

**ASX Announcement**  
**7 October 2009**

**DRILLING UPDATE – SMITH #1 WELL, TEXAS**

Update by Australian based oil and gas explorer Range Resources Limited (**ASX: RRS; AIM: RRL**) (“Range” or “the Company”) on its exploration drilling program in North Chapman Ranch, Texas.

**Smith #1 well, North Chapman Ranch**

The exploration well Smith #1 spudded on 4 September 2009. Surface casing has been set and cemented at 1,528 ft (465m).

Name of well	Smith #1
Spud date	4 September 2009
Current depth of well	~10,938 ft (3,334m)
Target depth of well	~14,200 ft (4,329m)
RRS beneficial interest	25%

During the week, there were some delays in drilling due to problems associated with the casing. The operator has now resolved these issues and drilling has re-commenced.



**Figure 1:** Unit Texas Rig #35 drilling ahead on Smith #1 well



### **Background on North Chapman Ranch**

Range holds a 25% working interest in the drilling of Smith #1 well. The well shall be drilled to an approximate depth of 14,200 ft (4,329m) or to a depth sufficient to test the Howell Hight formation. If successful, the Smith #1 well could trigger significant oil and gas production and development drilling with very attractive economics, at a time when exploration and development costs in the US have dropped dramatically.

Range will continue to update the market on a weekly basis during its exploration drilling program.

**End**

### **For further information please contact :**

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# Appendix 3B

## New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003.

Name of entity

**RANGE RESOURCES LIMITED**

ABN

**88 002 522 009**

We (the entity) give ASX the following information.

### Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

- |   |  |  |
|---|--|--|
| 1 | +Class of +securities issued or to be issued   | <p>Ordinary Fully Paid Shares</p> <p>Listed Options (\$0.05 cents, 31 December 2011)</p>                       |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued  | <p>21,683,545 Ordinary Fully Paid Shares</p> <p>26,682,417 Listed Options (\$0.05 cents, 31 December 2011)</p> |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | <p>21,683,545 Ordinary Fully Paid Shares</p> <p>26,682,417 Listed Options (\$0.05 cents, 31 December 2011)</p> |

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+ See chapter 19 for defined terms.

<p>4 Do the <sup>+</sup>securities rank equally in all respects from the date of allotment with an existing <sup>+</sup>class of quoted <sup>+</sup>securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	<p>Yes</p>
<p>5 Issue price or consideration</p>	<p>16,682,417 Ordinary Fully Paid Shares to be issued in a Placement to Sophisticated and Institutional Investors at 3.5 cents per share with a free attaching Listed Option (5 cents, 31 Dec 2011) raising \$2.2m to fund the acquisition of the strategic US Oil &amp; Gas Project, Georgian operations Puntland operations, issue costs and working capital.</p> <p>1,128 Ordinary Fully Paid Shares to be issued on the conversion of listed 5c options.</p> <p>5,000,000 Ordinary Fully Paid Shares and 10,000,000 Listed Option (5 cents, 31 Dec 2011) to be issued in lieu of consulting services</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>16,682,417 Ordinary Fully Paid Shares to be issued in a Placement to Sophisticated and Institutional Investors at 3.5 cents per share with a free attaching Listed Option (5 cents, 31 Dec 2011) raising \$0.58m to fund the acquisition of the strategic US Oil &amp; Gas Project, Georgian operations Puntland operations, issue costs and working capital.</p> <p>1,128 Ordinary Fully Paid Shares to be issued on the conversion of listed 5c options.</p> <p>5,000,000 Ordinary Fully Paid Shares and 10,000,000 Listed Option (5 cents, 31 Dec 2011) to be issued in lieu of consulting services</p>
<p>7 Dates of entering <sup>+</sup>securities into uncertificated holdings or despatch of certificates</p>	<p>On or about 7 October 2009</p>

	Number	+Class
8 Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)	584,952,954	Ordinary fully paid shares (RRS)
	64,901,186	Listed Options (RRSOA) (A\$1.00, 1 October 2010)
	390,505,105	Listed Attaching Options (RRSO) (\$A0.05, 31 December 2011)

	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	3,177,029	Unlisted Options (A\$0.50, 30 June 2012)

10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Not applicable
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## Part 2 - Bonus issue or pro rata issue

11 Is security holder approval required?	N/A
12 Is the issue renounceable or non-renounceable?	N/A
13 Ratio in which the +securities will be offered	N/A
14 +Class of +securities to which the offer relates	N/A
15 +Record date to determine entitlements	N/A
16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
17 Policy for deciding entitlements in relation to fractions	N/A
18 Names of countries in which the entity has +security holders who will not be sent new issue documents  Note: Security holders must be told how their entitlements are to be dealt with.  Cross reference: rule 7.7.	N/A
19 Closing date for receipt of acceptances or renunciations	N/A
20 Names of any underwriters	N/A
21 Amount of any underwriting fee or commission	N/A

+ See chapter 19 for defined terms.

22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of <sup>+</sup> security holders	N/A
25	If the issue is contingent on <sup>+</sup> security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	N/A
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do <sup>+</sup> security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do <sup>+</sup> security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A
32	How do <sup>+</sup> security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	<sup>+</sup> Despatch date	N/A

### Part 3 - Quotation of securities

*You need only complete this section if you are applying for quotation of securities*

34 Type of securities  
(tick one)

(a)  Securities described in Part 1

(b)  All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

#### Entities that have ticked box 34(a)

#### Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35  If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36  If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories  
 1 - 1,000  
 1,001 - 5,000  
 5,001 - 10,000  
 10,001 - 100,000  
 100,001 and over
- 37  A copy of any trust deed for the additional +securities

**Entities that have ticked box 34(b)**

- 38 Number of securities for which +quotation is sought
- 39 Class of +securities for which quotation is sought
- 40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?  
  
 If the additional securities do not rank equally, please state:  
 • the date from which they do  
 • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment  
 • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment
- 41 Reason for request for quotation now  
 Example: In the case of restricted securities, end of restriction period  
  
 (if issued upon conversion of another security, clearly identify that other security)
- 42 Number and +class of all +securities quoted on ASX (including the securities in clause 38)
- |  | Number | +Class |
|--|--------|--------|
|  |        |        |

**Quotation agreement**

+ See chapter 19 for defined terms.

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the +securities to be quoted, it has been provided at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:



Date: 7 October 2009  
Print name: Jane Flegg – Company Secretary