



Range Resources Limited
(‘Range’ or ‘the Company’)

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Range signs conditional MOU for US\$50 million funding

Range is pleased to announce the signing of a binding Memorandum of Understanding (the “MOU”) with Core Capital Management Co., Ltd (the “Investor”), a Chinese-based institutional investor.

Under the terms of the agreement, subject to completion of final due diligence, standard regulatory stock exchange approvals, and any requisite shareholder approvals, the Investor will provide approximately US\$20 million in cash to subscribe for 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 26% to the mid-market share price at the close of business on AIM on 31 October 2014 (being the business day immediately prior to this announcement). In addition, the Investor will provide convertible bonds with a total value of approximately US\$30 million, which convert at a price of £0.01 per Share, to achieve the full US\$50 million commitment.

Upon completion of the initial US\$20 million equity investment, it is expected that the Investor will hold approximately 19.99% of the enlarged share capital of the Company. The final number of shares to be issued as part of this investment will be determined at completion to ensure that the Investor does not contravene s606 of the *Corporations Act 2001*.

The proposed funding may be used to repay existing debt, and accelerate the Company's oil production targets through drilling, secondary recovery and exploration projects in Trinidad. The investment may also be used to fund other potential acquisition opportunities.

Range's CEO, Rory Scott Russell commented:

“We are extremely pleased to have signed this constructive and favourable MOU with Beijing-based fund Core Capital Management, which marks a significant step towards securing our long-term growth ambitions. The proposed financing puts Range on a firm footing and allows us to repay existing debt, as well as progress our rig maintenance, development and exploration programmes in Trinidad, which will in turn lead to significant production increases. The MOU also provides scope for the acquisition of new assets to complement and enhance Range's core portfolio.

Importantly, the funding enables us to move forward into the next phase of implementation of our waterflood projects working with our technical and strategic partner, LandOcean Energy Services.

We look forward to updating the market on the progress of our activities in due course.”

Proposed terms of funding:

- Subject to the 20% control threshold under the *Corporations Act 2001*, the Investor will provide approximately US\$20 million in cash to subscribe for Ordinary Fully Paid Shares at a price of £0.01 per Share;
- In addition, the Investor will provide convertible bonds with a total value of approximately US\$30 million. Final terms of the convertible bonds will be agreed upon completion of due diligence to ensure compliance with s606 of *Corporations Act 2001*. The conversion price will be the same as the placement subscription price (£0.01 per Share);
- Upon completion, the Investor will have the right to nominate up to two persons to be appointed as non-executive directors to the Board of the Company;
- The MOU further contemplates cooperation between the Company and Investor for the identification and funding of other potential acquisition opportunities.

Completion is due to occur 40 days from 1st November 2014, subject to due diligence, definitive documentation and receipt of requisite approvals.

Range's commercial advisor in the transaction is Avanti Advisors Limited.

About Core Capital Management Co., Ltd

Core Capital Management Co., Ltd is a Chinese private equity firm that makes investments and provides other financial services through a variety of affiliated investment strategies. Core Capital's headquarter offices are located in Beijing with the branch offices in Shanghai, Shenzhen, Qingdao, Hong Kong of China, and Atlanta, USA.