



ABN 88 002 522 009

Level 3, 1 Havelock Street  
West Perth WA 6005

p +61 8 9488 5220  
f +61 8 9324 2400

[admin@rangeresources.com.au](mailto:admin@rangeresources.com.au)

21 January 2010

Companies Announcement Office  
Australian Stock Exchange Limited  
20 Bond Street  
SYDNEY NSW 2000

**Via E-lodgement**

**LETTER TO SHAREHOLDERS**

Please find attached letter as dispatched to shareholders.

DI holders on AIM register will receive a similar letter with appropriate instructions from Computershare UK.

For and on behalf of the board

A handwritten signature in black ink, consisting of several overlapping, sweeping strokes, enclosed within a hand-drawn oval border.

**PETER LANDAU**  
Executive Director

**For further information please contact:**

Range Resources

Peter Landau

Tel : +61 (8) 8 9488 5220

Em: [plandau@rangeresources.com.au](mailto:plandau@rangeresources.com.au)

**Australia**

**PPR**

David Tasker

Tel: +61 (8) 9388 0944

Em: [david.tasker@ppr.com.au](mailto:david.tasker@ppr.com.au)

**London**

**Conduit PR**

Jonathan Charles

Tel: + 44 (0) 20 7429 6666

Em: [jonathan@conduitpr.com](mailto:jonathan@conduitpr.com)

**RFC Corporate Finance** (Nominated Advisor)

Stuart Laing

Tel: +61 (8) 9480 2500

**Old Park Lane Capital Plc**

Michael Parnes

Tel: +44 (0) 207 518 2603

**Range Background**

Range Resources 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 and Texas, USA.

- In Puntland, Range holds a 20% working interest in two licences encompassing the highly prospective Dharoor and Nugaal valleys with plans to drill two wells (TSXV:AOI) – 65% Operator, in 2010.
- In the Republic of Georgia, Range holds a 50% farm-in interest in onshore blocks VIa and VIb, covering approx. 7,000sq.km. Currently, Range is undertaking a 350km 2D seismic program.
- Range holds a 25% interest in 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 production commencing Jan/Feb 2010.



ABN 88 002 522 009

Level 3, 1 Havelock Street  
West Perth WA 6005

p +61 8 9488 5220  
f +61 8 9324 2400

[admin@rangeresources.com.au](mailto:admin@rangeresources.com.au)

21 January 2010

Dear Shareholder

### **Non-Renounceable Rights Issue**

On 19 January 2010, Range Resources Ltd (the "**Company**") confirmed the details of a non-renounceable entitlement issue ("**Rights Issue**") to all of the Company's shareholders ("**Shareholders**") on the basis of 1 ordinary fully paid share ("**New Share**") for every 4 ordinary fully paid shares in the capital of the Company ("**Shares**") held as at 5:00pm (WDST) on 29 January 2010 (the "**Record Date**").

The subscription price for each New Share shall be 5 cents (\$0.05).

Approximately \$7,579,766 will be raised by the Rights Issue before expenses (based on the current capital structure of the Company). The Company has lodged a prospectus with the Australian Securities and Investments Commission in relation to the Rights Issue (**Prospectus**).

The maximum number of New Shares which may be issued under the Rights Issue is 151,595,332 New Shares. All of the New Shares issued will rank equally with the Shares on issue at the date of the Prospectus.

Any New Shares not taken up by Shareholders will form the shortfall ("**Shortfall**"). However, Shareholders should note that unless the Company has received commitments, to its satisfaction, for the entire Shortfall by the closing date for the Rights Issue, the Rights Issue will not proceed and no New Shares will be issued and the Company will return all application monies to Applicants in accordance with the Corporations Act.

No action has been taken to register or qualify the New Shares the subject of the Rights Issue or otherwise permit a public offering of the New Shares the subject of the Rights Issue in any jurisdiction outside Australia. It is the responsibility of applicants outside Australia to obtain all necessary approvals for the allotment and issue of the New Shares pursuant to the Prospectus.

The return of a completed Entitlement and Acceptance Form by an applicant with a registered address outside Australia will be taken by the Company to constitute a representation and warranty by the applicant that all applicable securities laws have been complied with and that any necessary advice and approvals have been obtained.

Following the completion of the Rights Issue, the capital structure of the Company will be as follows (assuming full subscription and no existing options are exercised prior to the Record Date):

<b>Number</b>	<b>Class</b>
757,976,657	Listed Shares
64,901,186	Listed options (\$1.00; 1 October 2010)
340,505,105	Listed Options (\$0.05; 31 December 2011)
3,177,029	Unlisted options (\$0.50; 30 June 2012)

The proceeds from the Rights Issue shall be used by the Company as follows:

<b>Proceeds of the Offer</b>	<b>\$</b>
Satisfaction of Company's joint venture obligations in relation to the Puntland Projects including drilling site assessment and preparation, rig design, identification and mobilisation, other pre-drilling costs and commencement of drilling	3,000,000
Completion of acquisition and interpretation of seismic data and other exploration costs in relation to the Georgian Projects	2,000,000
Tie-in costs for Smith No 1 well, development costs for second well and general exploration and development costs in relation to the Texas Projects	1,500,000
Working Capital	668,609
Expenses of the Offer <sup>1</sup>	411,157
<b>Total</b>	<b>7,579,766</b>

The proposed timetable for the Rights Issue is as follows:

<b>Event</b>	<b>Date *</b>
<b>Announcement of Rights Issue and Appendix 3B</b>	19 January 2010
<b>Prospectus lodged with ASX and ASIC</b>	19 January 2010
<b>Notice sent to Shareholders</b>	21 January 2010
<b>Ex Date</b> (date from which securities commence trading without the entitlement to participate in the Rights Issue)	22 January 2010
<b>Record Date</b> (date for determining entitlements of eligible Shareholders to participate in the Rights Issue)	29 January 2010
<b>Prospectus Despatched to Shareholders</b> (expected date of despatch of Prospectus, Entitlement and Acceptance Forms)	1 February 2010
<b>Rights Issue Offer Opens</b>	15 February 2010
<b>Closing Date* (5:00pm WDST)</b>	15 February 2010
<b>Securities quoted on a deferred settlement basis</b>	16 February 2010
<b>Notify ASX of under subscriptions</b>	18 February 2010
<b>Allotment Date**</b>	23 February 2010
<b>Despatch Holding Statements**</b>	23 February 2010

\* These dates are determined based upon the current expectations of the Directors and may be changed with 6 Business Days prior notice.

\*\* Indicative dates only.

The Prospectus together with a personalised Entitlement and Acceptance Form will be sent to eligible Shareholders on the date set out in the timetable above. Instructions on how and when to apply under the Rights Issue are set out in the Prospectus. The Prospectus is an important document and should be read in its entirety before deciding whether to accept an entitlement. If after reading the Prospectus you have any questions you should consult your stockbroker, accountant or other professional adviser.

The Prospectus has also been lodged with ASX and is available on the ASX website at [www.asx.com.au](http://www.asx.com.au) and on the Company's website at [www.rangeresources.com.au](http://www.rangeresources.com.au).

There is also provision to apply for further New Shares in addition to your entitlement as some entitlements may not be taken up, thereby creating a shortfall. The Company reserves

the right, within 3 months after the Closing Date under the Rights Issue, to allot any issue any shortfall to eligible Shareholders and non-Shareholders at the discretion of the Directors.

However, Shareholders should note that unless the Company has received commitments, to its satisfaction, by the Closing Date for the entire shortfall, the Rights Issue will not proceed and no New Shares will be issued and the Company will return all application monies to applicants in accordance with the Corporations Act.

If you have any questions regarding your rights, or the mailing of the Prospectus and the accompanying Entitlement and Acceptance Form, please contact the Company Secretary on (08) 9488 5220.

Yours faithfully

A handwritten signature in black ink, consisting of several overlapping horizontal strokes, enclosed within a hand-drawn oval border.

Peter Landau  
**Executive Director**