

15 May 2014

ASX Code: RRS and AIM Code: RRL

**Range Resources Limited  
("Range" or "the Company")**

**US\$12 Million Financing Secured**

Range is pleased to announce that it has entered into a Subscription Agreement with Abraham Ltd, a Hong Kong based private institutional investor (the "Investor"). Under the terms of the Subscription Agreement, the Investor will subscribe US\$12 million in cash and will be issued with Ordinary Fully Paid Shares of the Company ("Share" or "Shares") at a price of £0.01 per Share (the "Subscription"), representing a premium of approximately 49% to the mid market share price at the close of business on AIM on 14 May 2014 (being the business day immediately prior to this announcement).

At current exchange rates, the Subscription will be for approximately £7.1 million and will result in the issue of approximately 712 million Shares. The Subscription is in two tranches and the number of shares in each tranche will be dependent solely on the exchange rate between GBP and USD at the time of completion. Upon completion of the two tranche Subscription, and subject to shareholder approval, the Investor is expected to hold approximately 15% of the enlarged share capital of the Company.

The funds will be used to repay existing debt, including convertible instruments that have diluted the Company's equity over recent months. As announced on 30 April 2014, the Company's total debt at that date was approximately US\$10.5 million. The remainder of proceeds of the Subscription will be used for general working capital of the Company.

**Commenting on today's announcement, Rory Scott Russell, CEO, said:**

*"I am delighted to welcome a new strategic shareholder in the Company. The Investor is subscribing for Shares at a significant premium to the market price which demonstrates their confidence in the new management team, the underlying quality of our assets and the newly focused strategy at Range. The US\$12 million Subscription will allow us to refinance the expensive and dilutionary corporate debt and provide working capital as we now move forward with Range's operational and long term financing objectives, particularly in Trinidad."*

**Terms of the financing:**

- The US\$12 million Subscription will consist of two equal tranches:
  - In each tranche the Shares will be subscribed at a price of £0.01 per share, which equals approximately 356 million Shares. The Subscription proceeds are agreed in USD and there may be fluctuations in the exchange rate between GBP and USD which changes the GBP equivalent proceeds and consequently the final number of shares to be issued

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in each tranche. The exact number of shares to be issued will be announced following completion of each tranche.

- US\$6 million will be subscribed in tranche one, with funds anticipated to be received by 30 May 2014. Tranche one is not conditional on completion of tranche two.
- The remaining US\$6 million will be subscribed in tranche two, which is subject to shareholder approval. The funds will also be received by the Company no later than 30 May 2014 but will be repayable to the Investor if Range shareholder approval is not obtained within 60 days of the date of signing the Subscription Agreement for the issue of the second tranche of shares and for the warrants (as set out below).
- Both tranches are conditional on standard regulatory stock exchange approvals.
- The Company will also issue approximately 237 million unlisted warrants to the Investor (on a basis of 1 warrant for every 3 Shares issued to the Investor), subject to shareholder approval. Of the total warrants to be issued, half will have the exercise price of £0.01 and half will have the exercise price of £0.02. All warrants will mature four years after the date of issue.
- As part of the Subscription Agreement, following completion of tranche one, the Investor can nominate up to two non-executive directors to the Board of the Company and shall retain this ability for so long as it holds 8% or more of the Company's shares on issue.
- The Subscription Agreement contains a break fee of US\$1.8m payable solely in respect of tranche two. The break fee is only payable should tranche two not complete. There is no break fee in respect of tranche one.

The Company will provide details of the upcoming General Meeting via a separate announcement.

Yours faithfully



**Rory Scott Russell**  
Chief Executive Officer

## Contacts

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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 Trinidad; Puntland, Somalia; the Republic of Georgia; Guatemala; Texas, USA, and Colombia.

- In Trinidad Range holds a 100% interest in holding companies with three onshore production licenses and a 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 45% farm-in interest in onshore blocks VIa and VIb, covering approx. 7,000sq.km. 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, along with attracting potential farm-in partners across the license areas given the recent review performed across the licenses.
- 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 has the option to earn a 65% (option to move to 75%) interest in PUT-6 block in Putumayo Basin in Southern Colombia, which the Company is currently reviewing.
- Range has taken a strategic stake in Citation Resources Limited (ASX: CTR) and Latin American Resources (LAR) which hold 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 has a direct and indirect 32% interest in the Guatemalan Project.

## Table of Reserves

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

Project	Gross Oil Reserves			Range's Interest	Net Attributable			Operator
	1P	2P	3P		1P	2P	3P	
<b>Oil &amp; NGL – mmbbls</b>								
Trinidad	17.5	20.2	25.2	100%	17.5	20.2	25.2	Range
Guatemala	0.4	2.3	-	32%	0.1	0.7	-	Latin American Resources
<b>Total Oil &amp; Liquids</b>	<b>17.9</b>	<b>22.5</b>	<b>25.2</b>		<b>17.6</b>	<b>20.9</b>	<b>25.2</b>	
<b>Gas Reserves - Tcf</b>								
Georgia – CBM	-	-	0.6	45%	-	-	0.2	Strait Oil & Gas
<b>Total Gas Reserves</b>	<b>-</b>	<b>-</b>	<b>0.6</b>		<b>-</b>	<b>-</b>	<b>0.2</b>	

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 estimates for the three Trinidad blocks 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).

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

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 technical information included in this announcement with respect to Georgia was prepared by Dr. M. Arif Yukler, COO of SOG Georgia. Dr Yukler is a geologist who is a suitably qualified person with more than 38 years of experience in the international oil & gas industry, and in assessing hydrocarbon reserves. Dr Yukler has advised companies and government entities of all size from small caps to super-majors, as well as state regulatory authorities on the management of resources and exploration areas. Dr. Yukler has reviewed the release and consents to the inclusion of the technical information with respect to Georgia.

### **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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