RANGE ENERGY RESOURCES INC.

Management's Discussion & Analysis

Year ended December 31, 2011

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Management's discussion and analysis ("MD&A") provides a review of the performance of Range Energy Resources Inc.'s ("Range" or the "Company") operations and has been prepared on the basis of available information up to April 20, 2012 and should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2011 and the related notes thereto, which have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All dollar amounts referred to in this discussion and analysis are expressed in Canadian dollars except where indicated otherwise.

The Company's financial statements are reported under International Financial Reporting Standards ("IFRS"). The effects of the Company's conversion from Canadian generally accepted accounting principles to IFRS have been identified in note 15 to the audited consolidated financial statements.

Caution on Forward-Looking Statements

The MD&A contains certain forward-looking statements concerning anticipated development in Range's operation in future periods. Forward-looking statements are frequently, but not always identified by words such as "expects", "anticipates", "believes", "intends", "estimates", "potential", "possible" and similar expressions, or statements that events, conditions or results "will", "may", "could" or "should" occur or be achieved. The forward-looking statements are set forth principally under the heading "Outlook" in the MD&A and may include statements regarding exploration results and budgets, mineral resource estimates, work programs, capital expenditures, timelines, strategic plans, market price of gemstones or other statements that are not statement of fact. Forward-looking statements are statements about the future and are inherently uncertain, and actual achievements of Range may differ materially from those reflected in forward-looking statements due to a variety of risks, uncertainties and other factors. Range's forward-looking statements are based on the beliefs, expectations and opinions of management on the date the statements are made, and Range does not assume any obligation to update forward-looking statements if circumstances or management's beliefs, expectations or opinions should change except as required by law. For the reasons set forth above, investors should not place undue reliance on forward-looking statements. Important factors that the could cause actual results to differ materially from Range's expectations include uncertainties involved in disputes and litigation, fluctuations in commodity prices and currency exchange rates; uncertainties relating to interpretation of drill results and the geology, continuity and grade of deposits; uncertainty of estimates of capital and operating costs, recovery rates, production estimates and economic return; the need for cooperation of government agencies and native groups in the exploration and development of properties and the issuance of required permits; the need to obtain additional financing to develop properties and uncertainty as to the availability and terms of future financing; the possibility of delay in exploration or development programs or in construction projects and uncertainty in meeting anticipated program milestones; uncertainty as to timely availability of permits and other government approvals and other risks and uncertainties disclosed in other information released by Range from time to time and filed with the appropriate regulatory agencies.

Corporate developments and outlook

Private Placements

In May 2011, the Company completed a unit private placement financing totalling $4,020,000. On July 26, 2011, the Company completed a private placement financing totalling $6,165,000. Proceeds will be used to continue fulfilling its exploration and development obligations on the Khalakan Block, evaluating new opportunities and for general corporate purposes.

Corporate Changes

On April 4, 2011 Allan Bezanson was appointed to the Board of Directors. On April 11, 2011 Michael Wood was appointed to the Board of Directors and to the position of President and Chief Executive Officer. On June 23, 2011, the Company announced the appointment of Toufic Chahine as a director and to the position of Chairman. Donald Sheldon stepped down as Chairman and remained a director of the Company. On July 26, 2011, Pamela Powers, John Howland and Farid Zouioueche were appointed to the Board of Directors. Concurrently, Donald Sheldon, Garth Edgar, R. Brian Murray and Patrick de Genevraye resigned as directors of the Company. On October 14, 2011, Toufic Chahine was appointed interim President and Chief Executive Officer following the resignation of Michael Wood upon the expiration of his services agreement. Mr. Wood at the same time resigned as a director. On October 19, 2011, John Howland resigned as a director. Garth Edgar resigned as Chief Financial Officer and Corporate Secretary resigned on November 21, 2011. Farid Zouioueche tendered his resignation from the board of

directors on November 29, 2011. On November 29, 2011, Jacqueline Tucker was appointed interim Chief Financial Officer, Eugene Beukman was appointed interim Corporate Secretary and Michelle Upton was appointed to the Board of Directors.

Khalakan Block, Kurdistan Region of Iraq

As at September 30, 2011, the Company's principal asset is an indirect investment in an oil and gas resource property referred to as the Khalakan Block which is domiciled in the Kurdistan Region of Iraq.

On November 17, 2009 the Company completed the acquisition of a 24.95% indirect interest in a company with an 80% interest in a production sharing contract governing the Khalakan Block in the Kurdistan Region of Iraq. The Company acquired 49.9% of the shares of New Age Al Zarooni 2 Limited ("NAAZ2"), a company domiciled in Jersey, Channel Islands, from a privately held company (the "Vendor") which owns 50% of the shares in Gas Plus Khalakan Limited which is the sole contractor for the Khalakan Block under a Production Sharing Contract, dated June 11, 2009, with the Kurdistan Regional Government of Iraq (the "PSC").

The Khalakan Block consists of two concessions, Blocks 28 and 29 (sometimes referred to as Blocks 6 and 7), and comprises 624 sq. km. (154,205 acres) located in the central part of the Kurdistan Region of Iraq. The Khalakan Block lies between the concession which contains the Taq Taq oilfield and the concession which contains the recent discoveries in the Miran Block by Heritage Oil plc.

In March 2010, the Company completed an independent, initial resource assessment of the Khalakan Block. In November 2010, the operator of the Khalakan Block completed a comprehensive seismic program. Processing was completed in July 2011, several prospects and leads were identified, further interpretation of the data is ongoing and preparations for the drilling of an exploration well have commenced.

Outlook

Range continues to meet all relevant obligations related to Khalakan Block and fully supports the efforts of its partners to complete the exploration schedule in a timely manner.

The Company is reviewing all other opportunities in the area but no agreements have been reached with any parties.

Selected Annual Financial Information

(Information extracted from the Company's audited consolidated financial statements)

Selected Annual Consolidated Financial Information

(Expressed in Canadian Dollars)

	2011 $	2010 $	2009 $
Revenues	-	-	-
Net loss	(1,524,404)	(4,162,800)	(2,614,087)
Net loss per share - basic and diluted	(0.01)	(0.03)	(0.06)
Cash dividends	-	-	-
Total assets	29,771,145	21,334,893	22,767,739
Long term liabilities	-	-	-
Shareholders' equity	29,526,387	21,323,975	22,673,625
Share capital	31,212,335	24,725,267	24,512,767
Warrants	3,749,042	3,790,878	3,790,878
Contributed surplus	7,651,368	4,369,784	1,769,134
Deficit	(13,086,358)	(11,561,954)	(7,399,154)
Accumulated other comprehensive income	-	-	-

Financial Position

As at December 31, 2011, the Company had current assets of $8,382,561 and current liabilities of $244,758 compared to current assets of $1,197,097 and current liabilities of $10,918 as at December 31, 2010. At December

31, 2011, the Company had working capital of $8,137,803 compared to a working capital of $1,186,179 at December 31, 2010

The Company had cash and cash equivalents of $8,029,476 at December 31, 2011 compared to $1,138,506 at December 31, 2010. During the year ended December 31, 2011, the Company recorded cash outflows for operations of $1,584,646 compared to cash outflows of $1,677,977 in the comparable period of 2010.

Cash used in investing activities during the year ended December 31, 2011 includes $1,251,200 (December 31, 2010 - $2,052,318) being cash called for its share of expenditures on the Khalakan Block.

Capital as at December, 2011 was $42,612,745 (share capital and warrants) compared to $32,885,929 as at December 31, 2010. During the year ended December 31, 2011, Range raised additional capital of $10,185,000 from the issue of 67,900,000 shares and 67,900,000 warrants. The cash capital raising costs for these placements amounted to $458,184. In addition, the Company issued 1,072,000 finders' warrants with a fair value of $67,279.

Results of Operations
(Information extracted from the Company's audited consolidated financial statements)

	For the years ended December 31,			
		2011		2010
Expenses				
Amortization	$	412	$	563
Audit and related fees		44,450		43,500
Consulting		239,621		174,945
Corporate finance fees		71,434		392,603
Contract termination costs		381,695		-
Directors fees		93,249		79,594
General and administrative		86,525		125,828
Legal fees		162,933		165,244
Management fees		330,552		288,000
Share-based compensation		-		2,600,650
Transfer agent and filing fees		19,307		19,085
Travel and promotion		137,196		303,702
Loss before the following		(1,567,374)		(4,193,713)
Interest income		42,970		30,913
Net loss and comprehensive loss for year	$	(1,524,404)	$	(4,162,800)

Year ended December 31, 2011 compared with year ended December 31, 2010

Net loss
The Company reported a net loss of $1,524,404 ($0.01 per share) for year ended December 31, 2011 as compared to a net loss of $4,162,800 ($0.03 per share) for the same period in 2010. Included in the current year's results is interest earned of $42,970 on surplus funds from the financings, which closed in May and July, 2011 that were invested in a variable rate term deposit.

Expenses
Operating expenses for the year ended December 31, 2011 totalled $1,567,374 compared to the year ended December 31, 2010 expenses of $4,193,713. Included in expenses is a charge of $Nil (2010 - $2,600,650) for share-based compensation. After adjustment for share-based compensation, expenses totalled $1,567,374 for the year ended December 31, 2011 compared to $1,593,063 for the year ended December 31, 2010 representing a decrease of $25,689 or 2%. The significant factors that contributed to the variances are discussed below:

Consulting fees for the year ended December 31, 2011 totalled $239,621 compared to $174,945 for the year ended December 31, 2010 representing an increase of $64,676 or 37%. Increase in fees is a result of ongoing interpretation of data compiled from the comprehensive seismic program conducted on the Khalakan Block by the operator. In addition, the Company contracted the services of EMK Energy MetriKs Limited for Farid Zouioueche to be Range's nominee director on the board of NAAZ2 for a fee of US$15,000 per month commencing in November 2011.

Contract termination costs of $381,695 were paid out in current year upon the resignations and terminations of former management's services agreements.

Management fees for the year ended December 31, 2011 totalled $330,552 compared to $288,000 for the year ended December 31, 2010 representing an increase of $42,552 or 15%. The increase is primarily a result of contracting a full time Chief Executive Officer for six month period and an increase in monthly fees being charged by former members of management commencing in the second quarter of the most recently completed financial year to the date of termination of the respective parties in the third and fourth quarters.

During the year ended December 31, 2010, the Company recorded share-based compensation expense of $2,600,650 for the award of options to various directors, officer, employees and consultants compared to $Nil in the current financial year.

Travel and promotion for the year ended December 31, 2011 totalled $137,196 compared to $303,702 for the prior comparative period representing a decrease of $166,506 or 55%. Extensive travel was done in the prior year to facilitate with sourcing leads for future financings.

Three month period ended December 31, 2011 (Q4-2011) compared with three month period ended December 31, 2010 (Q4-2010)

	Q4 - 2011	Q4 - 2010
	(Unaudited)	(Unaudited)
Expenses		
Amortization	$ 119	$ 125
Audit and related fees	2,501	-
Consulting	43,786	8,173
Corporate finance fees	-	228,846
Contract termination costs	181,680	-
Directors fees	45,417	39,964
General and administrative	9,398	35,099
Legal fees	77,958	10,189
Management fees	56,024	71,200
Share-based compensation	-	366,323
Transfer agent and filing fees	2,528	2,102
Travel and promotion	21,277	115,367
Loss before the following	(440,687)	(877,388)
Interest income	42,871	22,402
Net loss and comprehensive loss for period	$ (397,816)	$ (854,986)
Loss per share	$ (0.02)	$ (0.02)
Weighted average number of shares used in calculation of loss per share - basic and diluted	232,258,934	163,445,891

The Company reported a net loss of $397,816 for the three month period ended December 31, 2011 as compared to a net loss of $854,986 for the same period in 2010. The fluctuations in line item amounts are due to the same factors discussed in the 2011 annual analysis.

Summary of Quarterly Results – Unaudited

The following table summarizes quarterly results for the past eight quarters:

Quarter Ended	Net revenues	Net income (loss)*	Loss per share - basic	Loss per share - diluted	Basis of preparation
	$'s	$'s	$'s	$'s	
31-Dec-11	-	(397,816)	(0.00)	(0.00)	IFRS
30-Sep-11	-	(449,755)	(0.00)	(0.00)	IFRS
30-Jun-11	-	(352,043)	(0.00)	(0.00)	IFRS
31-Mar-11	-	(324,790)	(0.00)	(0.00)	IFRS
31-Dec-10	-	(854,986)	(0.00)	(0.00)	IFRS
30-Sep-10	-	(445,695)	(0.00)	(0.00)	IFRS
30-Jun-10	-	(551,274)	(0.00)	(0.00)	IFRS
31-Mar-10	-	(2,310,846)	(0.02)	(0.02)	IFRS

* Values may not add to reported amount for the years then ended due to rounding

There are no meaningful trends evident from analysis of the summary of quarterly financial information over the last eight quarters. Factors that can cause fluctuations in the Company's quarterly results are the timing of stock option grants, mineral property impairments and sales of available-for-sale investments. The Company's properties are not yet into production and consequently, the Company believes that its loss (and consequent loss per share) is not a primary concern to investors in the Company.

Liquidity and Capital Resources

At December 31, 2011, the Company had cash and cash equivalents of $8,029,476 and working capital of $8,137,803. During the year ended December 31, 2011, the Company raised $10,185,000 from private placement financings. Cash on hand at December 31, 2011 is not adequate to meet requirements for fiscal 2012 based on the Company's current budgeted expenditures for operations and exploration. To meet working capital requirements, the Company will have to access financial resources through equity placements in the junior resource market, procure industry partners for its primary exploration projects and/or sell its projects in exchange for equity/cash.

Capital Resources

The Company has been successful in meeting its exploration capital requirements through the completion of equity placements. Range may be impacted by any potential downward trend in market conditions. Trends effecting Range's liquidity are dictated by the demands on financial resources created by the advancing nature of the Company's current exploration assets and the Company's ability to access the financial resources required to meet these demands. As the exploration properties advance through exploration, they typically require more capital-intensive programs that apply pressure to the Company's financial resources. Additional planned exploration programs on the non-producing leaseholds will result in a steady drain to the Company's liquidity.

In acquiring the required capital to pursue the Company's business plan, capital will be generated from a combination of accessing equity markets, procuring industry partners for its primary exploration assets or sale of exploration assets for equity positions or cash.

Trends that affect the market generally, and the perception of Range within the marketplace, can affect the Company's ability to access capital in both a positive and negative way. Trends in this general market are defined by fluctuations in the global economy and the demand for metals and commodity prices. Trends in the perception of Range in the resource marketplace will be affected by general trends in the resource equity markets, the Company's performance in creating shareholder value and in demonstrating the ability to manage the Company's affairs and achieve mandated objectives.

Uncertainty is a prevalent element in exploration and therefore can, on occasion, impede the Company's ability to meet its financial requirements and result in an inability to advance exploration assets and meet objectives in a timely manner.

As of December 31, 2011, the Company has no long-term debt.

As of December 31, 2011, the Company has no long-term contractual agreements to acquire properties.

Transactions with Related Parties

In the normal course of business, Range has had transactions with individuals and companies considered related parties. Related party transactions involve normal commercial compensation for services rendered by senior management, officers, directors or insiders of the Company and by companies with which they are associated as owners, contractors or employees.

The management functions of the Company are performed by our directors and senior officers and we have no management agreements or arrangements under which such management functions are performed by persons other than the directors and senior officers of the Company other than the contracts described below. The Board has approved these contracts having taken into consideration the level of service provided and compensation offered by companies comparable to the Company in terms of size, assets and stage of development. The Board is satisfied that the level of compensation continues to be competitive with that of comparable companies.

The Company had an existing Executive Services Agreement (the "Agreement") with Sayonara Holdings Ltd., a company solely owned by Donald Sheldon. Mr. Sheldon was formerly Chief Executive Officer and Chairman of the Company. The Agreement provided for a monthly fee of $5,000 plus approved expenses. The Executive Working Committee of the Board approved a temporary increase in monthly fee to $15,000 commencing June 1 due to additional work duties. During the most recently completed year ended December 31, 2011, the Company paid fees of $60,386 under this arrangement. Upon the July 26, 2011 resignation of Mr. Sheldon as an officer and a director of the Company, this Agreement was terminated and a termination fee of $120,000 was paid in accordance with the termination clauses contained therein.

The Company had an existing Corporate Management Agreement (the "Agreement") with VenturePlus Partners, an entity solely owned by Garth Edgar. Mr. Edgar was formerly the Chief Financial Officer of the Company. The Agreement provided for a monthly fee of $10,000 plus approved expenses. The Executive Working Committee of the Board approved a temporary increase in monthly fee to $15,000 commencing June 1 due to additional work duties. During the most recently completed year ended December 31, 2011, the Company paid fees of $140,000 under this arrangement. Upon the November 21, 2011 resignation of Mr. Edgar as an officer of the Company, this Agreement was terminated and the Company paid him a termination fee of $120,000.

The Company entered into an Agreement for Services (the "Agreement") with Michael Wood on April 11, 2011 upon his appointment as a director, Chief Executive Officer and President. Pursuant to the terms of the Agreement, monthly fees for services were US$10,000 plus approved expenses for the first six months and then rising to US$20,000 per month plus options, upon review and mutual agreement. The Executive Working Committee of the Board approved a temporary increase in the monthly fee to US$20,000 per month effective June 1, 2011 due to additional work duties. During the most recently completed year ended December 31, 2011, the Company paid $102,285(US$100,000) under this arrangement. Mr. Wood resigned effective October 10, 2011 upon the expiration of his Agreement and a termination fee of $61,680 (US$60,000) was paid in accordance with the termination clauses contained therein.

J.M. Tucker Professional Corporation, an entity solely owned by Ms. Tucker, charged fees of $13,000 for services rendered as the Company's interim Chief Financial Officer during the most recently completed year ended December 31, 2012. Pender Street Consulting Ltd., an entity controlled by Eugene Beukman, charged fees of $4,500 for services rendered as the Company's interim Corporate Secretary.

Additionally, the Company paid consulting fees to Cantel Mining and Exploration Ltd. ("Cantel), a private company solely owned by Roger Bethell, a director. Cantel is paid on a per diem basis. During the most recently completed financial year ended December 31, 2011, fees of $60,625 were paid to Cantel.

In addition, the Company paid $24,147 to a company controlled by Norman Kelly and $221,127 to Patrick de Genevraye, as finder's fees in connection with the equity placement completed in the most recently completed financial year ended December 31, 2011. Both parties are former directors of the Company.

The Company's policy is to pay directors who are not receiving fees from the Company for management and consulting services an annual fee of US$25,000 prorated from date of appointment. At December 31, 2011, $45,417 (US$44,658) in aggregate has been recorded as payable to Allan Bezanson, Toufic Chahine, Michelle Upton and Pamela Powers to compensate them for their time to fulfill their duties and obligations to the Company in this capacity. The balance of fees paid during the year ended December 31, 2011 totalling $47,832 (US$50,000) in aggregate was to former directors.

Proposed Transactions

On February 28, 2012, the Company announced it had entered into a Letter of Intent ("LOI") with Blackstairs Energy PLC ("Blackstairs") whereby the Company proposes to acquire 100% of the issued share capital of Blackstairs subject to a number of conditions set out in the LOI, satisfactory completion by the Company of its due diligence review of Blackstairs on or before April 30, 2012, entering into a Definitive Agreement, obtaining requisite regulatory approvals and shareholders' approval, if required. As one of conditions of the LOI, the Company loaned Blackstairs US$500,000 for working capital purposes. As the structure of a Definitive Agreement could not be agreed upon, the LOI was terminated and as such, the loan is repayable within 180 days from April 30, 2012 and bears interest at the rate of US prime plus 1.5% per annum compounded monthly until repayment.

Critical Accounting Estimates

The significant accounting policies used by Range are disclosed in note 3 to the consolidated financial statements. Certain accounting policies require that management make appropriate decisions with respect to the formulation of estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. Management reviews its estimates on a regular basis. The emergence of new information and changed circumstances may result in actual results or changes to estimated amounts that differ materially from current estimates. The following discussion helps to assess the critical accounting policies and practises of the Company and the likelihood of materially different results being reported.

Exploration and evaluation assets

Exploration and evaluation costs related to an area of interest are carried forward as an intangible asset in the balance sheet where the rights to tenure of an area of interest are current and its expected expenditure will be recovered through the successful development and exploration of the area of interest or alternatively by its sale. Where these conditions are not met, such costs are written off as incurred. The expenditure is carried at cost less impairment. Intangible mining assets are assumed to have an indefinite life until such time as production of the associated mining asset commences at which time the definite life of the of the mining assets will be assessed based on the estimated mine life.

Development expenditure incurred by or on behalf of the Company or acquired from a third party is also classified as an intangible asset and is accumulated separately for each area of interest in which economically recoverable resources have been identified. Such expenditure comprises acquisition cost and other costs directly attributable to the construction of a mine and the related infrastructure. This expenditure is carried at costs less impairment.

Exploration, evaluation and development costs are under intangible assets in the Consolidated Statement of Financial Position. Exploration, evaluation and development costs include all directly attributable expenditure together with the relevant depreciation of property equipment utilized within the project.

Once a development decision has been made, the carrying amount of the exploration, evaluation and development expenditure in respect of the area of interest is aggregated with the development expenditure and classified under non-current assets as "mining property".

No amortization is recognized in respect of exploration, evaluation and development expenditures until it is reclassified as a mining property.

Exploration, evaluation and development expenditure and mining property are tested annually for impairment if facts and circumstances indicate that impairment may exist. Exploration, evaluation and development expenditure is also tested for impairment once commercial reserves are found, before the assets are transferred to mining property.

Share-Based Compensation and Warrants

Compensation expense for options and warrants granted is determined based on estimated fair values of the options and warrants at the time of grant, the cost of which is recognized over the vesting period of the respective options and grants. The key parameters impacting the calculation of fair value of options and warrants are the share volatility and the expected life.

Income taxes

The determination of income and other tax liabilities requires interpretation of complex laws and regulations. All tax filings are subject to audit and potential reassessment after the lapse of considerable time. Accordingly, the actual income tax liability may differ significantly from that estimated and recorded by management.

Financial Instruments

Designation and Fair Value

Range classified its cash and cash equivalents as financial assets held-for-trading. Accounts receivable are classified as loans and receivables. Accounts payable and accrued liabilities are classified as other liabilities. At December 31, 2011 and 2010, there were no significant differences between the carrying amounts of the financial instruments reported on the balance sheet and their estimated fair values due primarily to the short-term maturity of the financial instruments.

International Financial Reporting Standards (“IFRS”)

Effective January 1, 2011, Canadian publicly traded entities were required to prepare their financial statements in accordance with IFRS. Due to the requirement to present comparative financial information, the effective transition date was January 1, 2010. The three month period ended March 31, 2011 was the Company’s first reporting period under IFRS and this is the first annual financial statement prepared on this basis. An explanation of how the transition from previous Canadian GAAPO to IFRS has affected the Company’s financial position, financial performance and cash flows is presented in note 15 of the audited consolidated financial statements for the years ended December 31, 2011 and 2010.

New Accounting Standards

Certain new standards, interpretations and amendments to existing standards have been issued by the IASB and IFRIC that are mandatory for accounting periods beginning on or after January 1, 2010, or later periods. Some updates that are not applicable or are not consequential to the Company may have been excluded from the list below.

IAS 1 – Presentation of Financial Statements

IAS 1 prescribes the basis of presentation of general purpose financial statements and is effective for annual periods beginning on or after January 1, 2011 to ensure comparability both with the entity’s financial statements of previous periods and with the financial statements of other entities. It sets out overall requirements for the presentation of financial statements, guidelines for their structure and minimum requirements for their content. There are no additional significant impacts on the Company.

IAS 24 – Related Party Disclosures (Amendment)

The amended standard is effective for annual periods beginning on or after January 1, 2011. It clarifies the definition of a related party to simplify the identification of such relationships and to eliminate inconsistencies in its

application. The revised standard introduces a partial exemption of disclosure requirements for government-related entities. The Company does not expect any impact on its financial position or performance. Early adoption is permitted for either the partial exemption or government-related entities or for the entire standard. There are no additional significant impacts on the Company.

Accounting standards effective January 1, 2012

Financial Instruments Disclosure

In October 2010, the IASB issued amendments to IFRS 7 – *Financial Instruments: Disclosure* that improves the disclosure requirements in relation to transferred assets. The amendments are effective for annual periods beginning on or after July 1, 2011, with early adoption permitted. The Company does not anticipate the amendment to have a significant impact on its consolidated financial statements.

Income taxes

In December 2010, the IASB issued and amendment to IAS 12 – *Income Taxes* that provides a practical solution to determining the recovery of investment properties as it relates to the accounting for deferred income taxes. This amendment is effective for annual periods beginning on or after July 1, 2011, with earlier adoption permitted. The Company does not anticipate this amendment to have a significant impact on its consolidated financial statements.

Accounting standards anticipated to be effective January 1, 2013

IFRS 10 – Consolidated Financial Statements

IFRS 10 requires that a reporting entity should consolidate any investee it controls. Control is the basis for consolidation for all types of investees. IFRS 10 also provides guidance on assessing control in circumstances where the assessment has proven to be difficult. IFRS 10 provides more guidance about the factors to consider in such structures that involve potential voting rights, agency relationships, relationships with structured entities and control without a majority of voting rights. The Company's consolidation with its current subsidiary and related consolidation decisions should be unaffected by the new consolidation model in IFRS 10.

IFRS 11 – Joint Arrangements

The IASB issued IFRS 11 – *Joint Arrangements* on May 12, 2011. IFRS 11 eliminates the Company's choice to proportionately consolidate jointly controlled entities and requires such entities to be accounted for using the equity method and proposes to establish a principles-based approach to the accounting for joint arrangements, which focuses on the nature, extent and financial effects of the activities that an entity carries out through joint arrangements and its contractual rights and obligations to assets and liabilities, respectively, of the joint arrangements. The Company does not anticipate this amendment will have a significant impact on its consolidated financial statements.

IFRS 12 – Disclosure of Interests in Other Entities

IFRS 12 sets out disclosure requirements for reporting entities that have an interest in a subsidiary, joint arrangement, associate or unconsolidated structured entity. There are no additional interests or disclosures required.

IFRS 13 – Fair Value Measurements

IFRS 13 – *Fair Value Measurements* is effective for annual periods beginning on or after January1, 2013, with earlier adoption permitted and sets out in a single IFRS framework for measuring fair value and new required disclosures about the fair value measurements. Management anticipates that this standard will be adopted in the Company's consolidated financial statements for the period beginning January 1, 2013 and has not yet considered the potential impact of the adoption of IFRS 13.

Consolidation

On September 20, 2011, the IASB posted a staff draft of a forthcoming IFRS on consolidation. The staff draft reflects tentative decisions made to date by the IASB with respect to the IASB's project to replace current standards on consolidation, IAS 27 – *Consolidated and Separate Financial Statements* and SIC-12, *Consolidation Special Purpose Entities* with a single standard on consolidation. The IASB plans on publishing the final standard on consolidation in the first half of 2012, with an effective date of January 1, 2013. The Company is currently evaluating the impact the final standard is expected to have on its consolidated financial statements.

Accounting standards anticipated to be effective January 1, 2015

IFRS 9 – Financial Instruments Disclosure
IFRS 9 – *Financial Instruments* was published and contains requirements for financial assets updating IFRS 7. Requirements for financial liabilities were added to IFRS 9 in October 2010. Most of the requirements for financial liabilities were carried forward unchanged from IAS 39. However, some changes were made to the fair value option for financial liabilities to address the issue of own credit risk. The Company does not anticipate this amendment to have a significant impact on its consolidated financial statements.

Internal Control over Financial Reporting and Disclosure Controls and Procedures

Currently, the certification required by the Company's certifying officers under National Instrument 52-109 Certificate of Disclosure in Issuers' Annual and Interim Filings (NI 52-109F), the Venture Issuer Basic Certificate, does not include representations relating to the establishment and maintenance of disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as defined in NI 52-109. This includes:

i. Controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and,
ii. A process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they make in the certificate.

Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Additional Disclosure for Venture Issuers without Significant Revenues

Refer to elsewhere in the MD&A or the Company's consolidated financial statements for capitalized or expensed exploration and development costs, general and administrative expenses and other material costs. Additional information relating to the Company is on SEDAR www.sedar.com.

Share Data
The share capital of the Company consists of an unlimited number of common shares without par value and an unlimited number of preferred shares, issuable in series, the rights and restrictions of which may be set by the Company's directors.

At December, Range had 232,277,840 common shares issued, 70,472,000 warrants and 7,825,000 options issued and outstanding.

As at the date of this report, Range had 232,277,840 common shares issued, 70,472,000 warrants and 6,262,500 options issued and outstanding.

Risks and Uncertainties

Companies in the oil and gas exploration and development industry sectors are subject to many and varied kinds of risks, including but not limited to various technical risks including geological and engineering risks, and environmental, commodity price, political and economic risks.

Financial Capability and Additional Financing \
The Company relies on equity financings to funds its activities. While it has been successful in raising funds in the past, there is no guarantee that adequate funds will be available in the future. The Company has cash and cash

equivalents of $8,029,476 and working capital of $8,137,803 at December 31, 2011. Based on current budgeted expenditures for operations and exploration, cash on hand at December 31, 2011 is not adequate to meet capital requirements for fiscal 2012. To meet working capital requirements, the Company will have to access financial resources through equity placements in the junior resource market, procure industry partners for its primary exploration projects and/or sell its projects in exchange for equity/cash.

A discussion of risk factors particular to the financial instruments is presented in note 13 of the audited consolidated financial statements for the years ended December 31, 2011 and 2010.

Exploration Risk
The Company has no significant source of operating cash flow and no revenues from operations. The Company's primary asset is a 24.95% indirect interest in Gas Plus Khalakan Limited which holds an 80% interest in the PSC. The Company has no oil and gas interests that are economically viable. The Company has limited financial resources. Substantial expenditures are required to be made by the Company to establish commercial viability of its current projects.

The Company is in the exploration stage only, without known bodies of commercial grade reserves. Oil and gas exploration is subject to a high degree of risk and requires significant financial resources. Exploration activities seldom result in the discovery of a commercially viable petroleum resource. The Company will therefore require additional financing to carry on its business, and such financing may not be available when it is needed.

Environmental Risk
The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters. Environmental hazards may exist on the properties on which the Company is seeking an interest, which are unknown to the Company at present and which may have been caused by previous or existing owners or operators of the properties. The Company may become liable for such environmental hazards caused by previous owners and operators of the properties even where it has attempted to contractually limit its liability. Government approvals and permits are currently, and may in the future, be required and obtained in connection with the Company's operations.

Political Policy Risk
All of the Company's assets are located in Kurdistan. As such, the Company's is subject to political, economic, and other uncertainties, including, but not limited to, the uncertainty of negotiating with foreign governments, expropriation of property without fair compensation, adverse determination or rulings by governmental authorities, changes in energy policies or in the personnel administering them, nationalization, currency fluctuations and devaluations, disputes between various levels of authorities, arbitrating and enforcing claims against entities that may claim sovereignty, authorities claiming jurisdiction, potential implementation of exchange controls and royalty and government take increases and other risks arising out of foreign governmental sovereignty over the areas in which the Company's operations are conducted, as well as risks of loss due to civil strife, acts of war, guerrilla activities, and insurrections. The Company's operations may be adversely affected by changes in government policies and legislation or social instability and other factors which are not within the control of the Company including, among other things, adverse legislation in Iraq and/or Kurdistan, a change in crude oil or natural gas pricing policy, the risks of war, terrorism, abduction, expropriation, nationalization, renegotiation or nullification of existing concessions and contracts, taxation policies, economic sanctions, the imposition of specific drilling obligations, and the development and abandonment of fields.

The political and security situation in Iraq (outside Kurdistan) is unsettled and volatile. Kurdistan in the only Region that is constitutionally established pursuant to the Iraq Constitution. The political issues of federalism and the autonomy of Regions in Iraq are matters about which there are major differences between the various political factions in Iraq. These differences could adversely impact the PSC and the Company's interest in Kurdistan.

No federal Iraq legislation has yet been agreed to or enacted by the Iraq Council of Ministers (Cabinet) and Council of Representatives (Parliament) to address the future organization of Iraq's petroleum industry or the sharing of petroleum and other revenues with Iraq. Failure to enact legislation or the enactment of federal legislation contradictory to Kurdistan legislation could materially adversely impact the PSC and the Company's interest in Kurdistan.