
- Operating cash flow margins of US\$20-US\$25 per bbl net of government production taxes and royalties
- Range free cashflow – US\$12mm – 1,000/bopd (net production taxes/royalties, etc)

Trinidad Oil Tank Battery



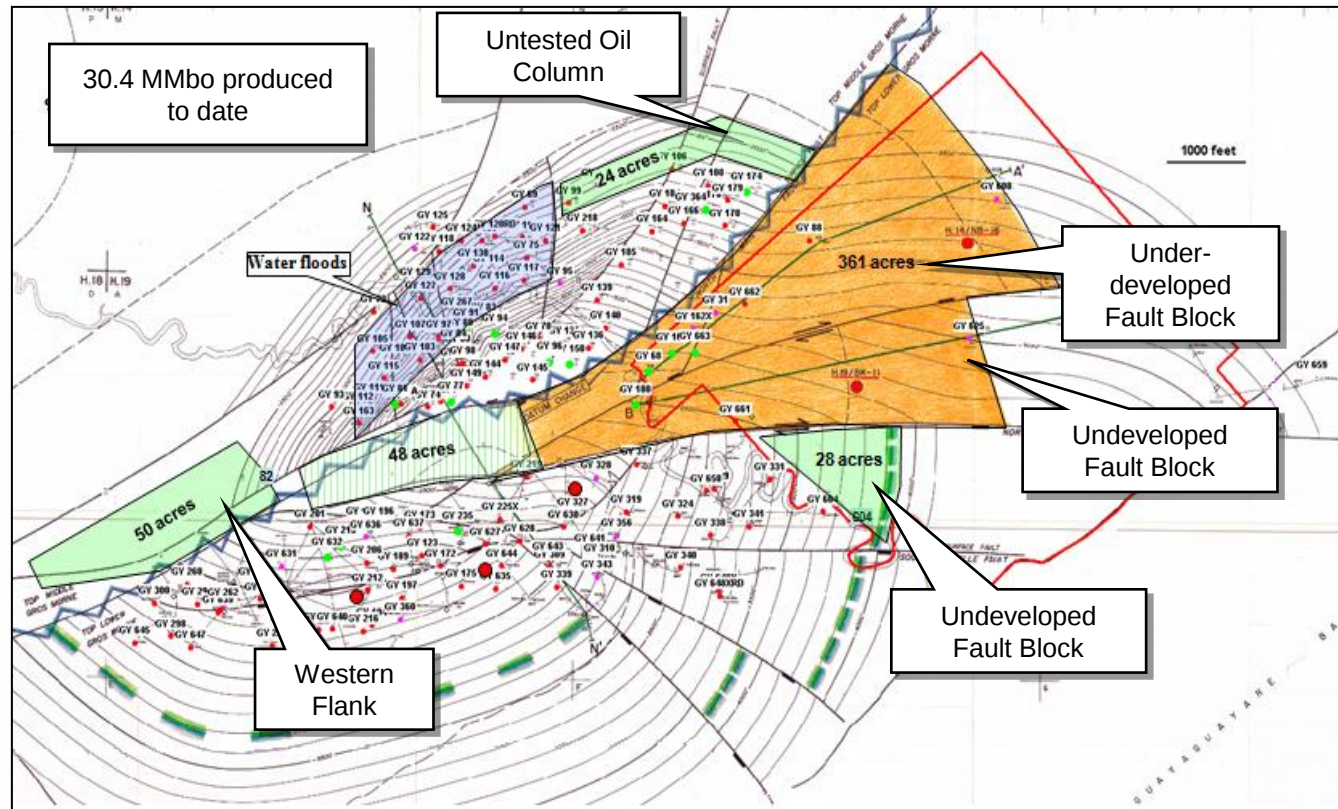
Trinidad Reserve Estimate <sup>(1)(2)</sup>

| Category                  | Oil (mmbbl) | Undiscounted CF<br>(US\$mm) | PV 10 CF<br>(US\$mm) |
|---------------------------|-------------|-----------------------------|----------------------|
| 1P                        | 2.6         | 169                         | 121                  |
| 1P-2P                     | 4.8         | 326                         | 206                  |
| 1P-3P                     | 6.9         | 487                         | 264                  |
| Prospective Resources     | 19.9        | 1,473                       | 600                  |
| Beach Marcelle Waterflood |             |                             |                      |
| 1P                        | 12.8        | 529                         | 289                  |
| <b>Total</b>              | <b>39.6</b> | <b>2,489</b>                | <b>1,153</b>         |

(1) Reserve estimates exclude all Herrera structures

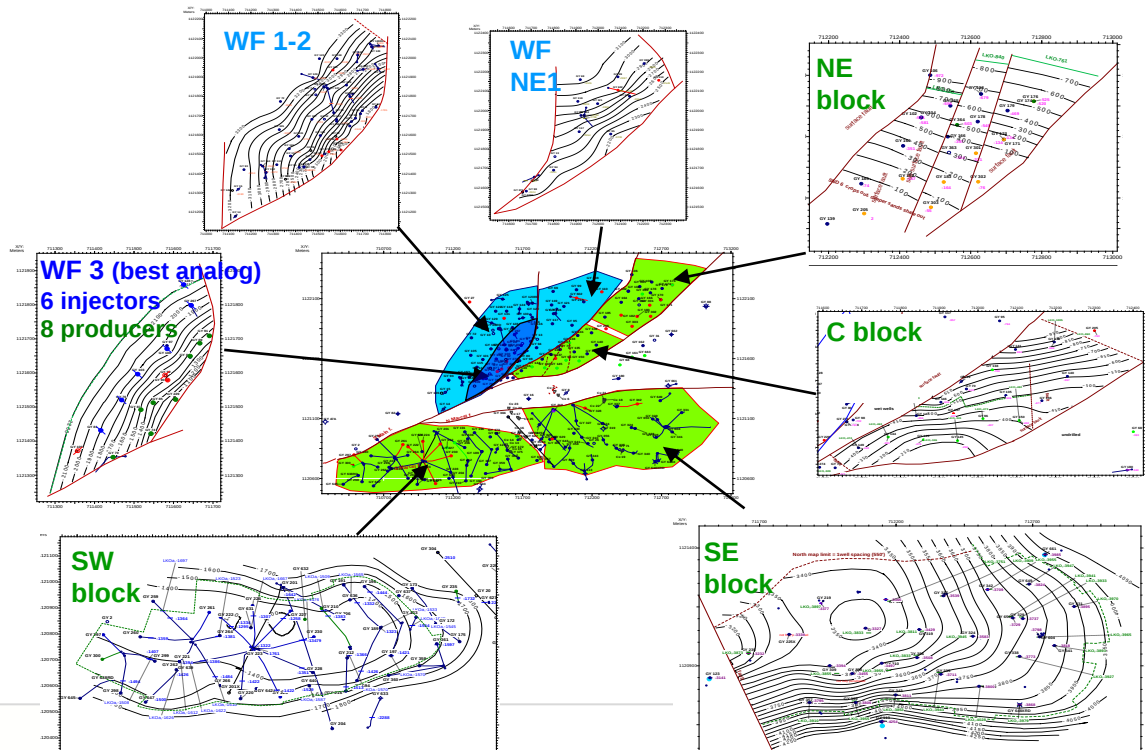
(2) Forrest Garb and Associates

# Beach Marcelle: Pre Acquisition Assessment



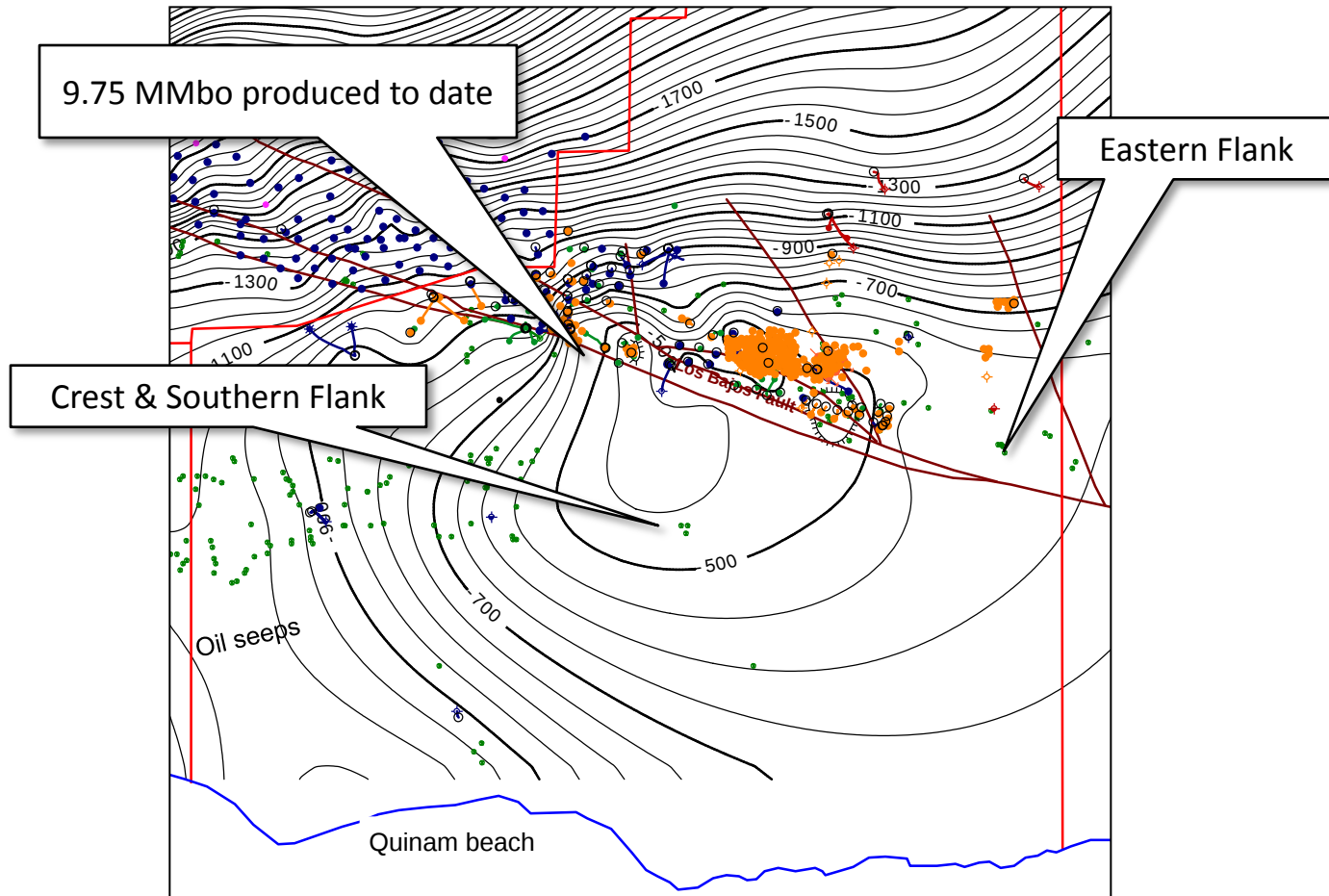
# Beach Marcelle: Post Engineering

- Recent increase in 1P reserves of 12.8 mmbbls (490% increase in existing 1P) following extensive independent engineering studies of secondary recovery (through water flooding) potential on the Beach Marcelle License
- The proposed water flood program development to commence early 2012 following receipt of necessary approvals with a \$12m development program over the next 12-18 months
- The water flood program is engineered to produce approximately 1-1.5MMbo's per year for the first 8 years following initial production
- Independent valuation of the 1P reserves on Beach Marcelle of US\$290m (PV10)

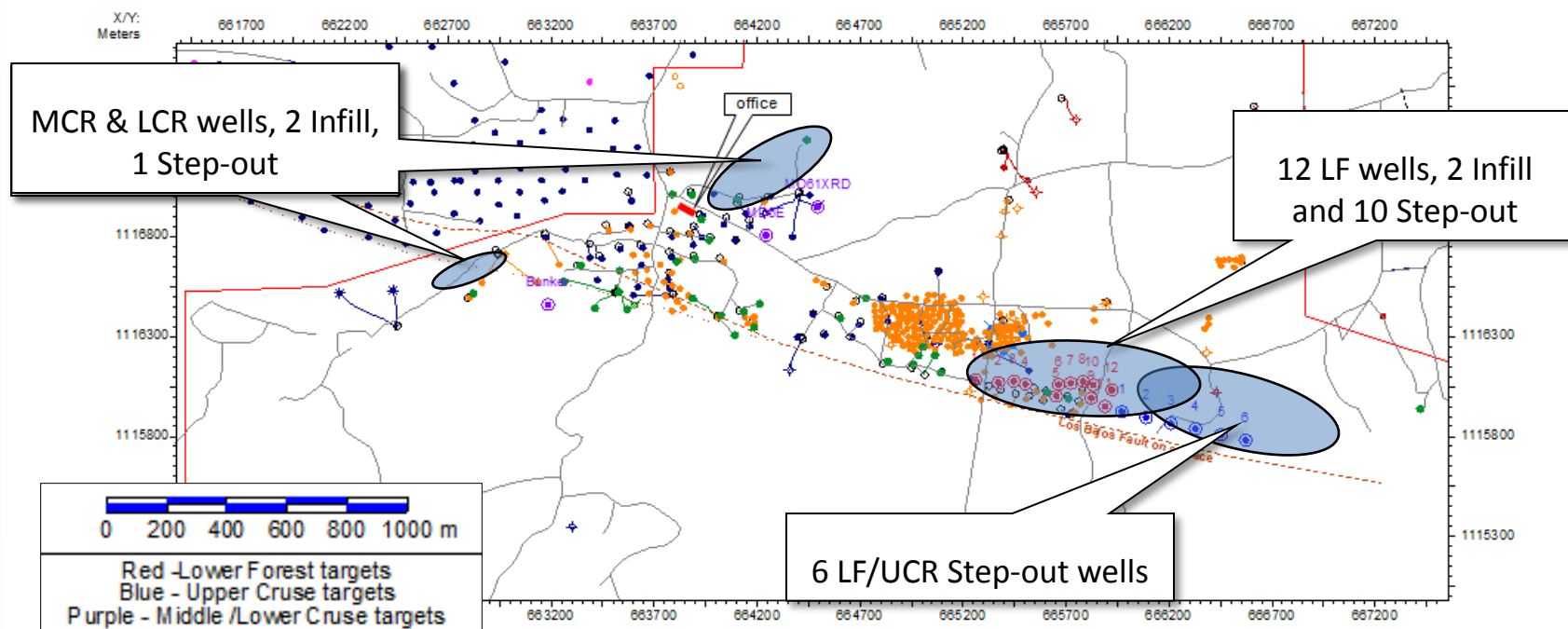


# Morne Diablo Potential

40 MMbo of Exploration Potential



# Trinidad: Initial Drilling Program



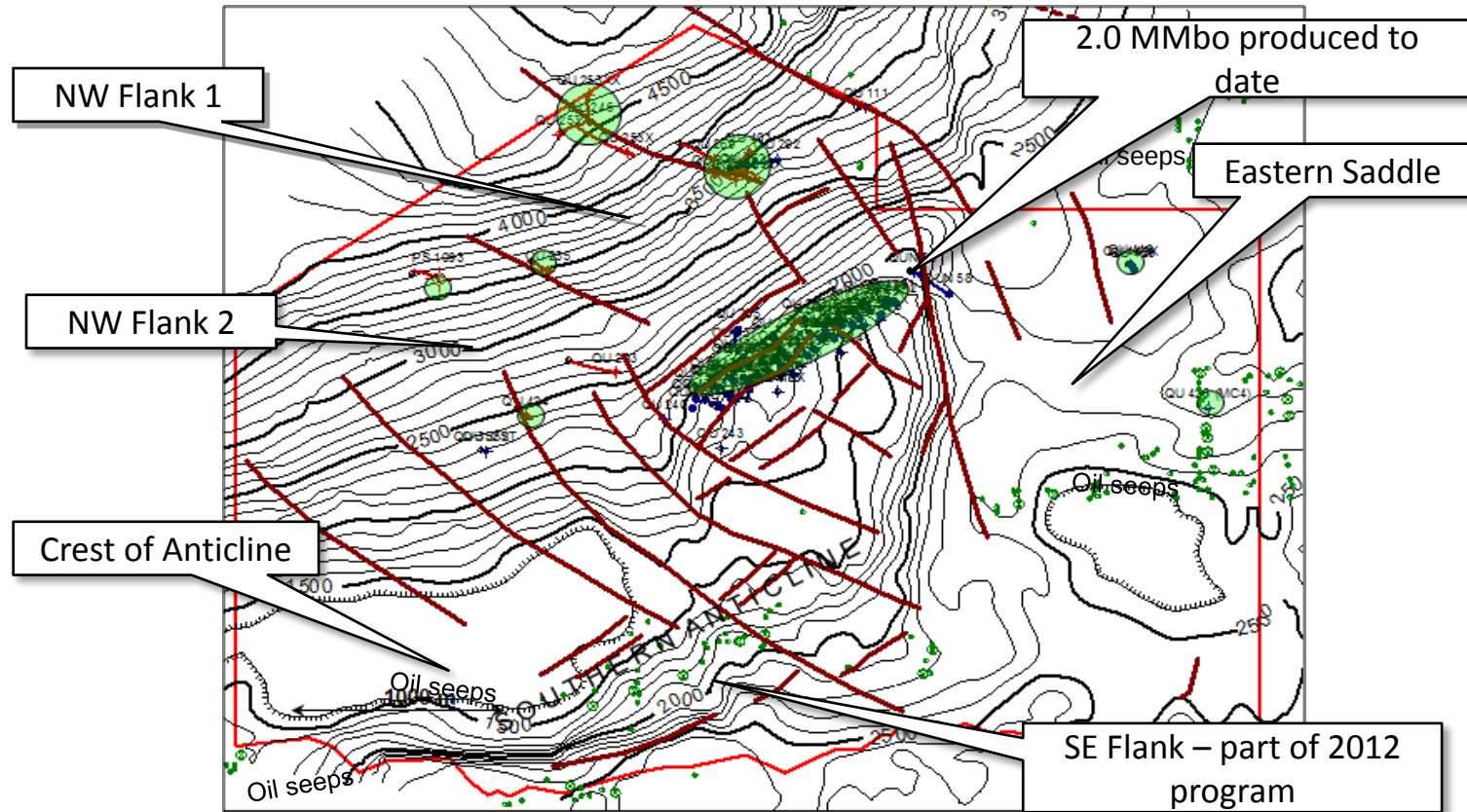
## Initial Drilling Program Summary:

- 21 Wells to be drilled utilising 3 of the Company's drilling rigs
- Wells to target 3 depth horizons:
  - 12 wells – approx. 1,000ft – targeting production 15-30+ bopd per well
  - 6 wells – approx. 2,000ft – targeting production 50-100+ bopd per well
  - 3 wells – approx. 6,500ft – targeting production 100-150+ bopd per well
- Targeting 800 – 1,400 bbls / day increase in production

# South Quarry Potential

50 MMbo of Exploration Potential

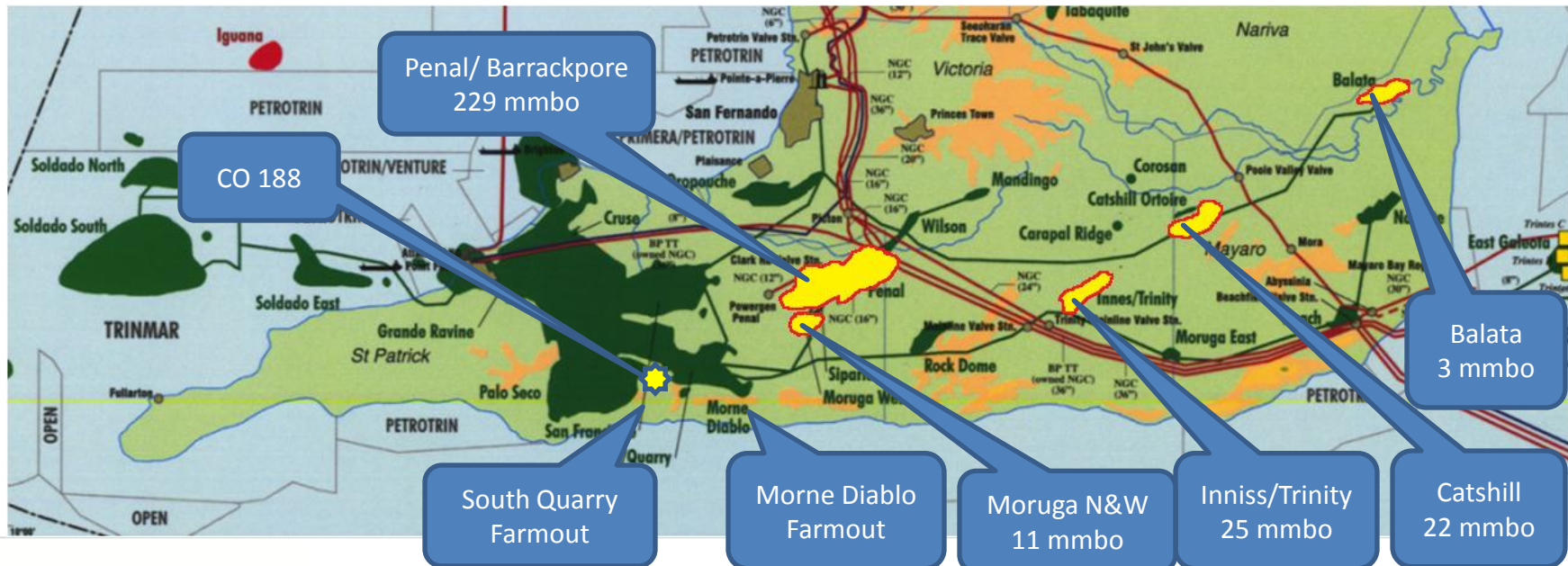
14



- Southern Flank to be tested in an area of concentrated, active oil seeps
- Additional work is being conducted to rank initial test locations and depths

# World-Class Upside: Herrera Formation

- The Herrera Formation is a Miocene deep-water sandstone that is present on a regional scale. Range's acreage is directly on trend with Herrera fields totaling 290 mmbo of recoverable reserves
- In the Penal/Barrackpore field complex, the Herrera formation ranges from 50 - 800 ft. in thickness
- The CO 188 well encountered >50 ft. of Herrera section at a depth of 8,500 ft., directly down-dip and 300 m west of the Morne Diablo farmout area
- Range has an inventory of 10 Herrera prospects expected to extend the Herrera trend which could lead to more than 50-100 mmbo of **additional** recoverable reserves



# Trinidad: Wholly Owned Drilling Operation

- Range Resources' acquisition of Trinidad licenses in June 2011 included established drilling inventory: 5 drill rigs (+1 rig added), 3 work over rigs, 1 swab rig, plus a service workshop, pipe yard, storage tanks and production facilities
- Replacement cost of the assets has been estimated by a third party independent to be approximately £15mm
- An additional 90 operational personnel have been added to Trinidad team with various mechanical departments now operation 24 hour work schedules in support of current expanding drilling operations



# Texas, USA: Producing with Upside



## Successful transition to producer

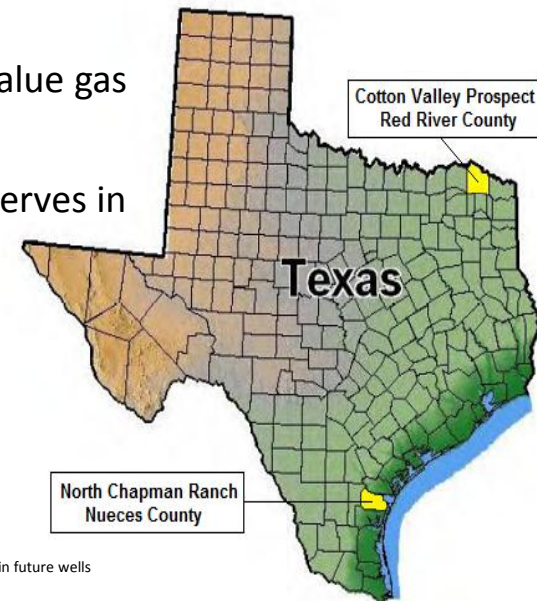
September 2009: Range acquired a 25% interest in the Smith #1 Well in the North Chapman Ranch Project (1,680 acres), Nueces County, Texas, USA, and has a 20%<sup>(1)</sup> interest in all future wells in the project

## North Chapman Ranch: Multi-well program

- Success on North Chapman Ranch has resulted in a development drilling program of approx. 25-30 wells
- Anticipated to move the Possible (P3) Reserves into the Probable (P2) and Proved (P1) Reserves categories – as was achieved following Russell Bevly results
- Each well average production / day – 3 mcf / 300 bbls (note higher value gas with condensate)
- Cotton Valley Prospect independently assessed gross recoverable reserves in place (on a mean 100% basis) of 5.4 mmbbls of oil

### North Chapman Ranch Independent Reserves and Valuation Report<sup>(2)</sup>

| Total Net to Range<br>Recoverable Reserves | Natural Gas<br>(Bcf) | Oil<br>(mmbbl) | Natural Gas Liquids<br>(mmbbl) |
|--------------------------------------------|----------------------|----------------|--------------------------------|
| 1P                                         | 12.7                 | 1.0            | 0.9                            |
| 2P                                         | 19.6                 | 1.5            | 1.4                            |
| 3P                                         | 48.1                 | 3.7            | 3.5                            |



(1) Certain clawback provisions exist for joint venture partners on future wells – assuming these are exercised following success of Smith #1 Well, resulting in Range having 20% interest in future wells  
(2) Prepared by Lonquist & Co LLC on North Chapman Ranch Project (released May 2010) and upgraded October 2010 with an increase in proven reserves of 67%

# Texas, USA: North Chapman Ranch

| Estimated Future Cashflow<br>Attributable to Range* | Undiscounted Cashflow<br>(US\$mm) | PV10 Discounted Cashflow<br>(US\$mm) |
|-----------------------------------------------------|-----------------------------------|--------------------------------------|
| 1P                                                  | 100                               | 69                                   |
| 2P                                                  | 160                               | 106                                  |
| 3P                                                  | 412                               | 248                                  |

\*The estimated cashflows above are based on Nymex forward strip prices reported on 31 December 2009, following reductions for royalties, opex, capex, production taxes etc (update Dec 2012).

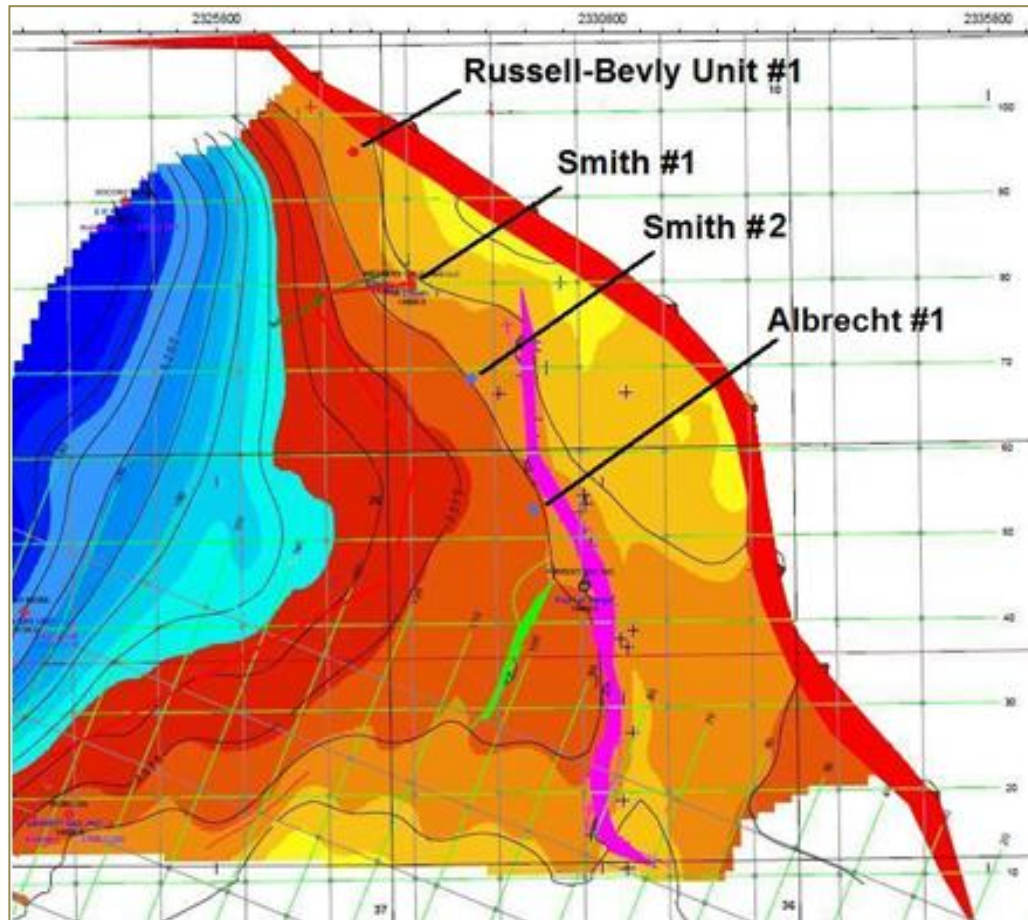
**The North Chapman Ranch is situated in the prolific Frio Producing trend just north of the Mobil David and Doughty Fields.**

- Range net cashflow – US\$2mm per well/year

**Processing Facilities at the Russell Bevly Well Site**



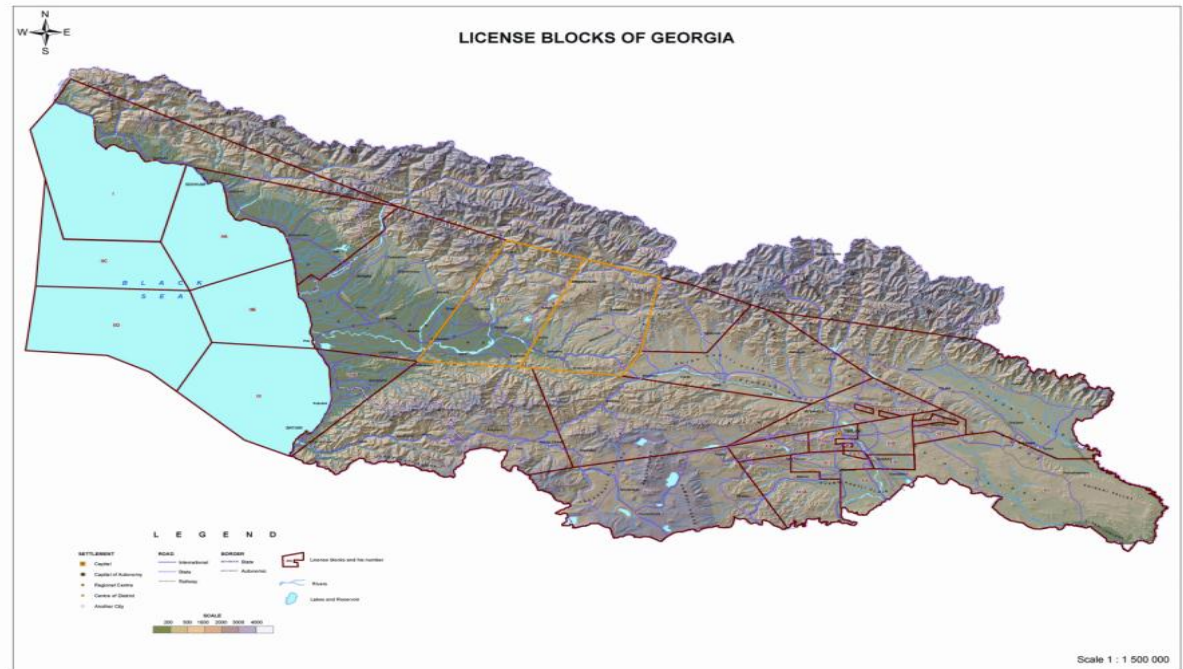
# Texas, USA: North Chapman Ranch



- Smith #2 Well successfully reached TD – flow testing / completion operations underway
- Good initial hydrocarbon shows been recorded in the objective Howell Hight section – total gross pay comparable to Smith #1
- Albrecht #1 will spud immediately after the successful completion of Smith #2 Well. These wells aim to confirm reserves to the southeast portion of the field
- JV has secured the rig to drill additional wells at the JV discretion with possible 3-4 well program 2012
- Each well PTD: 14,000 – 14,500 ft est.
- 2 Well program target completion Q1 2012

# Georgia: Significant Upside Potential

- Range holds a 40% interest in 2 large and prospective exploration permits in Georgia covering approx. 7,000 sq. km
- Spudded first exploration well in July 2011 – Mukhiani 1 (Vani 3 Prospect) which will be followed by the second exploration well targeting the Kursebi 2 Prospect
- Re-Interpretation of seismic supported by Mukhiani 1 VSP results.
- Possible side-track well post further seismic acquisition over Mukhiani second half 2012
- Block VIB – 250km 2D seismic – Conventional and Unconventional (Shale and CBM) opportunities – to be completed Sept 2012



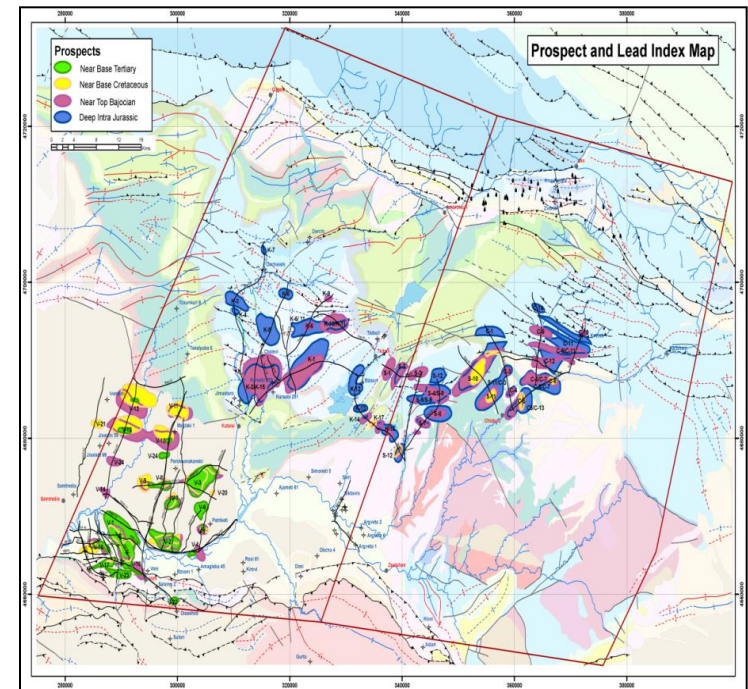
# Georgia: Significant Upside Potential

- 2010 independent consultants RPS Energy identified 68 fold structures that could be viable prospects for drilling
  - Gross estimated oil-in-place across these 68 structures: 2,045 mmbbl
  - Estimated (conservative) recovery factor of 30% resulting in estimated Recoverable Oil: 613 mmbbl
  - Have prioritised 6 ready to drill prospects representing gross estimated OIP in excess of 700 mmbbls.

## Prioritised 6 ready to drill prospects

| Prospect       | Unrisked OIP (gross) |
|----------------|----------------------|
| Kursebi 1 (K1) | 113 mmbbl            |
| Kursebi 2 (K2) | 152 mmbbl            |
| Kursebi 6 (K6) | 99 mmbbl             |
| Vani 1 (V1)    | 131 mmbbl            |
| Vani 2 (V2)    | 89 mmbbl             |
| Vani 3 (V3) *  | 145 mmbbl            |
| <b>Total</b>   | <b>728 mmbbl</b>     |

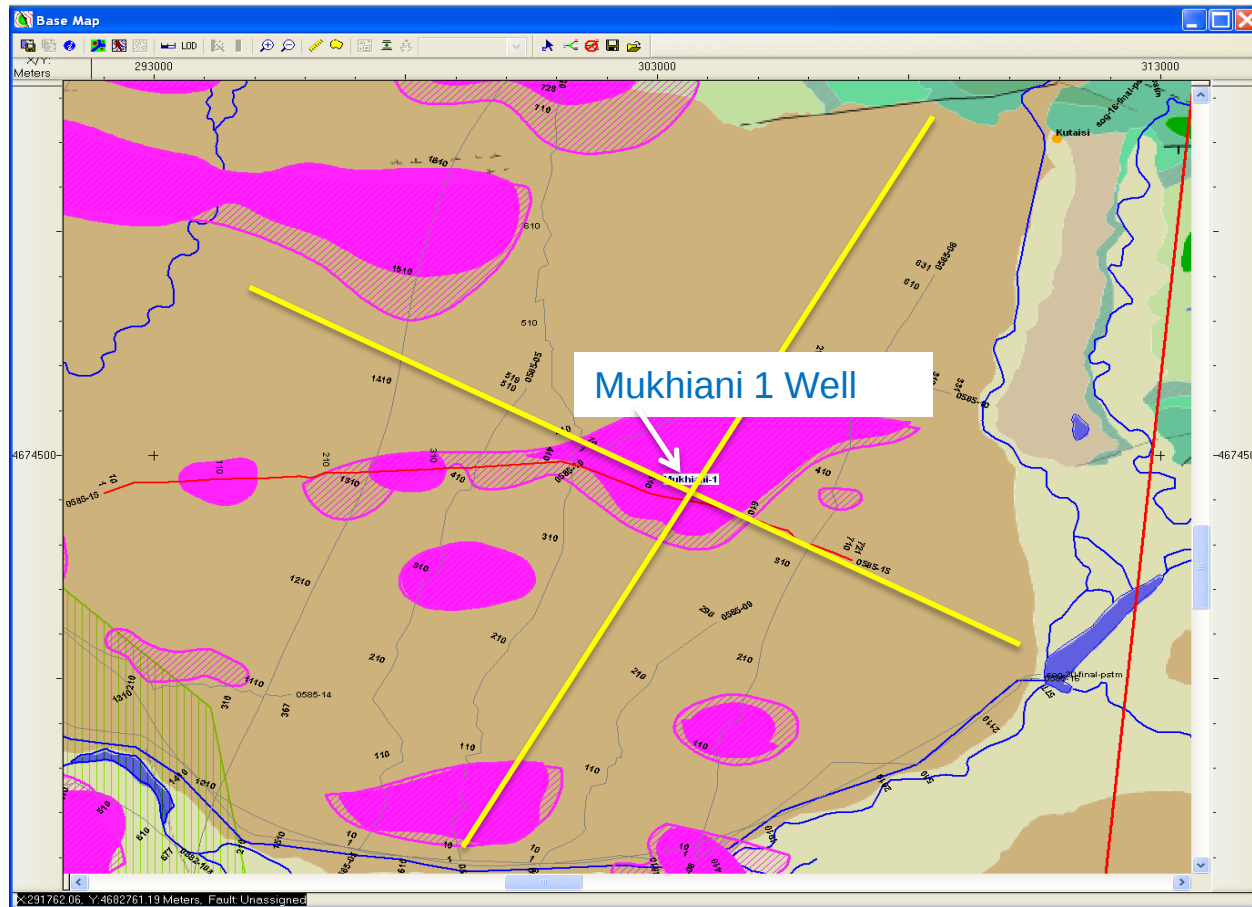
\* Well currently suspended – potential sidetrack



Source: RPS Energy

# Georgia: Mukhiani Well-1

- Map of V3 with Mukhiani - 1 well location marked.
- New seismic lines (circa 10-15km total) in yellow proposed to further characterise structure and determine side-track targets for well.

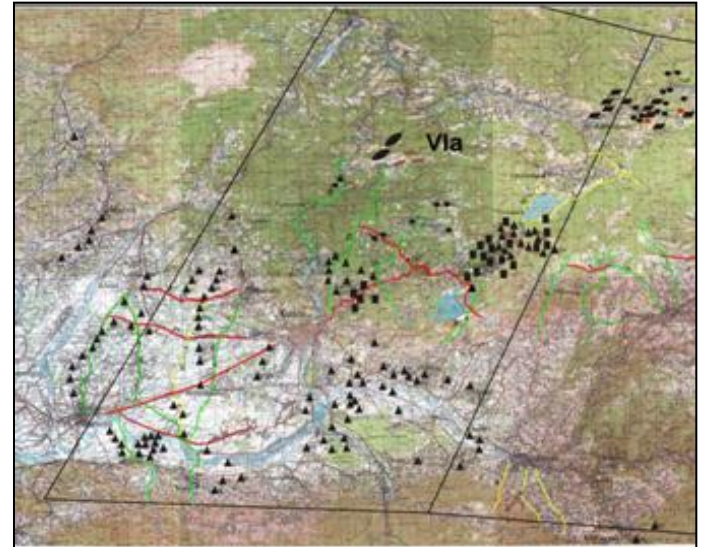


# Georgia: Ample evidence of oil and gas

- Direct indications of oil have been documented from wells drilled within and contiguous to Blocks VIA & VIB



Drilling operations on the Mukhiani 1 Well



Source: AAPG



# Georgia: Drilling Program

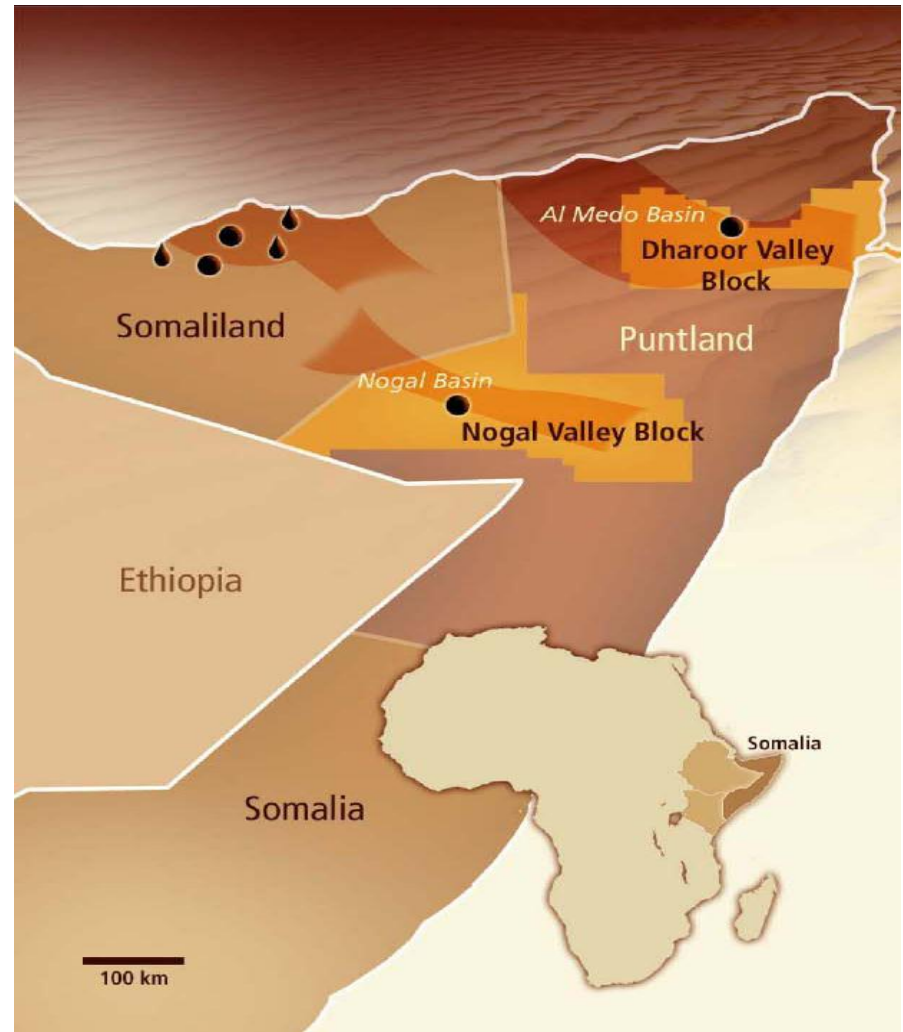
- Spudded Mukhiani #1 well in July 2011
- Re-interpretation of seismic supported by the Mukhiani #1 well results (including VSP) indicates well encountered previously unrecognized faults which led to possible basement being encountered far earlier than predicted
- New fault trap and stratigraphic trapping potential has been identified in the vicinity of the well based on these findings
- Potential side track well to test these targets post further seismic acquisition over Mukhiani #1 – second half 2012



# Puntland

## Puntland

- Range holds a 20% interest in two onshore basins (Dharoor & Nugaal)
- Potential replica of the 5 Bbbl – 10 Bbbl hydrocarbon basins in nearby Yemen
- Competent Persons Report (as per Africa Oil Corp., December 2009). Estimated Gross Oil-in-Place (attributable to Range):
  - 1.16 Bbbl Dharoor
  - 2.48 Bbbl Nugaal
- Over US\$150m estimated spend in region by major corporations prior to political instability in early 1990s
- Puntland Government ratification of onshore PSAs received in December 2009 with operator Africa Oil Corp. planning to mobilise rig in readiness for first well – proposed spud December 2011
- First two prospects targeting gross best estimate prospective resources of 300 million barrels and 375 million barrels recoverable



# Puntland: Amended onshore PSAs

## World class acreage

- The terms of the exploration program have been amended: The operator Africa Oil Corp. to drill two exploratory wells in the Dharoor basin during the initial exploration period
- Sourcing of all drilling related material completed with majority of materials on site or en-route to site
- Site preparation including dill site, air strip and ingress route construction completed
- Africa Oil Corp. are in a position to drill the first exploration well in Puntland in over 20 years – expected spud late Q4 2011

### Onshore Puntland interests:

- Range Resources (AIM: RRL; ASX: RRS) – 20%
- Horn Petroleum Corp. (TSX.V: HRN) – 60% (Operator)\*
- Red Emperor Resources (farm in) (ASX: RMP) – 20%

\*Africa Oil recently completed the spin out of the Puntland assets into TSXV listed company – Horn Petroleum Corp. (60%)



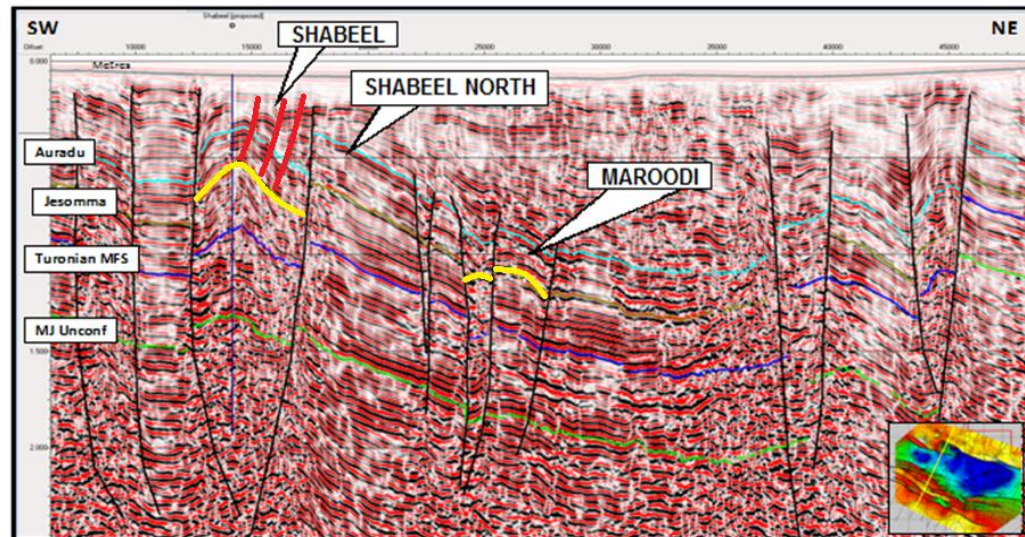
# Puntland



# Puntland: Significant Upside Potential

- Competent Persons Report (as per Africa Oil Corp., December 2009). Total estimated oil-in-place (attributable to Range):
  - 1.16 Bbbl Dharoor
  - 2.48 Bbbl Nugaal
- First two prospects targeting gross best estimate prospective resources of 300 mmbbls and 375 mmbbls recoverable
- Joint Venture potential on Offshore and Nugaal Wells
- One of the last under-explored countries that has high potential for vast reserves of hydrocarbons
- First wells to be drilled in 20 years

## Drill targets in the Dharoor Valley



# Contact Information

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