

31 January 2013

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**QUARTERLY REPORT FOR PERIOD ENDING 31 DECEMBER 2012**


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Issued Capital	<b>2,447m*</b>	ASX Code	<b>RRS</b>	Closing price	<b>\$0.060*</b>
Market Capital	<b>A\$147m*</b>	AIM Code	<b>RRL</b>	Closing Price	<b>£0.035*</b>
* as at 31 December 2012					
<b>Gross Production for the Quarter</b>					
Gas	229k Mcf	Range Interest – 50k Mcf 75 (14% decrease from prior quarter)			
Oil	86,021 bbl	Range Interest – 75,565 bbl (15% decrease from prior quarter)			

The Board of Range Resources Limited (“**Range**” or “**the Company**”) provides the following commentary to be read in conjunction with the Appendix 5B (Quarterly Cash Flow Report) which is attached.

## Trinidad

During the quarter, previously announced operational and supply chain difficulties resulted in fewer-than expected wells being drilled by year-end, which subsequently resulted in a decrease in quarter on quarter production. Encouragingly, actual results from the current Lower Forest development program, are exceeding the Company’s expectations in terms of average well performance. Additionally, the Company is anticipating three wells to come into production in the coming weeks (QUN 135, 138 and 139) following receipt of approvals, as well as remedial work commencing on four wells with a small work-over rig.

When compared to the five wells completed in Q4 (of which two of the wells encountered the southern extremity of the Lower Forest trend), the Company anticipates a marked increase in activity during Q1 2013, with the Company seeing ten to twelve wells coming into production during this quarter.

The Company continues to work to regain the drilling and completion momentum established during Q3 2012, and having all six rigs up and running as soon as possible, which again will see another marked increase in the number of completed wells.

The Company continued with the development of the Lower Forest formation on the Morne Diablo license area with additional success, having completed five new wells during the quarter, with three wells drilling into the New Year.

As mentioned above, of the wells completed during the quarter, two were drilled to test the southern limit of the Forest Formation productive trend and encountered thin Lower Forest sands. The results of these two wells have allowed Range to define the southern extremity of the Lower Forest trend, with each well having the potential to be side tracked back into the main productive area within the Lower Forest trend.

The QUN 137 well was completed and encountered the Lower Forest formation with initial production rates of 100 bopd and continues to produce at 85-90 bopd.

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The QUN 138 well also reached its target depth of 1,000 ft. and logged 100 ft. of net oil sands across a number of horizons, including a highly resistive zone between 770 and 810 ft. that is expected to yield better than average production rates. The Company is awaiting approvals to perforate and place the well into production.

The Company spudded the QUN 139 with an original target depth of 1,000 ft. having logged 80 ft. of good quality oil sands to 945 ft. post quarter end. The well is currently being drilled to a revised target depth of 1,300 ft. The QUN 139 location is contiguous to producing wells QUN 119 and QUN 129 which achieved initial production rates of 129 bopd and 138 bopd, respectively. Both wells still flow under natural pressure, with QUN 129 having now produced for over 12 months since first production.



The QUN 140 well is expected to spud shortly with the Company awaiting receipt of necessary approvals and, like the QUN 139 well, will also be drilled to an initial target depth of circa 1,000 ft.

During the quarter, Range's fourth drilling rig, with the deepest capabilities of the Company's fleet continued to drill the MD 248 well which is targeting multiple horizons; the Lower Forest formation (circa 1,000 ft.), the Upper Cruse formation (circa 2,000 ft.) and the Middle & Lower Cruse formations (circa 4,000 ft. and 6,500 ft. respectively). After reaching a depth of 4,000 ft. and having 7" casing run, the well experienced operational delays due to equipment shortages. Additional equipment has been acquired to improve efficiencies and reduce downtime, with drilling continuing to the target depth of 6,500 ft.

The MD 248 well is the first well that will target development of the Middle Cruse sands at 4,000 ft., as well as explore the Lower Cruse formation at 6,500 ft. Upon completion of the MD 248 well, Rig 8

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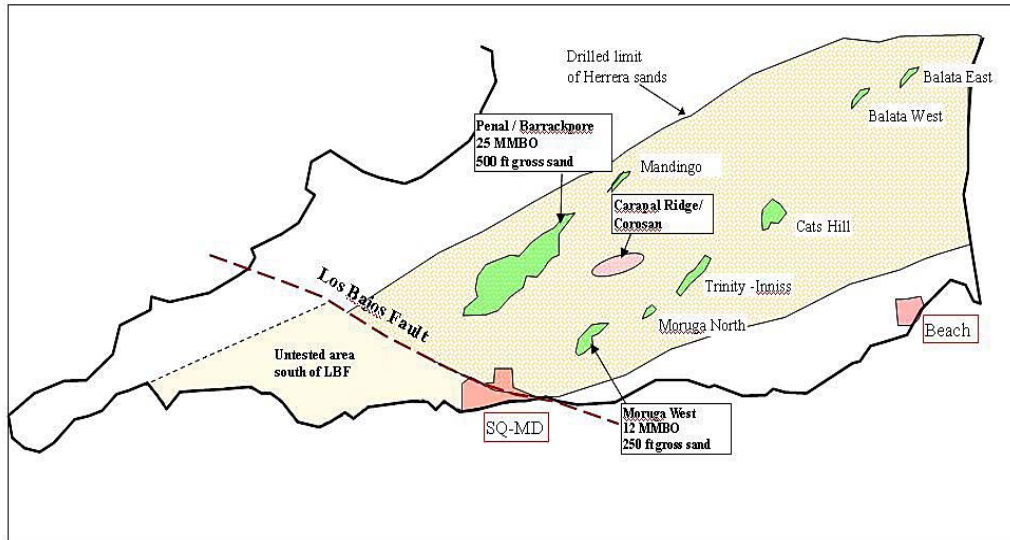
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is scheduled to move on to drill the first of a series of wells that will test the prolific Herrera formation as their primary objective, while testing the prolific Forest and Cruse formations. Rig 8 is capable of drilling to approximately 11,000 ft., a depth believed to be sufficient to test and develop the highly prospective Herrera section.

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The Company also spudded the QUN 135 well during the quarter with a target depth of 3,500 ft., being Range’s first well to target the Middle Cruse formation, with the well reaching its target depth subsequent to quarter end. Following conditioning of the well bore, logging operations were initiated and more than 80 ft. of net oil pay was identified in the Lower Forest, Upper Cruse and Middle Cruse formations. Based on oil shows while drilling and induction logs indicating that the well reached its planned total depth in the top of a Middle Cruse oil zone, the QUN 135 well is now being deepened to confirm what may represent a previously undiscovered reservoir in the Middle Cruse section. Following deepening of the well and evaluation of open hole logs, the Company will determine which of the multiple oil zones present is the best candidate for initial completion.

**Reserves Upgrade**

During the quarter, the Company announced a 29% increase in Proved, Probable and Possible (3P) net attributable reserves across the Company’s three onshore Trinidad licenses, following the Company’s independent petroleum consultants, Forrest A. Garb and Associates (“**Forrest Garb**”), having completed a review of the Trinidad reserves following the first year of Range’s operations in Trinidad.

Below is the comparison between October 2012 and December 2011 of the oil and gas reserves attributable to Range’s (100%) interest in its Trinidad Licenses, net of government and overriding royalties, as described more fully in the report from Forest Garb & Associates.

Category	Oil (MMBO)		
	Dec '11	Oct '12	%age Mvmt
Proved (P1)	15.4	17.5	+14%
Probable (P2)	2.2	2.7	+23%
Possible (P3)	2.0	5.0	+150%
<b>Total 3P Reserves</b>	<b>19.6</b>	<b>25.2</b>	<b>+29%</b>
Prospective Resource (unrisked)			
Low	2.0	8.1	
Best	10.0	40.5	
High	19.9	81.0	

Based on the reserve numbers shown above, Forrest Garb estimates the net cash flow attributable to Range's interests for Proved, Probable and Possible reserves as shown below, based on average WTI prices for 2011, and compared to the \$85 / bbl case per December 2011.

Category	US\$85 / bbl case December 2011		US\$94 / bbl case October 2012	
	Undiscounted US\$M	PV10 US\$M	Undiscounted US\$M	PV10 US\$M
Proved	679	385	799	446
Probable	133	73	142	81
Possible	120	49	276	153
<b>Total</b>	<b>932</b>	<b>507</b>	<b>1,217</b>	<b>680</b>

The valuations above are based on forecast production rates that reflect the current drilling and development schedule, and estimated individual well decline profiles derived from the Company's recent operating results.

As reported above, the recent reserves report saw a 30.5 million barrels (305%) increase in total unrisked net prospective (best estimate) resources across the Company's licenses to 40.5 million barrels.

Of the 40.5 million barrels in unrisked prospective resources, circa 30.5 million barrels are associated with identified Herrera prospects that have been mapped on the Company's 3D seismic database and are scheduled to be drilled following completion of the MD248 well. Of the 40.5 million best estimate unrisked net prospective resource associated with the Herrera prospects, a risk factor of 25% has been assigned, with the remaining resources risked at 45%.

### Revised License Agreements

The Company has received the final revised agreements that will see an initial reduction in the enhanced royalty currently being paid by the Company. The revised terms will see a significant improvement in the net back price received per barrel of oil produced. The revised royalties at production rates of 1,000 bopd will see net backs increase to circa \$40 / barrel before tax, and circa \$50 / barrel before tax at 2,000 bopd – assuming \$90 barrel oil and Opex at current levels. Only minor administrative items relating to market communications remain to be resolved.

In addition, discussions continue with the regulatory agencies and other farm-in operators for further performance-based drilling and production incentives. Updates will be provided upon progress when available.

## Puntland

### Puntland Onshore

During the quarter Range's JV partner and operator of its Puntland Project, Horn Petroleum Corp (TSXV: HRN), demobilized the drilling rig and associated equipment and has completed restoration of both drilling locations.

Efforts are now focused on making preparations for a seismic acquisition campaign in the Dharoor PSA which will include a regional seismic reconnaissance grid in the previously unexplored eastern portion of the basin as well as prospect specific seismic to delineate a drilling candidate in the western portion of the basin where an active petroleum system was confirmed by the recent drilling at the Shabeel-1 and Shabeel North-1 locations.

Based on the encouragement provided by these two Shabeel wells, the Operator (Horn Petroleum Corporation) and their partners, Range Resources and Red Emperor, have entered into the next exploration period in both the Nugaal and Dharoor Valley Production Sharing Contracts ("PSCs") which carry a commitment to drill one well on each block within an additional 3 year term. The current operational plan would be to contract a seismic crew to acquire additional data in the Dharoor Valley block and to hold discussions with the Puntland Government to gain access regarding drill ready prospects in the Nugaal Valley block. The focus of the Dharoor seismic program will be to delineate new structural prospects for the upcoming drilling campaign.

### Puntland Offshore

During the June quarter, Range entered into an agreement with the Puntland Government with respect to obtaining a 100% working interest in the highly prospective Nugaal Basin Offshore Block.

The Block is an extension of the onshore Nugaal Region which has the potential for deltaic deposits from the Nugaal Valley drainage system and comprises over 10,000km.

The Company will commit to a 2D seismic program within the first three years, with further 3D seismic and an exploration well to follow in the second three year period. The agreement is subject to a formal Production Sharing Agreement (PSA) being entered into and the receipt of all necessary regulatory approvals. Commercial terms will be similar to the current on-shore PSAs and is scheduled to be completed this current quarter.

## Georgia

During the quarter the Joint Venture announced the completion of the acquisition of a 200km 2D seismic program. The majority of this recent seismic was acquired over Block VIb to firm up leads identified in the previous 410km 2D seismic program, along with targeting two gas wells, which were drilled and suspended in Soviet times.

Two lines were also acquired over the site of the Mukhiani well, the first exploration well drilled in Block VIa. The processing of the seismic is currently under way and results of the interpretation is expected to be completed in Q1 2013, with the joint venture confident that it will then have assembled the requisite amount of seismic and geological information to enable the JV to identify revised drillable targets and attract potential farm in partners if desired.

The JV continues to work towards the development of the CBM and conventional potential around the Tkibuli- Shaori Coal Field ("Tkibuli"). The Georgian Industrial Group ("GIG") has made available a significant amount of information including a detailed geological model based on 339 wells drilled in the region, many of which vented methane. The Joint Venture is looking to finalise agreements with GIG for the development of Tkibuli shortly, with binding arrangements currently being concluded

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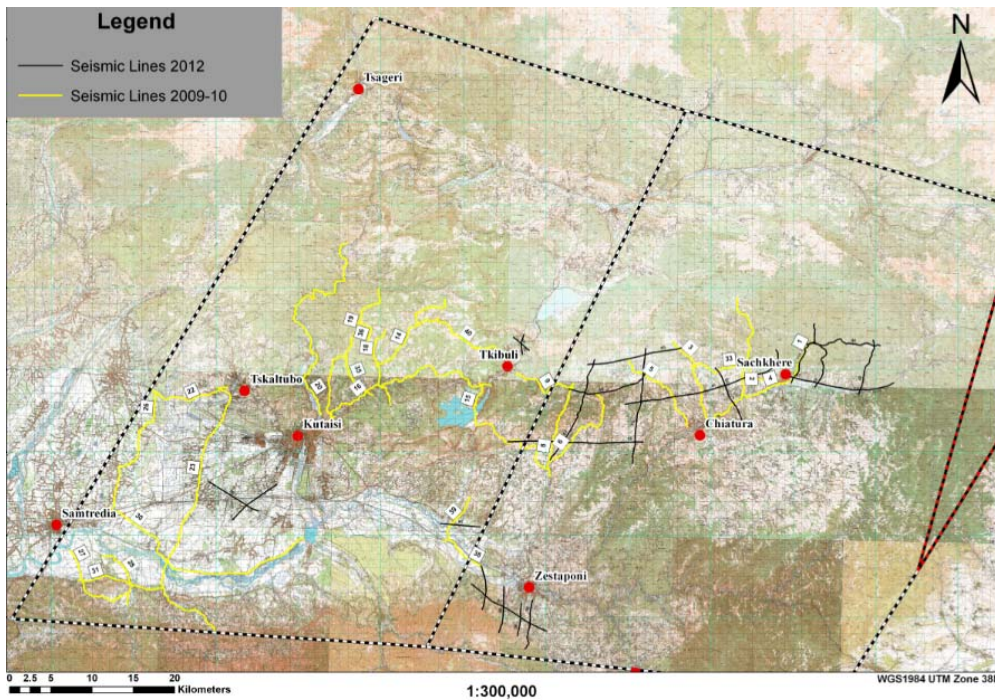
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and the potential for third party financing being available to fund a pilot production program. It is envisaged that following completion of the current technical and economic analysis, between three and four pilot production well locations will be identified with drilling expected to commence in 2H 2013.



**Recent seismic survey** (note black cross section just south / west of Kutaisi being lines over Mukhiani)

With the majority of the seismic program completed during the quarter, coupled with the proposed third party funding for the joint venture development of the Tkibuli CBM project, Range’s exploration expenditure associated with the Georgian operations will be dramatically reduced moving forward.

## Texas

### North Chapman Ranch

During the previous quarter, the Company announced a significant increase in Proved (P1) and Probable (P2), reserves for the North Chapman Ranch Project, in which Range holds a 20-25% interest.

The Company engaged leading independent petroleum consultants Forrest A. Garb and Associates (“**Forrest Garb**”) to complete a review of the North Chapman Ranch reserves following the successful completion of the Smith #2 and Albrecht wells that saw a significant reclassification of the previous Possible (P3) reserves into the Proved (P1) and Probable (P2) categories.

Set out below is a comparison of the gross reserves (100% basis) for the Company’s North Chapman Ranch asset between the previous reserve update in December 2011 and the current gross reserves update for June 2012.

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Category	Oil (MMBO)			Natural Gas (Bcf)			Natural Gas Liquids (MMBO)		
	Dec '11	Jun '12	%age Mvmt	Dec '11	Jun '12	%age Mvmt	Dec '11	Jun '12	%age Mvmt
Proved (P1)	5.1	8.4	+64%	64.3	106.0	+65%	5.0	8.0	+60%
Probable (P2)	3.7	4.4	+19%	48.6	56.7	+17%	3.8	4.4	+16%
Possible (P3)	9.9	5.0	-50%	129.6	64.8	-50%	10.1	5.1	-50%
<b>Total 3P Reserves</b>	<b>18.7</b>	<b>17.8</b>		<b>242.5</b>	<b>227.5</b>		<b>18.9</b>	<b>17.5</b>	

Set out below is the comparison between June 2012 and December 2011 of Range's attributable interest in the net reserves on the Company's North Chapman Ranch asset which is net of government and overriding royalties and represents Range's economic interests in its development and production assets as classified in the report from Forest Garb.

Category	Oil (MMBO)			Natural Gas (Bcf)			Natural Gas Liquids (MMBO)		
	Dec '11	Jun '12	%age Mvmt	Dec '11	Jun '12	%age Mvmt	Dec '11	Jun '12	%age Mvmt
Proved (P1)	0.7	1.1	+57%	7.6	11.7	+54%	0.7	1.1	+57%
Probable (P2)	0.5	0.6	+20%	5.5	6.4	+16%	0.5	0.6	+16%
Possible (P3)	1.3	0.7	-46%	14.6	7.3	-50%	1.3	0.7	-46%
<b>Total 3P Reserves</b>	<b>2.5</b>	<b>2.4</b>		<b>27.7</b>	<b>25.4</b>		<b>2.5</b>	<b>2.4</b>	

With the field having now been largely appraised and value demonstrated, the Company is looking at the divestment of its North Chapman Ranch interests so that it can focus its capital on higher value adding opportunities in its portfolio and has engaged US based advisors to assist in the process, with a number of interested parties having reviewed the Company's dataroom. Negotiations are currently being finalised with regards to the sale of the assets, scheduled for this quarter. As previously announced, the conditional offer is for US\$20m up front (settlement before current quarter end) and US\$20m in royalty payments from current and future production. Range will update the market as soon as the transaction is finalised.

### East Texas Cotton Valley Prospect

Long term production testing continues on the Ross 3H well, as Range and its partners evaluate the various options available for future development of the shallow oil discovery. In the meantime, leases within the project area are being extended or renewed. The intention is to sell the asset as part of the Texas deal.

## Colombia

As previously announced, Range entered into an economic participation agreement with Petro Caribbean Resources Limited, a private oil and gas company focussed on the development of petroleum and natural gas reserves in Colombia ("PCR" the official operator of the blocks), that will see the Company earn a 65% economic interest (option to move to 75%) in Blocks PUT-6 and PUT-7 in return for funding (on a cost recoverable basis) the commitments under the Production Sharing Agreement ("PSA") with the National Hydrocarbons Agency of Colombia ("ANH"). This includes a 350km<sup>2</sup> 3D seismic program across the two blocks followed by one exploration well in each block.

The consulta previa process is nearing completion which involves liaison with the various indigenous communities within the license areas. Once completed, the Company expects to initiate preparations for the seismic program, with planned mobilisation to occur early Q2 2013.

Range has received farm in interest from a number of parties for blocks PUT 6 and PUT 7, and will be considering different potential options to maximise shareholders benefits in the short to medium term.

## Corporate

During the quarter the Company entered into a US\$15 million Loan Agreement ("Loan Agreement") backed by Standby Equity Distribution Agreement ("SEDA") for up to GB£20 million with YA Global Master SPV Ltd, an investment fund managed by Yorkville Advisors ("Yorkville"), with US\$5 million having been drawn down during the quarter. The loan can be drawn down in tranches of US\$5 million (12 month term) at the election of the Company and carries a coupon of 10%. The tranches may be increased to US\$10 million (after an initial US\$5 million drawdown - total facility US\$25 million).

In addition to the above, the Company also issued AU\$10 million in secured notes to Crede Capital which can be paid back in cash or equity on or before the 12 month term at the Company's election.

## Subsequent to Quarter-End

Subsequent to quarter end, the Company secured a strategic stake (19.9%) in Citation Resources Limited ("**Citation**") (ASX: CTR). Citation holds a farm in right to acquire a 70% interest in Latin American Resources Ltd ("**LAR**"), which holds an 80-100% interest in two oil and gas development and exploration blocks in Guatemala ("**Projects**"). LAR is the operator of the blocks. Additionally, Range has acquired a direct 10% equity stake in LAR.

The Projects consist of Block 1-2005 and Block 6-93 in the South Peten Basin in Guatemala ("**Guatemalan Blocks**"). The Guatemalan Blocks have Canadian NI 51-101 certified proved plus probable (2P) reserves of 2.3 MMBO (with approximately 0.45 – 0.6 MMBO attributable to Range's combined equity interest in Citation and 10% direct interest in LAR), with significant exploration upside potential. In addition, the blocks have had significant previous exploration with the two well appraisal drilling program currently underway with the Atzam #4 well having already been successfully completed and flow testing currently underway. The Projects and drilling/operational infrastructure are owned by LAR together with its minority joint venture partners in a similar set up to Range's Trinidad operations.

The strategic stake in Citation and LAR provides Range with non-operating exposure to a project with known reserves and significant short term upside potential, as well as creating the potential spin off vehicle for the company's Puntland assets.

### Transaction Details

Range will acquire its 19.9% strategic interest in Citation, by conversion of existing debt funding provided by Range to Citation into ordinary Citation shares (subject to any necessary Citation shareholder approvals) at \$0.02 with a 1 for 2 free attaching listed Citation option (\$0.04, June 2015), which is approximately \$2m for the 19.9% interest. In addition, Range will pay \$2m for the 10% interest in LAR, which is finance carried through the first US\$25m spent on the Project.

Concurrently, Range completed a placement of 40m new shares to Citation nominees at A\$0.05 per share (being a premium to the current share price) to raise gross proceeds of \$2m, along with the issue of 40,000,000 unlisted options (\$0.05, 31 January 2016) in facilitation, introduction and corporate advisory fees.

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**Guatemala Projects Summary – Atzam and Tortugas Formations**

The Projects consist of Block 1-2005 and Block 6-93 in the South Peten Basin in Guatemala (“Guatemalan Blocks”). As reported by Citation, the Guatemalan Blocks have Canadian NI 51-101 certified proved plus probable (2P) reserves of 2.3 MMBBL, with significant exploration upside potential. In addition the blocks have had significant previous exploration with the two well appraisal drilling program currently underway with the Atzam #4 well having already been successfully completed and flow testing currently underway. The projects and drilling / operational infrastructure are owned by LAR together with its minority joint venture partners in a similar set up to Range's Trinidad operations.



The first appraisal well Atzam #4, which successfully drilled to its target depth of 4,500 ft., is currently undergoing flow testing operations. The intention is for the second well, Atzam #5, to spud following completion of the flow testing program on the Atzam #4 well. The Atzam #4 well is being drilled on the same structure that the Atzam #2 well tested at an initial flow rate of up to 1,200 BOPD of 34°API oil at a depth of 3,850 ft.

Recent mapping of the Atzam structure using existing data from previous operators (Basic, Hispanoil) and MEM, and incorporating reservoir data acquired since production initiated in December 2007, indicate the possibility of a structure of comparable size and orientation to that of the existing Rubelsanto field in Guatemala. To date, the Rubelsanto field has produced more than 30 MMBBL of oil since its discovery in 1976. The field currently continues to produce more than 1,000 BOPD, 36 years after its discovery.

In addition to the Atzam structures on Block 1-2005, the Tortugas structure is a suspended oil field. Originally 17 wells on Tortugas salt dome were drilled by Monsanto looking for sulphur. One well (T9B) had an oil blowout at approx 2,200 ft and most others had oil shows in multiples zones.

The Atzam and Tortugas Fields have had significant previous exploration and development with 2D seismic and previous production wells. In 2012/13 the planned exit production is approximately 1,000 bbl/d based on successful production from the two new appraisal wells based on the previous flow rates of wells drilled on the same structure.

Yours faithfully



**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, Trinidad and Colombia.

- In Trinidad Range holds a 100% interest in holding companies with three onshore production licenses and fully operational drilling subsidiary. Independently assessed Proved (P1) reserves in place of 17.5 MMBO with 25.2 MMBO of proved, probable and possible (3P) reserves and an additional 81 MMBO of unrisks 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. Range completed a 410km 2D seismic program with independent consultants RPS Energy identifying 68 potential structures containing an estimated 2 billion barrels of undiscovered oil-in-place (on a mean 100% basis) with the first (Mukhiani-1) exploration well having spudded in July in 2011. The Company is focussing on a revised development strategy that will focus on low-cost, shallow appraisal drilling of the contingent resources around the Tkibuli-Shaori ("Tkibuli") coal deposit, which straddles the central sections of the Company's two blocks.
- In Puntland, Range holds a 20% working interest in two licenses encompassing the highly prospective Dharoor and Nugaal valleys. The operator and 60% interest holder, Horn Petroleum Corp. (TSXV:HRN) has completed two exploration wells and will continue with a further seismic and well program over the next 12-18 months.
- Range holds a 25% interest in the initial Smith #1 well and a 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. Independently

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assessed 3P reserves in place (on a 100% basis) of 228 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, where the prospect's project area encompasses approximately 1,570 acres encompassing a recent oil discovery. The prospect has independently assessed 3P reserves in place (on a 100% basis) of 3.3mmbbls of oil.
- Range is earning a 65% (option to move to 75%) interest in the highly prospective PUT 6 and PUT 7 licences in Putumayo Basin in Southern Colombia. The Company will undertake a 350km<sup>2</sup> 3D seismic program across the two licences and drill one well per licence, as well as looking to re-enter a previously suspended well that had a significant historical reserve estimate.
- Range has taken a strategic stake (19.9%) in Citation Resources Limited (ASX: CTR) which holds a 70% interest in Latin American Resources (LAR). LAR holds an 80-100% interest in two oil and gas development and exploration blocks in Guatemala with Canadian NI 51-101 certified proved plus probable (2P) reserves of 2.3 MMBBL (100% basis). Range also holds a 10% interest in LAR.

### Table of Reserves and Resources

Detailed below are the estimated reserves for the Range project portfolio.

All figures in MMboe	Gross Oil Reserves			Range's Interest	Net Attributable			Operator
	1P	2P	3P		1P	2P	3P	
<i>Oil &amp; NGL</i>								
Texas – NCR *	16.4	25.2	35.3	20-25%	2.2	3.4	4.8	Western Gulf
Texas – ETCV	1.0	1.6	3.3	22%	0.2	0.3	0.6	Crest Resources
Trinidad	17.5	20.2	25.2	100%	17.5	20.2	25.2	Range
<b>Total Oil &amp; Liquids</b>	<b>34.9</b>	<b>47.0</b>	<b>63.8</b>		<b>19.9</b>	<b>21.3</b>	<b>28.9</b>	
<i>Gas Reserves</i>								
Texas – NCR *	106.0	162.7	228	20-25%	11.7	18.1	25.4	Western Gulf
<b>Total Gas Reserves</b>	<b>106.0</b>	<b>162.7</b>	<b>228</b>		<b>11.7</b>	<b>18.1</b>	<b>25.4</b>	

\* Reserves attributable to Range's interest in the North Chapman Ranch asset, which are net of government and overriding royalties as described in the Forrest Garb report.

Detailed below are the estimated resources and oil-in-place delineated across Range's portfolio of project interests.

All figures in MMboe	Gross Oil Resources			Range's Interest	Net Attributable			Operator
	Low	Best/ Mean	High		Low	Best/ Mean	High	
<i>Prospective Resources</i>								
Trinidad	8.1	40.5	81.0	100%	8.1	40.5	81.0	Range
<b>Total Prospective Resources</b>	<b>8.1</b>	<b>40.5</b>	<b>81.0</b>		<b>8.1</b>	<b>40.5</b>	<b>81.0</b>	
<i>Undiscovered Oil-In-Place</i>								
Puntland	-	16,000	-	20%	-	3,200	-	Horn Petroleum
Georgia	-	2,045	-	40%	-	818	-	Strait Oil & Gas
Colombia	-	7.8	-	65-75%	-	5.1 - 5.8	-	Petro Caribbean

All of the technical information, including information in relation to reserves and resources that is contained in this document has been reviewed internally by the Company's technical consultant, Mr Mark Patterson. Mr Patterson is a geophysicist who is a suitably qualified person with over 25 years' experience in assessing hydrocarbon reserves and has reviewed the release and consents to the inclusion of the technical information.

The reserves estimate for the Guatemalan Blocks in which LAR (and CTR) have an interest in is as reported by CTR. CTR has not reported 1P and 3P estimates, but Range is seeking such information from CTR for future reporting purposes.

The reserves estimates for the 3 Trinidad blocks and update reserves estimates for the North Chapman Ranch Project and East Texas Cotton Valley 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 and 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).

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.

In granting its consent to the public disclosure of this press release with respect to the Company's Trinidad operations, Petrotrin makes no representation or warranty as to the adequacy or accuracy of its contents and disclaims any liability that may arise because of reliance on it. The Contingent Resource estimate for CBM gas at the Tkibuli project is sourced from the publically available references to a report by Advanced Resources International's ("ARI") report in 2009: CMM and CBM development in the Tkibuli-Shaari Region, Georgia. Advanced Resources International, Inc., 2009. Prepared for GIG/Saknakshiri and U.S. Trade and Development Agency. - [globalmethane.org/documents/toolsres\\_coal\\_overview\\_ch13.pdf](http://globalmethane.org/documents/toolsres_coal_overview_ch13.pdf). Range's technical consultants have not yet reviewed the details of ARI's resource estimate and the reliability of this estimate and its compliance with the SPE reporting guidelines or other standard is uncertain. Range and its JV partners will be seeking to confirm this resource estimate, and seek to define reserves, through its appraisal program and review of historical data during the next 12 months.

Reserve information on the Putumayo 1 Well published by Ecopetrol 1987.

#### **SPE Definitions for Proved, Probable, Possible Reserves and Prospective Resources**

**Proved Reserves** are those quantities of petroleum, which by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be commercially recoverable, from a given date forward, from known reservoirs and under defined economic conditions, operating methods, and government regulations.

**Probable Reserves** are those additional Reserves which analysis of geoscience and engineering data indicate are less likely to be recovered than Proved Reserves but more certain to be recovered than Possible Reserves.

**Possible Reserves** are those additional reserves which analysis of geoscience and engineering data indicate are less likely to be recoverable than Probable Reserves.

**1P** refers to Proved Reserves, **2P** refers to Proved plus Probable Reserves and **3P** refers to Proved plus Probable plus Possible Reserves.

**Prospective Resources** are 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.

**Contingent Resources** are those quantities of hydrocarbons which are estimated, on a given date, to be potentially recoverable from known accumulations, but which are not currently considered to be commercially recoverable.

**Undiscovered Oil-In-Place** is that quantity of oil which is estimated, on a given date, to be contained in accumulations yet to be discovered. The estimated potentially recoverable portion of such accumulations is classified as Prospective Resources, as defined above.

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## Appendix 5B

### Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

**RANGE RESOURCES LIMITED**

ABN

**88 002 522 009**

Quarter ended ("current quarter")

**31 December 2012**

#### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (6 months) (\$A'000)
1.1 Receipts from product sales and related debtors	7,344	14,367
1.2 Payments for (a) exploration & evaluation	(7,289)	(12,291)
(b) development	(3,553)	(6,154)
(c) production	(4,050)	(7,873)
(d) administration	(1,951)	(3,990)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	5	34
1.5 Interest and other costs of finance paid	(591)	(591)
1.6 Taxes paid	(2,033)	(4,084)
1.7 Other (provide details if material)	-	449
<b>Net Operating Cash Flows</b>	<b>(12,118)</b>	<b>(20,133)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(571)	(1,123)
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	528	528
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	2,065
1.12 Other – net cash acquired on acquisition of subsidiary	-	-
<b>Net investing cash flows</b>	<b>(43)</b>	<b>1,470</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(12,161)</b>	<b>(18,663)</b>

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(12,161)	(18,663)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	1,995	1,995
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	14,938	14,938
1.17	Repayment of borrowings	(1,399)	(1,399)
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	<b>Net financing cash flows</b>	<b>15,534</b>	<b>15,534</b>
	<b>Net increase (decrease) in cash held</b>	<b>3,373</b>	<b>(3,129)</b>
1.20	Cash at beginning of quarter/year to date	3,891	10,410
1.21	Exchange rate adjustments to item 1.20	(60)	(77)
1.22	<b>Cash at end of quarter</b>	<b>7,204</b>	<b>7,204</b>

**Payments to directors of the entity and associates of the directors**

**Payments to related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	385
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

\$175k payment of directors fees  
 \$210k payment of corporate management fees

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A

+ See chapter 19 for defined terms.

### Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities *	24,000	4,818
3.2 Credit standby arrangements	-	-

### Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	2,000
4.2 Development	2,500
4.3 Production	4,000
4.4 Administration	1,500
<b>Total</b>	<b>10,000</b>

### Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	7,204	3,891
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter (item 1.22)</b>	<b>7,204</b>	<b>3,891</b>

### Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1		Interests in mining tenements relinquished, reduced or lapsed		
6.2	Nil	Interests in mining tenements acquired or increased		

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

**Issued and quoted securities at end of current quarter**

*Description includes rate of interest and any redemption or conversion rights together with prices and dates.*

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 <b>Preference securities</b> <i>(description)</i>	Nil			
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 <b>*Ordinary securities</b>	2,446,757,780	2,446,757,780		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	Nil	Nil		
7.5 <b>*Convertible debt securities</b> <i>(description)</i>	Nil	Nil		
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 <b>Options</b> <i>(description and conversion factor)</i>	855,166		<i>Exercise price</i> £0.04	<i>Expiry date</i> 30 June 2015
	7,058,824		£0.17	30 April 2016
	5,180,000		£0.075	31 January 2017
	9,000,000		£0.125	31 March 2015
	15,708,801		£0.0615	19 October 2015
	32,275,862		£0.05075	30 November 2015
7.8 Issued during quarter	-			
7.9 Exercised during quarter	-			

+ See chapter 19 for defined terms.



7.10	Expired during quarter	Nil			
7.11	<b>Debentures</b> <i>(totals only)</i>	Nil			
7.12	<b>Unsecured notes</b> <i>(totals only)</i>	Nil			
7.13	<b>Converting Performance Shares</b>	17,921,146 – Class A  17,921,146 – Class B			

## Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.




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Peter Landau  
Executive Director  
31 January 2013

## Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 Accounting Standards ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

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+ See chapter 19 for defined terms.