

22 June 2016

## Trinidad update

Range provides the following update on its Trinidad operations with the following highlights:

- The approval to spud the MD 51-2 development well has been granted and the well is expected to spud early next month;
- Workover programme on the existing wells has been reviewed to focus on the most economic wells; and
- The credit terms provided by LandOcean on drilling services and PO1 have been extended by further 12 months, to allow the Company to repay credit from future cashflows once production ramps up.

Range is pleased to advise that it has received the approval from the regulatory bodies in Trinidad to spud the MD 51-2 development well. As previously announced, this will be a directional well to be drilled to a total depth of 3,900 feet to test the Middle and Upper Cruse sands, which were encountered with the MD 250 well. The initial log evaluations on the MD 250 development well identified multiple hydrocarbon bearing zones, with an estimated net pay of over 140 feet.

The well will be drilled from the same drilling pad as the MD 250 well, using a 4,000 metre rig. The wellhead is located approximately 20 feet from the MD 250 well and the drilling company RRDSL is in the process of moving the rig to the well location. The Company expects to spud the well in July and will provide a further update to all shareholders upon spudding. In line with safety requirements, production testing operations of the MD 250 and MD 51-2 wells will be performed only once all drilling operations on the pad area are completed.

This is the second of the six well drilling programme which Range has planned for 2016. The remaining scheduled wells include two development wells in Morne Diablo, one development well in Beach Marcelle, and one exploration well in the Guayaguayare block.



### 4,000m rig mobilising to the MD 51-2 well location

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RRDSL's further three new drilling rigs are pending final approvals from the Ministry of Energy and Energy Industries (MEEI). Approvals cannot be granted until all documentation on the rigs, as requested by the MEEI, is provided by RRDSL. RRDSL is working on acquiring the requisite documents for submission to the MEEI. As advised by RRDSL, approvals are expected to be received in Q3 2016.

As part of the Company's ongoing cost management, Range has completed a workover programme review. As a result, the Company has reduced a number of workovers to focus on the most economic wells. Range will keep the workover programme under a regular review and carry on workover operations on the most profitable wells.

Range continues to focus its efforts on the longer term growth from waterflood projects and development drilling. The Company conservatively estimates that the five development wells from the 2016 work programme will add approximately 500 bopd to current production levels by the end of this year. Range reiterates its previous production guidance of 2,500 barrels of oil per day (bopd) by the end of 2017, with the majority of this production growth to come from waterflood projects.

The Company is also pleased to advise that LandOcean has agreed to further extend its credit terms on drilling services to 24 months (previously 12 months). It is a rolling credit facility and payments will be due after 24 months from the date the invoice is agreed. The terms of the credit terms have not changed and in line with the previous agreement announced on 1 May 2015, and interest will be payable by Range at the rate of 10% per annum (being the rate stipulated in the Integrated Master Services Agreement signed in May 2014).

LandOcean has also agreed to defer the outstanding payment of US\$2.5 million for work in relation to Purchase Order 1 ("PO1") by a further 12 months. As announced on 2 June 2014, the Company and LandOcean entered into PO1 to draw down US\$5 million of services from LandOcean. The initial US\$2.5 million was paid by Range during the quarter ended 30 September 2015.

Range is encouraged by the ongoing support from its strategic partner, particularly during lower commodity prices. These extended credit terms are extremely beneficial to Range, as it allows the Company to repay LandOcean from future cashflows once the expected production levels ramp up.

### **Competent Person statement**

*In accordance with AIM Rules, Guidance for Mining and Oil & Gas Companies, the information contained in this announcement has been reviewed and approved by Mr Lijun Xiu. Mr Xiu is a suitably qualified person with over 30 years' experience in assessing hydrocarbon reserves, and holds a Bachelor degree in Geological Prospecting. In addition, he holds a number of professional titles, including Reserves Evaluation Specialist from the Ministry of Land and Resources of the People's Republic of China. Mr Xiu is a member of the SPE (Society of Petroleum Engineers).*

## Contact Details

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