

29 May 2015

Execution of formal financing agreement for up to US\$35 million funding

Following the Company’s announcement on 26 May 2015, Range is pleased to announce the execution of a definitive subscription agreement for a funding package of up to US\$35 million with Beijing Sibio Investment Management LP (“Sibo”), an investment fund, headquartered in Beijing, China.

Sibo will provide funding of a minimum of US\$20 million and up to US\$35 million in cash to subscribe for new ordinary fully paid shares of the Company ("Share" or "Shares") at a price of £0.008 per Share (the "Subscription"), which represents a premium of approximately 48% to the last traded share price of the Company prior to the suspension of Shares from trading on AIM on 11 December 2014.

Terms of funding

Tranche 1:

- Sibio will provide £5.2 million (approximately US\$7.9 million) in cash;
- Range will issue 650 million Shares to Sibio at a subscription price of £0.008 per Share, giving Sibio holding of approximately 11.3% the enlarged share capital of the Company;
- Tranche 1 completion is subject to Sibio obtaining requisite government approvals. Range has been advised by Sibio that it expects to receive these approvals and transfer the funds to Range by 5 June 2015; and
- On agreement between the parties, a portion of the Tranche 2 sum to be invested can be provided by Sibio to Range prior to Tranche 2 completion (“Pre-completion Advance”).

Tranche 2:

- Sibio will provide the remaining sum of a minimum of US\$12 million and up to US\$27 million in cash by no later than 31 August 2015;
- The remaining number of Shares to be issued as part of the investment will be determined at Tranche 2 completion based on a subscription price of £0.008 per Share. Based on today’s exchange rate and assuming the maximum amount of the investment is provided, Sibio would hold up to 36% of the enlarged share capital of the Company;
- At Tranche 2 completion Range will also issue unlisted warrants to Sibio, in two tranches totalling 15% of the total Shares issued to Sibio (8% of the total shares issued to Sibio will have an exercise price of £0.01 and 7% will have an exercise price of £0.02). All warrants will expire four years after the date of issue;
- Tranche 2 completion is subject to subscription by Range’s Board and Management in aggregate for US\$0.3 million in cash at the same subscription price; and Range’s shareholder approvals and any applicable regulatory approvals;
- In the event that Range shareholder approval is not obtained by 31 August 2015, Range must repay any Pre-completion Advance received and pay interest on the amount of the pre-completion advance accrued from the payment date at an annual interest rate of 10%;
- Range’s shareholder meeting will be held by 31 August 2015 and the Notice of Meeting, containing all relevant information will be provided to shareholders in due course; and

- After all the conditions precedent are met, but in the event that either party fails to complete, a penalty is payable to the other party of US\$2 million.

In addition, Sibio may nominate three persons to be appointed as non-executive directors of the Company provided Sibio holds a minimum of 10% of the total outstanding shares of the Company, and one director below the 10% holding level.

Subject to approval from Sibio, the proceeds will be used to invest in Range's core operations and to repay the outstanding debt facility.

AIM Share Suspension

Range wishes to clarify that the suspension of trading in the Company's shares on AIM is at the request of the Company, after consultation with its nominated adviser, and was initially due to the resignation of two Directors (as announced on 12 December 2014). Subsequent to the announcement of new Board Directors on 7 January 2015 the suspension continued, at the request of the Company, after consultation with its nominated adviser, due to the uncertain financial position of the Company.

Range endeavours to seek the resumption of trading of its shares at the earliest opportunity. After consultation with its nominated adviser, the Company's securities will remain suspended on AIM until Range has received the proceeds from Tranche 1 of the investment from Sibio or other suitable alternative financing is obtained sufficient to enable the Company to repay the outstanding debt facility with Lind and Range has released an announcement which clarifies the Company's financial position. As announced on 18 February 2015, Range has received a statutory demand from Lind demanding repayment of approximately US\$7.2 million that Lind alleges is due and payable.

Range is mindful of Rule 41 of the AIM Rules for Companies which states that admission to trading on AIM of a company's shares will be cancelled where its shares have been suspended from trading for six months and will endeavour to seek the resumption in trading prior to then.

ASX Share Suspension

Range has been in regular communication with ASX and has answered all previous ASX queries and provided information as requested. Following its latest correspondence, ASX has requested Range to provide confirmations on various matters and Range will endeavour to satisfy these at the earliest opportunity.

Range will continue to update shareholders upon further developments.

About Beijing Sibio Investment Management LP

Beijing Sibio Investment Management LP is a new investment vehicle headquartered in Beijing, China, which was set up for the purposes of investing into Range. The investors in Sibio are comprised of a number of high net worth individual investors with strong interests in the global energy sector.

Further comment and information

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