RANGE ENERGY RESOURCES INC.

Management's Discussion & Analysis

for the three months ended June 30, 2011

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General

Range Energy Resources Inc., formerly Range Metals Inc., (“Range” or the “Company”) was incorporated under the laws of British Columbia, Canada on March 1, 2005. On October 24, 2006, the Company's common shares were listed and called for trading on the Canadian National Stock Exchange (“CNSX”) and its current symbol is RGO. On February 12, 2007 the Company listed on the Frankfurt stock exchange. The Company amalgamated with its wholly-owned subsidiary Range Oil & Gas Inc., effective December 31, 2009, and on January 12, 2010 changed its name from Range Metals Inc. to Range Energy Resources Inc. The Company is a development stage company engaged in the acquisition and exploration of mineral and oil and gas resource properties. As at March 31, 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 (see Financing and Acquisition Activities). The Company also intends to pursue other opportunities in the Middle East.

Management’s discussion and analysis (“MD&A”) has been prepared based on information available to the Company as of August 15, 2011, unless otherwise stated. This MD&A provides a detailed analysis of the Company’s business and compares its results with those of the previous year and should be read in conjunction with the interim consolidated financial statements of the Company and related notes, which have been prepared in accordance with International Financial Reporting Standards (“IFRS”). Refer to Note 2 of the June 30, 2011 condensed interim consolidated financial statements for disclosures of the Company’s significant accounting policies.

In November, 2009 the Company completed a Subscription Receipt financing totalling $25,488,000 - $24,358,000 in cash and $1,130,000 exchange for debt. Approximately $17.3 million of the proceeds were used to complete an acquisition transaction that saw the Company acquire, in an arm’s length acquisition, 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 remainder of the proceeds will be used to fulfil its exploration and development obligations and for general corporate purposes.

The oil and gas exploration business is risky and most exploration projects will not become producing wells. The Company may offer an opportunity to an oil and gas company to acquire an interest in a property in return for funding all or part of the exploration and development of the property. For the funding of property acquisitions and exploration that the Company conducts, the Company depends on the issue of shares from its treasury to investors. These stock issues depend on numerous factors including a positive resource exploration environment, positive commodity and stock market conditions, the Company’s track record, and the experience of management. The recent credit crisis and turmoil in the capital markets is severely limiting the access to funds and the Company is moving forward cautiously.

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. See the Company’s news releases dated April 4 and April 12, 2011 respectively. On June 23, 2011 the Company announced the appointment of Toufic Chahine as director and to the position of Chairman. Donald Sheldon stepped down as Chairman and remained a director of the Company. See the Company’s June 23, 2011 news release. See Subsequent Events.

Overall Performance

The Company continues to seek global oil and gas exploration and development opportunities, with an emphasis on Iraq and the Middle East.

In November, 2009 the Company completed a Subscription Receipt financing totalling $25,488,000 ($24,358,000 in cash and $1,130,000 in exchange for debt). Approximately $17.3 million of the proceeds were used to complete an acquisition transaction that saw the Company acquire, in an arm’s length acquisition, 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 remainder of the proceeds will be used to fulfil its exploration and development obligations and for general corporate purposes.

Effective December 31, 2009 the Company, then Range Metals Inc., amalgamated with its wholly owned subsidiary Range Oil & Gas Inc. and on January 12, 2010, changed its name to Range Energy Resources Inc.

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 and several prospects and leads were identified. Further interpretation of the data is ongoing.

In May, 2011 the Company completed a 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, evaluating new opportunities, and for general corporate purposes. See Subsequent Events.

Results of Operations

Period ended June 30, 2011 compared with period ended June 30, 2010

The Company reported net loss of $352,043 ($0.002 per share) for the period ended June 30, 2011 as compared to net loss of $551,274 ($0.003 per share) for the same period in 2010. Operating expenses for the period ended June 30, 2011 totalled $352,081 which is $199,258 lower than the 2010 expenses of $551,339. Notable administrative costs include consulting fees, and travel and accommodation expenses. As at June 30, 2011, the Company has accumulated losses since inception of $12,182,382.

Summary of Quarterly Results

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

	Revenue $	**Income (Loss)** $	**Income (Loss) per share** $
June 30, 2011	-	(352,043)	(0.002)
March 31, 2011	-	(324,790)	(0.002)
December 31, 2010 *	-	(488,662)	(0.003)
September 30, 2010 *	-	(334,940)	(0.002)
June 30, 2010 *	-	(551,274)	(0.003)
March 31, 2010 *	-	(2,390,429)	(0.015)
December 31, 2009 **	-	(2,225,102)	(0.013)
September 30, 2009 **	-	(887,893)	(0.031)

* The amounts reported for Q1 2010 to Q4 2010 were adjusted from Canadian GAAP to confirm to IFRS.
** The amounts reported for Q2 2009 to Q4 2009 are reported under Canadian GAAP.

Use of Proceeds

On October 22, 2009 the Company closed a private placement financing of subscription receipts, previously announced on September 21, 2009, for gross proceeds of $25,238,000. On November 2, 2009 an additional $250,000 was added for total gross proceeds of $25,488,000. The Company issued 127,440,000 subscription receipts ("Subscription Receipts") at a price of $0.20 per Subscription Receipt. The Subscriptions Receipts were subsequently converted, on November 17, 2009, into an equal number of common shares and share purchase warrants, where each Subscriber's Warrant entitles the holder to purchase one common share at $0.40 for a two-year period from the date of issuance.

On January 5, 2010, 500,000 options were exercised at a price of $0.075 for total proceeds of $37,500. On May 11, 2010, 1,000,000 options were exercised at a price of $0.075 for total proceeds of $75,000. On December 24, 2010 1,000,000 warrants were exercised at a price of $0.10 per common share for totals proceeds of $100,000.

On May 18, 2011 the Company closed a private placement Unit financing for gross proceeds of $4,020,000. Each $0.15 Unit comprised one common share and one share purchase warrant. See Financing and Acquisition Activities.

On July 26, 2011 the Company closed a private placement Unit financing for gross proceeds of $6,165,000. Each $0.15 Unit comprised one common share and one share purchase warrant. See Subsequent Events.

During the 6 month period ending June 30, 2011 the Company paid cash calls totalling $136,646 towards the development of the Khalakan Block and in accordance with its obligations under the applicable Production Sharing Contract.

Resource Properties

a) Iraq / Kurdistan

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.

Liquidity

Financing of operations during the period was provided primarily from a $25.488 million financing completed in November 2009, the exercise of options and warrants, and a $4.02 million private placement in May, 2011. See Financing and Acquisition Activities. At June 30, 2011, the Company had $4,136,063 in cash, $18,238 in receivables, $35,524 in prepaids, and working capital surplus of $4,171,795.

Capital Resources

The Company has capital assets of $1,422 consisting of computer equipment. The Company expenses all exploration, research, evaluation and investigative costs related to the resource properties until the properties are put into commercial production.

Financing and Acquisition Activities

In November, 2009 the Company completed a Subscription Receipt financing totalling $25,488,000 - $24,358,000 in cash and $1,130,000 exchange for debt. The Company issued 127,440,000 subscription receipts ("Subscription Receipts") at a price of $0.20 per Subscription Receipt. The Subscriptions Receipts were subsequently converted into an equal number of shares and share purchase warrants, where each subscribers' warrant entitles the holder to purchase one share for C$0.40 for a two-year period from issuance of the Subscription Receipt.

On January 5, 2010, 500,000 options were exercised at a price of $0.075 for total proceeds of $37,500. On May 11, 2010, 1,000,000 options were exercised at a price of $0.075 for total proceeds of $75,000. On December 24, 2010 1,000,000 warrants were exercised at a price of $0.10 per common share for totals proceeds of $100,000.

On May 18, 2011 the Company completed a private placement of $4.02 million by the issuance of units at a price of $0.15 per unit (the "Unit"). Each Unit consists of one common share and one share purchase warrant. Each share purchase warrant entitles the holder to purchase one additional common share of the Issuer at $0.15 for a period of one year from the date of issue. Funds will be used to continue the exploration and development of the Issuer's Khalakan Block in Kurdistan region of Iraq and general corporate purposes. Pursuant to the closing, 26,800,000 common shares and 26,800,000 share purchase warrants were issued. Each private placement warrant entitles the holder to purchase one common share for $0.15 on or before May 18, 2012. An additional 1,072,000 finder's warrants were issued, each entitling the holder to purchase one common share for $0.15 on or before May 18, 2013.

On July 26, 2011 the Company completed a private placement of $6.165 million by the issuance of units at a price of $0.15 per unit (the "Unit"). Each Unit consists of one common share and one share purchase warrant. Each share purchase warrant entitles the holder to purchase one additional common share of the Issuer at $0.15 for a period of one year from the date of issue. See Subsequent Events.

Transactions with Related Parties

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.

At June 30, 2011 the Company had an existing Executive Services Agreement with Sayonara Holdings Ltd., a company wholly owned by Donald Sheldon. Mr. Sheldon was formerly Chief Executive Officer and Chairman of the Company. The Agreement provides 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 period, the Company paid or accrued fees of $25,000 under this arrangement. Upon the July 26, 2011 resignation of Mr. Sheldon as officer and director of the Company, this Agreement was terminated. See Subsequent Events.

The Company has an existing Corporate Management Agreement with VenturePlus Partners, an entity wholly owned by Garth Edgar. Mr. Edgar is Chief Financial Officer of the Company and is responsible for general management, accounting, governance and overall administrative duties. The Agreement provides 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 period, the Company paid or accrued fees of $35,000 under this arrangement.

Pursuant to the April 11, 2011 appointment of Michael Wood as director, CEO and President, the Company entered into an Agreement for Services with Michael Wood. The Agreement calls for monthly payments of $US10,000 plus approved expenses, for the first 6 months, and then rising to $US20,000 per month plus options, upon review and mutual agreement. The Executive Working Committee of the Board approved a temporary increase in monthly fee to $US20,000 commencing June 1 due to additional work duties. During the period, the Company paid or accrued fees of $35,900 under this arrangement.

The Company also paid consulting fees and expenses to Cantel Mining and Exploration Ltd. ("Cantel"), a private company wholly owned by Roger Bethell, a director of the Company. Cantel is paid a per diem on an "as-used" basis and travel expenses. During the period the Company paid or accrued fees of $17,500 under this arrangement.

As at June 30, 2011, the Company has accrued $5,698 due to a companies controlled by directors of the Company in accounts payable for fees and travel expenses. The amounts are non-interest bearing, unsecured and due on demand.

IFRS Conversion

Effective January 1, 2011 Canadian publicly accountable 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 is January 1, 2010. The three months ended March 31, 2011 was the Company's first reporting period under IFRS.

Over the past year, the Company has compared its accounting policies under Canadian GAAP to IFRS and has identified differences between the two standards. The Company then analyzed its historical transactions to determine reconciling items that arise out of the transition to IFRS that will affect its financial statements. The Company has now completed this assessment.

The assessment was performed based on standards applicable as of the date of this report. The IASB is still developing IFRS and may propose changes that could affect the IFRS accounting polices that the Company has selected. The Company will continue to monitor any changes that are implemented. Future changes to IFRS could have material effects on the Company's analysis.

For a description of the accounting policies the Company has adopted under IFRS, including the estimates and judgments we consider most significant in applying those accounting policies, please refer to note 2 of the condensed consolidated interim financial statements.

The adoption of IFRS resulted in some changes to the consolidated balance sheets and income statements of the Company previously reported under Canadian GAAP. To help users of the financial statements better understand the impact of the adoption of IFRS on the Company, we have provided reconciliations from Canadian GAAP to IFRS for total assets, liabilities, and equity, as well as net income and comprehensive income for the comparative reporting periods. Please refer to note 10 of the condensed consolidated interim financial statements for the reconciliations between IFRS and Canadian GAAP.

Adoption of IFRS requires the application of IFRS 1, *First-time Adoption of International Financial Reporting Standards*, which provides guidance for an entity's initial adoption of IFRS. IFRS 1 gives entities adopting IFRS for the first time a number of optional exemptions and mandatory exceptions, in certain areas, to the general requirement for full retrospective application of IFRS. Please refer to note 10 of the condensed consolidated interim financial statements for a detailed description of the IFRS 1 exemptions we elected to apply.

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 June 30, 2011 there were 191,177,840 common shares issued and outstanding. At the date of this MD&A, there were no preferred shares issued and 232,277,840 common shares issued and outstanding. See Subsequent Events.

A 2011 Stock Options Incentive Plan was approved by shareholders at the Company's May 10, 2011 Annual and Special Meeting allowing up to 24,656,676 options to be granted. It replaced the 2010 Stock Option Incentive Plan that allowed up to 16,237,784 options to be granted.

At the date of this MD&A, there were 14,637,500 options outstanding and summarized below.

Date of Grant	Number of Options	Exercise Price	Expiry Date
February 7, 2007	750,000	$0.55	February 7, 2012
June 12, 2008	800,000	$0.20	June 12, 2013
July 4, 2008	850,000	$0.30	July 4, 2013
July 23, 2008	800,000	$0.62	July 23, 2013
July 8, 2009	937,500	$0.35	July 8, 2014
January 7, 2010	10,500,000	$0.30	Jan. 7, 2015
TOTAL	**14,637,500**		

On January 5, 2010, 500,000 options were exercised at a price of $0.075 per common share for total proceeds of $37,500. On May 11, 2010, 1,000,000 options were exercised at a price of $0.075 per common share for total proceeds of $75,000. On January 7, 2010 the Company allocated and otherwise granted 10,500,000 options as follows: 7,500,000 to current directors of the Company; 2,000,000 to a consultant of the Company; and 1,000,000 to the Company's Middle East advisor. On July 23, 2011 200,000 options expired.

The following table sets out all the outstanding share purchase warrants of the Company as at June 30, 2011:

Number of Warrants to Purchase Common Shares	Exercise Price	Expiry Date
120,540,000	$0.40	October 21, 2011
5,650,000	$0.40	October 21, 2011
1,250,000	$0.40	November 2, 2011
7,254,900	$0.20	November 17, 2011
1,500,000	$0.30	November 17, 2011
26,800,000	$0.15	May 18, 2012
1,072,000	$0.15	May 18, 2013
164,066,900		

On July 26, 2011 an additional 41,100,000 warrants were issued pursuant to a private placement of Units. Total warrants outstanding as at the date of this MD&A is 205,166,900. See Subsequent Events.

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.

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.

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.

All of Range's assets are located in Kurdistan. As such, Range 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 Range's operations are conducted, as well as risks of loss due to civil strife, acts of war, guerrilla activities, and insurrections. Range'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 Range 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 Range'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 Range's interest in Kurdistan.

Subsequent Events

Private Placement – July 26, 2011

On July 26, 2011 the Company completed a private placement of $6.165 million by the issuance of units at a price of $0.15 per unit (the "Unit"). Each Unit consists of one common share and one share purchase warrant. Each share purchase warrant entitles the holder to purchase one additional common share of the Issuer at $0.15 for a period of one year from the date of issue. Funds will be used to continue the exploration and development of the Issuer's Khalakan Block in Kurdistan region of Iraq and general corporate purposes. Pursuant to the closing, 41,100,000 common shares and 41,100,000 share purchase warrants were issued. Each private placement warrant entitles the holder to purchase one common share for $0.15 on or before July 26, 2012.

New Board Members and Resignations

On July 26, 2011 Pamela Powers, John Howland and Farid Zouioueche were appointed to the Board of Directors. On July 26, 2011 Donald Sheldon, Garth Edgar, R. Brian Murray and Patrick de Genevraye resigned as directors of the Company. Concurrently with the resignation of Donald Sheldon from the Board of Directors, the Executive Services Agreement with Sayonara Holdings Ltd., a company controlled by Donald Sheldon, was also terminated in accordance with the requisite termination clauses and with releases of all further obligations and Mr. Sheldon received $120,000 as termination fees. See the Company's July 27, 2011 news release.

Name and Stock Exchange Symbol Change

Effective September 1, 2011 the Company will change its name to Hawkstone Energy Corp. and continue trading under the symbol "HEC" on the Canadian National Stock Exchange (CNSX).

Forward Looking Information

Certain statements contained in this Management's Discussion & Analysis constitute forward looking statements. Such forward looking statements involve a number of known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from actual future results and achievements expressed or implied by such forward looking statements. Readers are cautioned not to place undue reliance on these forward looking statements, which speak only as of the date the statements were made. Readers are also advised to consider such forward looking statements while considering the risks set forth above. The Company undertakes no obligation to update these forward-looking statements in the event that management's beliefs, estimates or opinions, or other factors, should change, except as required by law.

To view the public documents of the Company, please visit the Company's profile on the SEDAR website at www.sedar.com.