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

#### **INTERNATIONAL PETROLEUM TRANSACTION UPDATE**

Further to its announcement of 24 April 2013, Range Resources Limited ("**Range**" or "**the Company**") is pleased to provide the following update with respect to its proposed strategic merger with International Petroleum Limited ("**International Petroleum**") (the "**Transaction**").

Since announcing the intended merger transaction, key legal, technical, corporate and financial advisors have been appointed and the parties have made good progress towards the completion of due diligence and confirming the structure of the transaction, which is likely to be conducted as an off-market takeover offer by Range to International Petroleum shareholders. Subject to satisfactory finalisation, it is expected that the formal offer will be made in the coming 3-4 weeks. The terms and conditions will be in line with previously disclosed.

In conjunction with the formal merger processes, a technical team from International Petroleum has visited the Company's Trinidad assets and reviewed various strategies in fast tracking development of both the conventional and waterflood programs.

Range has advanced US\$8m of the US\$15m secured financing to International Petroleum as part of the merger process, with the remaining balance being forwarded within the coming two weeks.

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 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 3.3mmbbbls 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  | Net Attributable |             |             | Operator                 |
|--------------------------------|--------------------|--------------|-------------|----------|------------------|-------------|-------------|--------------------------|
| Project                        | 1P                 | 2P           | 3P          | Interest | 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 Reserves |               |             | Range's  | Net Attributable |               |             | Operator         |
|------------------------------------|--------------------|---------------|-------------|----------|------------------|---------------|-------------|------------------|
| Project                            | Low                | Best/<br>Mean | High        | Interest | Low              | Best/<br>Mean | High        |                  |
| <b>Prospective Resources</b>       |                    |               |             |          |                  |               |             |                  |
| 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> |                  |
| <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  |

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.

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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 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](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.