

TO: Analysts and Investors  
FROM: Range Investor Relations Team  
DATE: July 25, 2019  
RE: Second Quarter Earnings Highlights

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Range released second quarter 2019 earnings this afternoon.

### **Second Quarter 2019 Highlights**

- In July, sold 2% overriding royalty in southwest Pennsylvania for gross proceeds of \$600 million
- Sold non-producing acreage in Pennsylvania for gross proceeds of \$34 million
- Cash unit costs of \$2.08 per mcf, an improvement of 5% since year-end 2018
- Production averaged 2,287 Mmcf per day, despite unplanned third-party downtime
- Southwest Pennsylvania production increased 12% over the prior-year to 1,958 Mmcf per day
- Natural gas differentials, including basis hedging, averaged \$0.24 per mcf below NYMEX
- Natural gas, NGLs and oil price realizations before NYMEX hedging averaged \$2.71 per mcf, a \$0.07 premium to NYMEX natural gas

### **Operations**

- Range's net production for second quarter 2019 averaged 2,287 Mmcf per day, consisting of 1,573 Mmcf per day of natural gas, 108,212 barrels per day NGLs and 10,795 barrels per day of condensate and oil
- Net Production by area:
  - Southwest Marcellus – 1,958 Mmcf per day
  - North Louisiana – 225 Mmcf per day
  - Northeast Marcellus – 104 Mmcf per day (including 16 Mmcf per day of legacy production)

### **Capital Spending**

Second quarter 2019 drilling and completion expenditures were \$183 million. In addition, during the quarter, \$8 million was spent on acreage purchases and \$1 million on gathering systems. Total capital expenditures during the first half of 2019 were \$418 million, or 55% of the annual budget. Range remains on target with its \$756 million total capital budget for 2019, which is expected to be funded within cash flows, excluding asset sale proceeds.

### **Guidance Updates**

- Third quarter production expected to be ~2.25 to 2.26 Bcfe per day, which excludes ~50 Mmcf per day from asset sales
- Full-year production guidance adjusted to ~2.3 Bcfe per day, which represents the midpoint of prior guidance after adjusting for asset sales
- Full-year pricing guidance on natural gas and oil/condensate differentials remains the same
- Full-year NGL prices expected to average approximately \$1.25 per barrel below the Mont Belvieu weighted equivalent. For more detail, refer to Supplemental Table 9 (new addition) on the Company's website
- Cash unit costs expected to improve ~5% from 2Q19 to 4Q19

## Updated or New Slides in the Presentation

Slide 9	Unit cost improvement since 4Q18 and versus five-year target
Slide 16	Capital allocation framework
Slide 39	Global LPG demand forecast versus U.S. LPG supply
Slide 42	Added Range's ample cushion versus liquidity covenants
Slide 44	Updated hedge position as of 6/30/19

On Range's website, you will also find links to the earnings press release, updated guidance, hedging details, as well as supplemental information that will assist you in reconciling GAAP to non-GAAP results, EBITDAX, cash margins, trends per mcfe and pricing tables for gas, NGLs, and crude oil.

## Conference Call and Webcast Information –

A conference call to review the financial results is scheduled on Friday, July 26 at 9:00 a.m. ET. To participate in the call, please dial 866-900-7525 and provide conference code 5476872 about 10 minutes prior to the scheduled start time.

A simultaneous webcast of the call may be accessed at [www.rangeresources.com](http://www.rangeresources.com). The webcast will be archived for replay on the Company's website until August 26, 2019.

**If you have questions on any of the information, please reach out to the IR team.**

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