

21 May 2015

Guayaguayare Block Update

Agreement signed to increase Range’s interest in the Guayaguayare block

Range is pleased to announce that it has signed an amendment agreement in respect of its interest in the Guayaguayare Block in Trinidad. As a result of the amended agreement, Range will acquire the full interest of Niko Resources Ltd. (Niko) (TSX: NKO), which is 32.5% in the Shallow and 40% in the Deep Production Sharing Contracts (PSCs). Following completion of the agreement, Range will hold 80% interest in the Deep PSC and 65% interest in the Shallow PSC.

This agreement allows Range to double its working interest with any consideration being contingent upon commercial discovery and subsequent production, whereby Range will pay Niko upon certain production milestones being achieved from the two PSCs, with the maximum payable of US\$19 million based on production in excess of 10 million barrels. There is no change to the existing drilling commitments, and Range plans to fulfil its obligations by drilling two onshore exploration wells in 2015. The agreement remains subject to government and regulatory approvals and upon completion, Range will be appointed as the Operator of the block.

The Guayaguayare block overview

The Guayaguayare block is comprised of over 280,000 contiguous acres (1,133 km²) both onshore and offshore. There are a number of prospective structures within the onshore Guayaguayare block, each considered to have significant potential for oil. The offshore block is believed to have some potential for mainly gas discoveries but the identified structures are considered much higher risk than the oil-prone onshore targets. Range’s estimate of the best case prospective resources of the Guayaguayare block is 129 mmbœ.

Significant work has been undertaken to date, including 3D seismic both onshore and offshore. This is the first 3D seismic programme to be undertaken onshore over the block, with previously unseen targets identified.

The block is under two PSCs:

- **Shallow PSC:**
 - Covers shallow horizons, both onshore and offshore. The onshore portion has rights to a depth of up to 5,000 ft. and up to 10,500 ft. for the offshore portion.
 - Following completion of the agreement, Range will hold a 65% interest and the State Oil and Gas Company of Trinidad and Tobago Limited (Petrotrin), will hold a 35% interest.
- **Deep PSC:**
 - Covers deep horizons, both onshore and offshore. The onshore portion has rights to a depth below 5,000 ft. and below 10,500 ft. for the offshore portion.
 - Following completion of the agreement, Range will hold an 80% interest and Petrotrin will hold a 20% interest.

The PSCs are currently due to expire in July 2015 and once appointed as Operator, Range intends, to meet the commitments on time and apply for extensions as required.

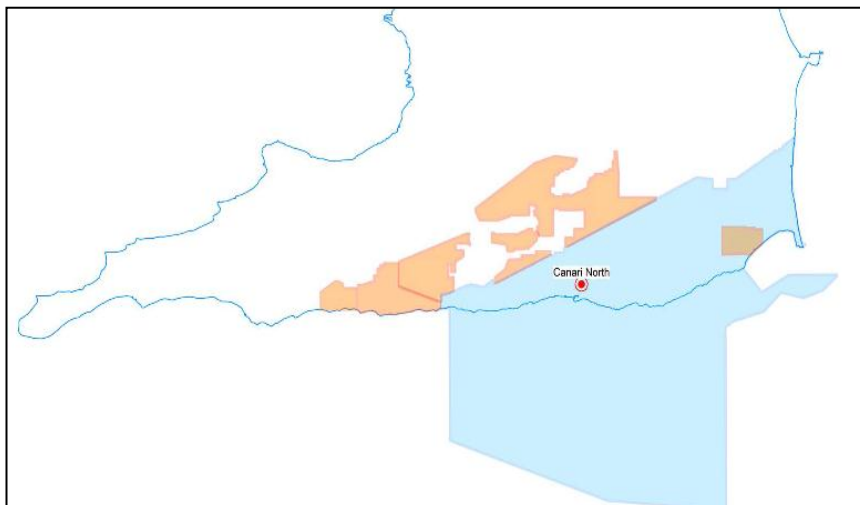
Preparations progress on the Canari North exploration well

Range is pleased to announce that engineering and procurement preparations are underway on the upcoming Canari North exploration well onshore Trinidad, ahead of an anticipated spud date of early June 2015. The Canari North well is the first well to evaluate the Guayaguayare Shallow PSC and will fulfil the first shallow onshore exploration well commitment (less than 5,000 ft. in depth).

The well will be drilled 2.8 kilometres North East of the Moruga village. The nearest oil facilities and pipelines are located 5 kilometres to the North East in the Moruga East field.

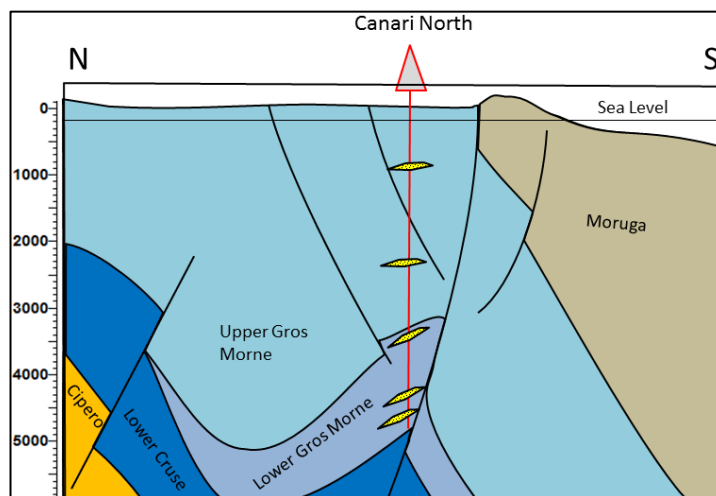
Nearby the Canari North well location, the Moruga East Field produced 2.7 mmbo from 76 wells drilled to Lower Cruse and Gros Morne sands. Two of the most successful wells in the field produced over 300,000 bbls of oil each. The newly identified structure is located on the opposite side of the basin to the Moruga East accumulation and the prospect was identified and mapped using the first 3D seismic over the area. Wells drilled nearby show this part of the basin to be more sand prone than the Moruga East Field and these same wells also produced oil and some gas, proving that hydrocarbon migration occurred there.

Success with the Canari North well would de-risk the Moruga sub-basin and result in material potential upside in the Guayaguayare block with multiple follow-on prospects and leads to be tested by further exploration drilling in 2015 / 2016.



Location map of the Canari North well

The planned drilling programme is for a vertical well to be drilled to a target depth of 5,000 ft. to test for the presence of hydrocarbons in the Gros Morne reservoirs. The primary target reservoirs are the Lower Gros Morne Sands. The Upper and Middle Gros Morne at Canari North may also contain sands that are hydrocarbon bearing at the proposed location. These form secondary and tertiary targets respectively.



Structural cross section of the Canari North well

Range's estimate of the P50 unrisks recoverable resource of the Canari North Prospect is 8.64 mmboe with a chance of success of 25% for the Lower Gros Morne Sandstone target, therefore the Canari North Prospect has a P50 risks recoverable resource of 2.16 mmboe.

Range will drill the well at its sole expense with well costs estimated at US\$2.25 million, and the funding available under the extended 12 month credit facility with LandOcean (as announced on 1 May 2015). The well is expected to take approximately 50 days to complete.

All required approvals for site preparation and drilling of the well have been granted by the Ministry of Energy and Energy Affairs.

To date, construction of a 620 metre road and location building are almost complete. Well site services including logistics, road and site construction are provided by Range Resources Drilling Services Limited. The well will be drilled by Range Resources Drilling Services Limited using Rig 8, which has been awarded the contract, via tender.

Range looks forward to updating the market on commencement of operations.



Canari North well site preparations

Qualified Person's Statement

In Accordance with AIM Rules, Guidance for Mining and Oil & Gas Companies, the information contained in this announcement has been reviewed and signed off by Dr Douglas Field. Dr Field is a petroleum and reservoir engineer who is a suitably qualified person with over 30 years' experience in assessing hydrocarbon reserves, and holds a PhD in Organic Chemistry. The resources information in this announcement has been prepared in accordance with the guidelines of the Society of Petroleum Engineers (SPE).

SPE Definitions

Prospective resources are defined as those quantities of petroleum estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects. Prospective resources have both an associated chance of discovery and a chance of development. Prospective resources are further subdivided in accordance with the level of certainty associated with recoverable estimates assuming their discovery and development and may be sub-classified based on project maturity.

Further comment and information

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