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



ABN 88 002 522 009

www.rangeresources.com.au

By e-lodgement

PARTNERSHIP AGREEMENT IN TRINIDAD

Range Resources Limited ("**Range**" or "**the Company**") is pleased to announce the formation of a partnership with Leni Gas & Oil plc ("**LGO**") to jointly develop their interests in the Eastern Fields Area onshore southern Trinidad, including the Goudron and Beach Marcelle fields.

In a binding Heads of Agreement ("HOA") Range and LGO have agreed that, subject inter alia to full legal and technical due diligence (see Appendix below for Conditions Precedent):

- Range will acquire a 30% interest in Goudron E&P Limited ("GEPL") in return for contributing US\$4 million at completion;
- For a further contribution of US\$4 million during the first 12 months following completion Range will increase their holding in GEPL to 50%;
- LGO will operate the Goudron field during the initial work-over phase, but subject to Range exercising its option to acquire a total of 50% in GEPL, Range will become operator during the infill drilling and water flood phases;
- Range will obtain an accelerated return through 75% of the revenue interest until their initial investment is recovered;
- LGO will have the option to acquire a 15% interest in the Beach Marcelle waterflood project by contributing 22.5% towards the development costs (i.e. paying a 50% promote), up to US\$7 million, towards the development costs;
- Range and LGO will work collaboratively to optimise and extend their joint interests in the Eastern Fields Area in Trinidad.

GEPL, a wholly owned subsidiary of LGO, holds the exclusive rights to purchase the existing Incremental Production Service Contract ("IPSC") for the Goudron Field. Range, through its subsidiary Trinacan Oil Limited, holds a 100% interest in the Beach Marcelle IPSC where it has approved the redevelopment of the existing field production by means of a water-flood.

LGO's Goudron Field was originally developed by Texaco with 150 wells and holds an estimated 21.8 mmbbls of reserves in proven, probable and possible categories. The block covers an area of 2,875 acres and produces from the Goudron and Gros Morne (Cruse equivalent) sandstone formations at depths between 300 and 3,500 feet. Current production averages below 100 bopd.

An initial work programme involving well work-overs and selected infill wells is planned to bring Goudron production up to 450-500 bopd funded by the consideration in this agreement. Additional infill drilling and hydraulic fracturing of wells is expected to raise production to up to 4,000 bopd. Further potential exists in deeper reservoirs and through the implementation of secondary recovery techniques, such as a water-flood. Production from Goudron will commence on assignment of the IPSC and is expected to rise steeply over the first 6 months of operations.

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Range's Beach Marcelle block covers an area of 624 acres and contains a proven reserve of 12.8 mmbbls recoverable through secondary production techniques involving a field-wide water-flood of the producing Forest and Cruse age sandstones. Beach was also originally developed by Texaco and has produced over 30 mmbbls of oil to date through the drilling of approximately 230 wells. Range has committed US\$12 million over the first 12-18 months of the project which will commence in 2012. Range expects production from Beach Marcelle to commence in 2013 and to peak at 5,000 bopd in 2015.



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Range also owns and operates a local drilling company with five onshore rigs, three production / work-over rigs and a swabbing unit. LGO, through its association with Altech Services Limited, also has access to five further work-over rigs.

Both Range and LGO also own a range of other interests in Trinidad. LGO holds a significant exploration land position in the Cedros Peninsular where it also participates in the Iacos Field with a 50% interest. LGO also has a farm-in to the North Moruga Field and associated exploration leases where LGO will earn up to a 49% interest and where drilling is hoped to commence in 2012. Range hold a 100% interest in the Morne Diablo and South Quarry fields where it is engaged in a 21 well programme to expand production and explore the deeper Lower Cruse potential in these fields.

The assignment of the Goudron IPSC requires approval by the Trinidad and Tobago Ministry of Energy and Energy Affairs and it is hoped to conclude that process during the next few months.

Range's Executive Director, Peter Landau commented:

"This exciting agreement with LGO further enhances our position in Trinidad and gives us additional access to reserves and production growth, especially in the short-term whilst the Beach Marcelle water-flood project is ramping up to full capacity during 2013. The opportunity is of particular importance to Range as it is in the final stages of choosing an appropriate debt financing facility to develop the major aspects of our Trinidad operations for the next 18-24 months. The Goudron Field has enormous potential for increased production and reserves and by collaborating closely with LGO we anticipate additional benefits and synergies moving forward."

Neil Ritson, LGO's Chief Executive, commented:

"This agreement marks a turning point in our growth in Trinidad since we now have access to full funding for the acquisition and the first phase of the Goudron field re-development. Accessing an equity stake in Beach Marcelle further diversifies and strengthens our Trinidad portfolio. A close collaboration with Range offers some significant synergies and we look forward to working closely to develop further opportunities."

Yours faithfully

Peter Landau

Executive Director

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Appendix 1

Conditions Precedent

Completion will be subject to the following conditions precedent:

- (a) completion by Range, to the reasonable satisfaction of the directors of all necessary due diligence;
- (b) the passing of such shareholder resolutions as may be necessary by both Range and LGO to give effect to the transaction;
- (c) the execution of the formal agreement by the parties;
- (d) GEPL acquiring the Goudron Field IPSC;
- (e) LGO and GEPL procuring any necessary third party consents to the transaction;
- (f) receipt of all necessary ministerial, government and regulatory approvals in respect of the transaction;
- (g) receipt of all applicable waivers of any pre-emption or similar rights in respect of the assigned interests.

If the Conditions Precedent are not satisfied (or waived by the parties) within 90 days of execution of the HOA (unless extended by the parties) either party may within 30 days serve written notice to the other and in that event the HOA will be at an end and the parties released from their obligations under the HOA. The parties will use their best efforts to ensure that the Conditions are satisfied.

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.



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- 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 has recently 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) of two exploration wells having spudded in July in 2011. Re-interpreted seismic supported by the Mukhiani-1 vertical seismic profiling has identified new fault and stratigraphic trapping potential with the possibility of a side track well to be drilled post additional seismic in 2H 2012.
- 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 commenced 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. Drilling of the first well has resulted in a commercial discovery with 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.

The information contained in this announcement with respect to the Goudron Field in Trinidad has been reviewed and approved by Neil Ritson, Chief Executive Officer and Director for Leni Gas & Oil Plc who has 35 years of relevant experience in the oil industry. Mr. Ritson is a member of the Society of Petroleum Engineers, an Active Member of the American Association of Petroleum Geologists and is a Fellow of the Geological Society of London.

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.



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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.