

17 December 2013

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

### **Range completes farm-in agreement with Niko Resources**

#### **Highlights:**

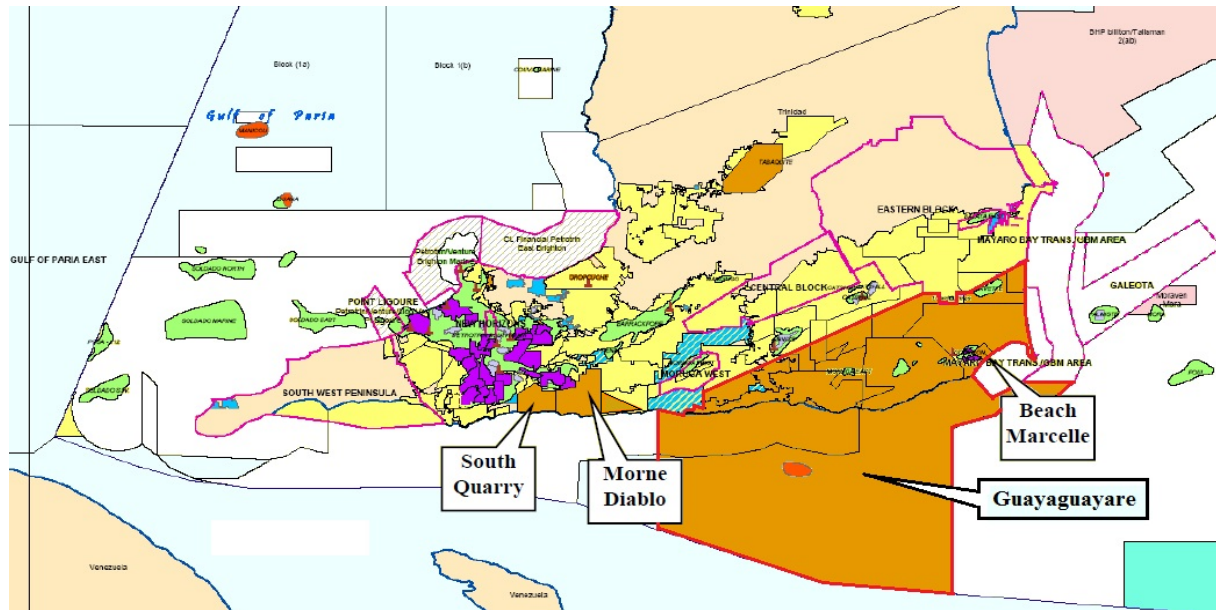
- **Range increases its Trinidad footprint by 280,000 gross acres through the formal execution of a farm-in with Niko Resources Ltd. on the Guayaguayare block in Trinidad;**
- **The Farm-in provides Range with broad exposure to both onshore and offshore potential with excellent synergies between Range's three existing blocks and the Guayaguayare block;**
- **Range to gain exposure to both shallow and deep oil-producing horizons within the Guayaguayare block, including the highly prospective Cretaceous section, believed to be the source rock for Trinidad's prolific onshore petroleum system; and**
- **Multiple onshore areas within the Guayaguayare block represent (on a 100% interest basis) a best case prospective resource of approximately 100 MMbo, while the offshore areas have a best case prospective resource of 33 MMboe.**

Range Resources Limited ("**Range**" or "**the Company**") is pleased to announce that further to its announcement on 4 July 2013, the farm-in agreement has now been formally executed with Niko Resources Ltd. ("**Niko**") (TSX:NKO) the leading Canadian exploration and development company, regarding the Guayaguayare Block in Trinidad. The farm-in agreement is subject to final regulatory approval.

Under the terms of the farm-in agreements, Range will earn 50% of Niko's existing interests in the deep and shallow rights covering both onshore and offshore areas, with the consortium to drill two onshore wells: one shallow onshore well to a maximum of 5,000 ft., and one deep onshore well to a minimum of 5,000 ft. The two onshore wells will test approximately 22% of the prospective resource estimate with the wells to be drilled in the vicinity of the Beach Marcelle Field. The Beach field itself has produced over 30 MMbo to date. In the event of a discovery from either of the two initial wells, the consortium will then look to drill an initial appraisal well. The first well is targeted to spud in early 2014.

Range will fund the two onshore wells and the potential initial appraisal well at its sole expense, and will share costs equally with Niko thereafter, including the cost of drilling an initial offshore test. Expected to be drilled from an onshore location, the offshore well will test a prospect that targets the 33 MMboe best case (on a 100% interest basis) prospective resource.

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**Figure 1 – Range’s license areas post Niko farm-in**

The Guayaguayare Block represents the largest addition to Range’s Trinidad portfolio to date, increasing the Company’s acreage position by more than 280,000 acres. With several producing fields within the block boundaries, including the Company’s own Beach Marcelle Field, the Guayaguayare Block combines shallow drilling targets with significant exploration potential and an expansive area within a highly prolific petroleum system. With several high-impact prospects already identified on the block.

The farm-in presents Range with a perfect opportunity to add highly prospective acreage on trend with its existing exploration, development and secondary recovery projects, while leveraging its fleet of drilling and production rigs and operating experience within the region. Given the Company’s ongoing production operations in South Quarry, Morne Diablo, and Beach Marcelle, Range is uniquely positioned to operate future discoveries, both on or offshore, which in turn should result in appreciable synergies and lower operating costs.

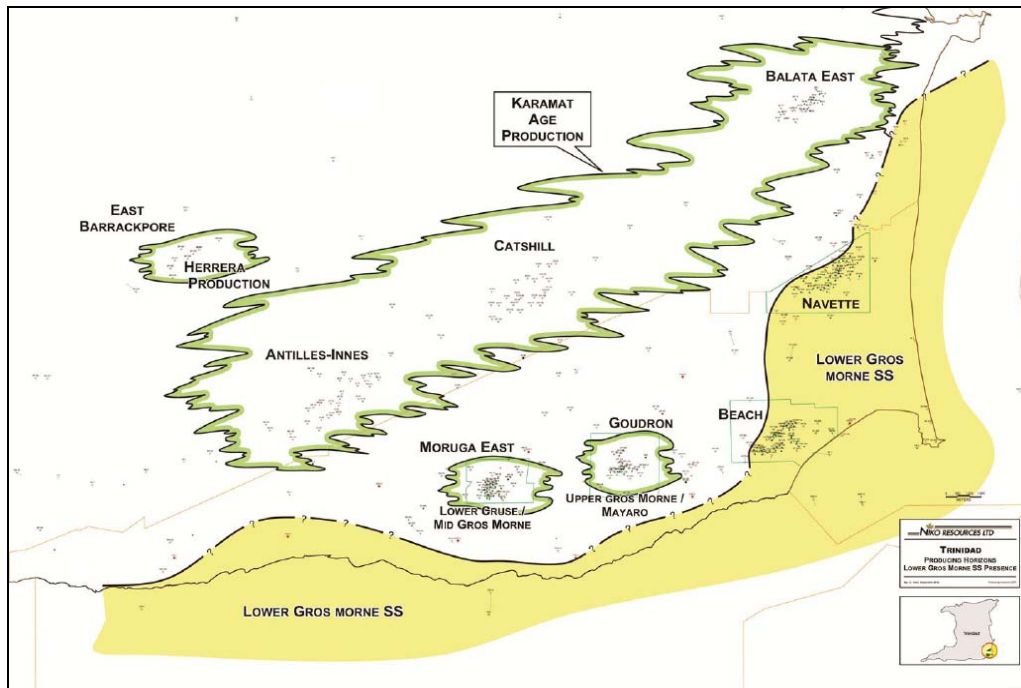
**The Guayaguayare Block Overview**

The Block surrounds Range’s Beach Marcelle Field, and extends south to the limits of Trinidad’s territorial waters. In addition to proven Tertiary-age exploration targets, the block is believed to hold significant potential in the Cretaceous section, which has been successfully developed in the Eastern Venezuelan basin. Four prospective onshore areas have been identified within the Guayaguayare Block, each considered to have significant potential for oil, whilst the offshore structural complex is believed to have significant potential for large gas discoveries with several large structures mapped.

Niko currently holds shallow and deep Production Sharing Contracts for 65% of the onshore portion (Range to earn 32.5% on a cost recoverable basis) and 80% of the offshore portion (Range to earn 40% on a cost recoverable basis) of the license area with the Guayaguayare Block comprising 280,216 shallow acres and 294,054 deep acres. Trinidad’s State Owned petroleum company, Petrotrin, holds the remaining balance of the interests (35% onshore and 20% offshore).

The Guayaguayare Block is comprised of over 280,000 contiguous acres covering both onshore and offshore portions of known, productive trends along the southern coast of Trinidad. The Guayaguayare block is situated along trend with the most prolific oil and gas fields in Trinidad and lies in the transition area between the transpressional Southern basin and the extensional Columbus basin. A regional wrench fault, an extension of the Los Bajos fault, cuts through the onshore to offshore transition zone. Traps associated with this fault produce oil in Southwest Trinidad and off the East Coast from Upper Miocene / Pliocene Sands.

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**Figure 2 – Guayaguayare Block Geology**

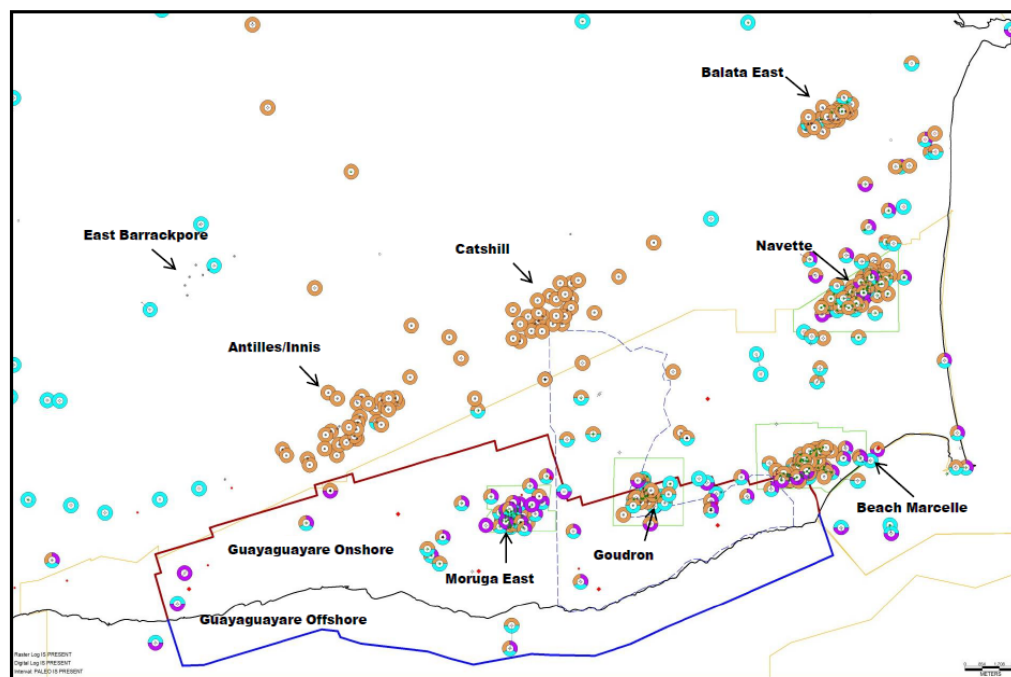
To date, the following work has been completed by Niko and previous operators on the block:

Onshore:

- Acquired and processed 217km<sup>2</sup> 3D land survey

Offshore:

- Acquired and processed 277km<sup>2</sup> 3D marine survey (2011)
- Two 3D marine surveys were reprocessed (ELF 1997 and Mobil 1990)
- All 3 offshore 3D surveys have been merged prestack (total 836 km<sup>2</sup>)



**Figure 3 – The Guayaguayare Block Well Database**

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 unrisked prospective resources. Range also has a farm in with Niko Resources giving it exposure to circa 280,000 acres of prospective onshore and offshore acreage.
- 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 assessed

3P reserves in place (on a 100% basis) of 228 Bcf of natural gas, 18 MMbbl of oil and 17 MMbbl 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 highly prospective licences in the Putumayo Basin in Southern Colombia. The Company will undertake a 3D seismic program in the near term as part of its exploration commitments on the Company's Colombian interests.
- 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	
<b>Oil &amp; NGL</b>								
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
Guatemala	**	2.3**	**	21-24%	**	0.48-0.55**	**	Latin American Resources
<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>	
<b>Gas Reserves</b>								
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.

\*\* 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.

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	
<b>Prospective Resources</b>								
Trinidad (BM & MD)	8.1	40.5	81.0	100%	8.1	40.5	81.0	Range
Trinidad – Niko JV onshore	20.3	101.5	203.0	40%*	8.1	40.6	81.2	Range
Trinidad – Niko JV offshore	6.6	33.0	66.0	32.5%*	2.1	10.7	21.5	Range
<b>Total Prospective Resources</b>	<b>35.0</b>	<b>175.0</b>	<b>350.0</b>		<b>18.3</b>	<b>91.8</b>	<b>183.7</b>	
<b>Undiscovered Oil-In-Place</b>								
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

*\*Range's interest in the Niko JV resources are subject to completing its earn-in obligations.*

*With the exception of Guatemala, 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 advisor, Mr Mark Patterson. Mr Patterson is a petroleum geologist and geophysicist who is a suitably qualified person with over 30 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 an 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.*

*The TSX certified 51-101 certified reserves with respect to the Guatemalan project are as reported by ASX listed Company Citation Resources (ASX: CTR).*

*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.*

*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.