

9 May 2012

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

By e-lodgement

GEORGIA UPDATE

Range Resources Limited ("**Range**" or "**the Company**") is pleased to announce that following a strategic review of the current operations in Georgia, that the Company, along with its partners, Strait Oil & Gas and Red Emperor Resources NL (ASX:RMP/AIM:RMP), is to embark on a revised exploration and appraisal strategy for Blocks VIa and VIb in Georgia.

Appraisal of Coal Bed Methane ("CBM") Potential

The revised strategy will focus on low-cost, shallow appraisal drilling of historically defined Contingent Resources around the Tkibuli-Shaori ("Tkibuli") CBM field, which straddles the central sections of the Company's two blocks.

Tkibuli has been estimated by Advanced Resources International to contain Contingent Resources (mean) of approximately 0.4 trillion cubic feet ("tcf") of coal-bed methane ("CBM") gas (Range's attributable 40% interest is 0.16 tcf). Sand horizons have also been identified around the coal beds, which could add additional, conventional hydrocarbon resources to those estimated for CBM at Tkibuli alone.

By prioritising exploration around the productive coal seams, the Company has the opportunity to make early discoveries, add proven reserves and look to provide revenue potential from the Tkibuli CBM play within 18 months from commencement of drilling, in conjunction with satisfying its Production Sharing Agreement ("PSA") commitments.

Georgia Industrial Group Partnership

Range and its partners have executed a conditional agreement with the Georgian Industrial Group ("GIG") regarding the joint development of the project and providing a commercial offtake for 100% of the gas produced.

The Georgian Industrial Group was established in 2006 and has invested tens of millions of (USD) dollars in the local economy and continues to support prospective businesses. GIG operate the 200MW gas-fired power station located at Gardabani as well as importing 25% of gas currently used in Georgia. The power station currently does not use any gas sourced locally in Georgia.

GIG is the largest holding company within the Country and embraces a number of subsidiary companies operating in the energy sector, acquiring and processing of natural resources, production of building materials, logistics service and real estate development.

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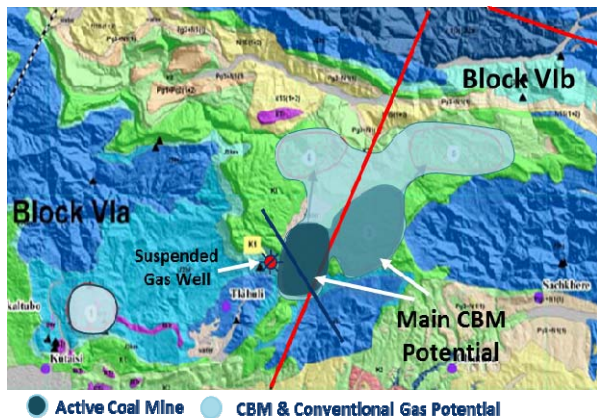
GIG operations are concentrated on the acquiring and processing of the Country's resources which, in turn, fosters the long-term development and success of Georgian industries.

The Company will, with its technical partners NTD Energy Limited, utilise the latest in exploration and development technology to focus on shallower plays where the geology is relatively well understood. This strategy will not only greatly reduce Range's drilling cost, but also significantly reduce the Project's geological risk. Over 400 exploration and non-hydrocarbon wells have been drilled in the Tkibuli area, many encountering hydrocarbons and one producing gas for over 35 years. An initial pilot project will focus on appraising targets already venting methane and so ensuring a higher chance of success.

New wells will target horizons at depths between 500 and 2,000 metres and can be drilled within 45 days. Deviated drilling will maximise intersection of the coal seams and could allow the use of a single pad for multiple wells, further reducing preparation and mobilisation costs. The Company estimates that the pilot programme could commence with a 3 well programme in the fourth quarter of 2012 following initial appraisal. The fast-track program is designed for gas production and sales to begin within 18 months given the proximity of in place infrastructure and logistics.

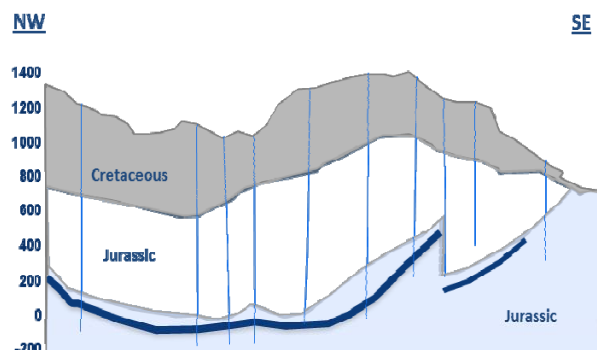
CBM has become an increasingly important source of energy around the world and production is well established in the US, Australia and China. Access to market is key to commercialisation and, although major pipelines transect the country, Georgia remains almost entirely dependent on imports of foreign natural gas. CBM production from Tkibuli, therefore, could immediately be fed into the local energy market.

CBM & CMM Potential⁴



Source: ¹ Advanced Resources International (ARI) for GII/US TDA 2009
² 2009 USAID 2006

Section through Tkibuli Coal Deposits



Source: ³ Strait UNFCCC (2009)
⁴ Strait Oil & Gas (SOG) Georgia Technical Team

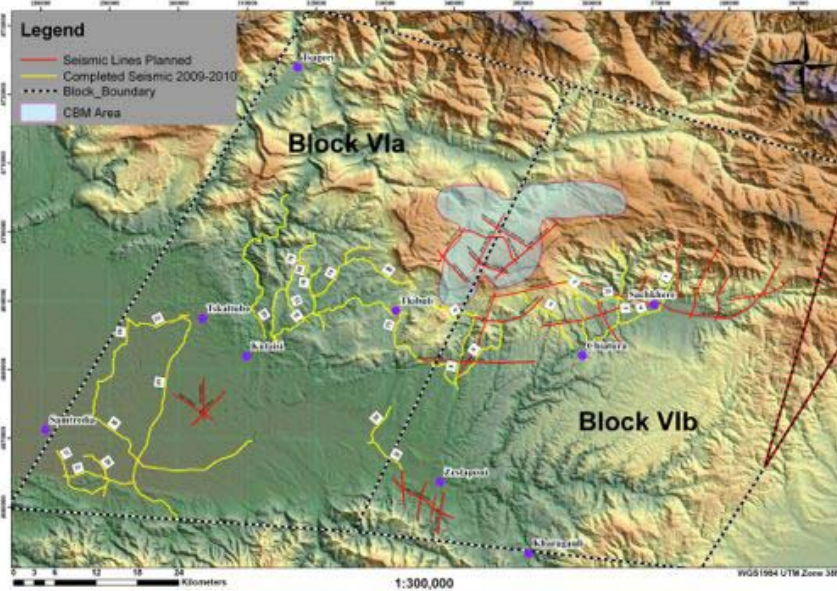
Range's Executive Director, Peter Landau stated, "following a strategic review on how best to maximize our technical and geological positioning in Georgia, the CBM and unconventional opportunities identified represent a significant boost to Range's activities across its exciting portfolio. From a cost / benefit perspective the revised program will achieve far more in terms of near term development potential than the proposed deeper Namakhvani-1 well which had been severely hampered by weather conditions. Range looks forward to commencing its next stage of development across its Georgian blocks with the current seismic program and the new CBM initiatives".

The Company is also in discussion with a number of parties that have expressed interest in the possible unconventional shale opportunities that exist across the two Blocks.

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265km Seismic Programme to Commence

As a result of this change in short term strategy, preparations for drilling the Namakhvani-1 well, which had been severely hampered by poor weather conditions over the past few months, have been postponed. The Company will continue with the proposed 265km seismic programme, but will alter it to ensure that it can further define the existing potential around Tkibuli as well as some known shallower potential targets and unconventional shale opportunities. The program will include a seismic cross section over the recently drilled Mukhiani Well to assist with evaluating the potential for a side track well based on the geological encounters to date.



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 and Trinidad.

- In Trinidad Range recently completed the acquisition of a 100% interest in holding companies with three onshore production licenses and fully operational drilling subsidiary. Independently assessed Proved (1P) reserves in place of 15.4 MMbbls with 19.6 MMbbls of proved, probable and possible (3P) reserves and an additional 20 MMbbls (mean) of 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) well drilled in Q4 2011. The Company is focusing on a revised development strategy that will focus on low-cost, shallow appraisal drilling of the contingent resources around the Tkibuli-Shaori ("Tkibuli") CBM deposit, which straddles the central sections of the Company's two blocks.
- In Puntland, Range holds a 20% working interest in two licences encompassing the highly prospective Dharoor and Nugaal valleys. The operator and 60% interest holder, Horn Petroleum Corp. (TSXV: HRN) has spud the first well in a two well programme in early 2012 targeting 300mmbbls and 375mmbbls of best estimate Prospective Resources (100% basis). Site construction has been completed on the second well with the setting of the 30 inch surface casing and the drilling of a 50 meter pilot hole in readiness for spudding following the completion of the first well.
- 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 assessed 3P reserves in place (on a 100% basis) of 242 Bcf of natural gas, 15 mmbbls of oil and 19 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.

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 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.

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-Shaori 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.

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.

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.