MANAGEMENT'S DISCUSSION & ANALYSIS

The following is management's discussion and analysis ("MD&A") of the operating and financial results for the three months ended June 30, 2007 of New Range Resources Ltd. ("New Range" or "the Company"), dated as of August 13, 2007. This discussion should be read in conjunction with the Company's financial statements and notes for the three months and six months ended June 30, 2007 and 2006. The reader must be aware that historical results are not necessarily indicative of the future performance. All amounts are reported in Canadian dollars. The aforementioned documents can be accessed on the SEDAR web site www.sedar.com.

Nature of Business and Basis of Presentation

New Range was incorporated as "Open Range Capital Corp." under the *Business Corporations Act* (Alberta) on April 7, 2004. On March 30, 2006, a plan of arrangement involving the Company, Siga Resources Limited and Open Range Resources Ltd. was consummated and marked the commencement of oil and natural gas operations for the amalgamated Company. Under the plan of arrangement, Open Range Resources Ltd. acquired all the issued and outstanding shares of Siga Resources Limited in exchange for cash, and immediately thereafter, the Company acquired all the issued and outstanding shares of Open Range Resources Ltd. in exchange for shares of the Company. As both the Company and Open Range Resources Ltd. were controlled by the same group of shareholders and had the same Board of Directors, no change of control occurred with the purchase of Open Range Resources Ltd., and as a result, for accounting purposes, this transaction is being treated as occurring effective January 1, 2006. This is in accordance with the CICA Handbook's EIC 89 – *Exchanges of Ownership Interests Between Enterprises Under Common Control*, which provides that in such circumstances, the accounting treatment for a purchase is to be done on a continuity of interest basis. This allows for the two companies to merge their operations together as if they had always operated as one company, which in this case, has been selected by management to be as of January 1, 2006, notwithstanding the transaction closed on March 30, 2006.

For the purposes of calculating revenues and costs on a per unit basis, natural gas volumes have been converted to barrels ("bbl") of oil equivalent ("boe") using six thousand cubic feet ("mcf") of natural gas equal to one boe. This conversion conforms to Canadian Securities Regulators National Instrument 51-101 – *Standards of Disclosure for Oil and Gas Activities*. Use of the term boe may be misleading, particularly if used in isolation. A boe conversion ratio of 6 mcf:1 bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

Non GAAP Measures

This MD&A contains the term cash flow from operations, which should not be considered an alternative to, or more meaningful than, cash flows from operating activities as determined in accordance with Canadian Generally Accepted Accounting principles ("GAAP") as an indicator of New Range's performance. New Range's determination of cash flow from operations may not be comparable to that reported by other companies. The reconciliation between net earnings and cash flows from operating activities can be found in the statement of cash flows.

Forward-Looking Information

Certain statements contained in this interim management discussion and analysis may contain words such as "could", "should", "expect", "believe", "will" and similar expressions and statements relating to matters that are not historical facts but are forward-looking statements. Such forward-looking statements are subject to both known and unknown risks and uncertainties which may cause the actual results, performances or achievements of New Range to be materially different from any future results, performances or achievements expressed or implied by such forward-looking statements. Such factors include, among other things, the receipt of required regulatory approvals, the availability of sufficient capital, the estimated cost and availability of funding for the continued exploration and development of New Range's prospects, political and economic conditions, commodity prices and other factors.

Corporate Financial and Operational Summary

	Three months ended June 30		Six months ended June 30	
	2007	**2006**	**2007**	**2006**
Financial $ (except share figures)				
Total revenue	248,927	228,815	593,868	490,172
Net field operating income	110,889	133,398	269,961	294,704
Cash flow (deficiency) from operations	(71,217)	80,499	31,104	(79,897)
Loss for the period	(212,729)	(123,903)	(279,718)	(348,942)
Capital additions (net)	128,411	(562)	413,546	3,224,805
Working capital (deficiency)	(1,537,220)	557,762	(1,537,220)	557,762
Total assets	4,740,058	3,930,567	4,740,058	3,930,567
Total shares outstanding	23,678,500	23,868,500	23,678,500	23,868,500
Operations				
Production				
Gas (mcfpd)	231	152	277	173
Oil & NGL (bpd)	19	22	21	22
Boepd (6mcf = 1bbl)	58	48	67	51
Product Prices				
Gas ($/mcf)	6.70	7.00	6.95	7.52
Oil ($/bbl)	68.48	70.30	65.36	65.33
NGL ($/bbl)	35.18	50.68	41.96	50.40

President's Message

As of today's date the Company's daily production rate is 156 Boe/d. Pembina 2-12-47-9W5 was placed on production on July 6, 2007 at an initial rate of 70 Bopd and 200 mcfpd (66 Boe/d net). It is currently producing 23 Bopd and 150 mcfpd (31 Boe/d net).

Knopcik 14-9-74-11W6 has been on stream since May 17, 2007 and is producing at a steady rate of 1,500 mcfpd (75 Boe/d net). The operator is working on minor modifications to increase and stabilize the gas rate at 3,000 mcfpd (150 Boe/d net).

The past year has been exciting but difficult for New Range. The Company participated in two successful wells in 2006 and the outlook for the first half of 2007 looked very good. However, due to delays, cost overruns and factors beyond our control, the start up of production on the new wells at Pembina and Knopcik was substantially delayed. Furthermore, due to plant and pipeline restrictions our actual production rates were far less than expected. The good news is these two new wells are now on stream and we expect them to generate sufficient cash flow over the next year to reduce the current working capital deficiency.

With the new wells now classified as proved producing, New Range Resources Ltd. is working with its lender to increase the operating loan to $1.6 million. These new funds, in addition to existing cash flow from operations will enable the Company to continue its development drilling in the Pembina area and pursue other opportunities.

Hugh M. Thomson, CA

President,
New Range Resources Ltd.
August 13, 2007

Revenue from Oil and Natural Gas Operations

	2007 Q2	2007 Q1	2006 Q4	2006 Q3	2006 Q2	2006 Q1	2006 Year
Oil sales ($)	81,242	115,429	84,276	79,606	117,534	117,718	399,134
Natural gas sales ($)	147,276	215,179	108,456	102,280	96,524	138,301	445,561
NGL sales ($)	18,032	13,576	8,829	9,588	10,757	9,359	38,533
Total petroleum and natural gas sales ($)	246,550	344,177	201,561	191,474	224,815	265,378	883,228
Bbl Oil /day	13	21	12	13	18	22	16
Mcf Natural gas/day	231	322	162	213	152	194	180
NGL volume/day	6	4	2	2	2	2	2
Average production rates (boe/day)	58	79	42	50	46	56	48
$/Bbl Oil	68.48	61.07	77.37	68.75	70.30	60.36	68.00
$/mcf gas	6.70	7.14	7.27	5.23	6.99	7.93	6.78
$/Bbl NGL	35.18	38.78	39.19	43.53	50.68	50.12	45.63
$/boe	47.52	48.40	53.03	42.29	53.72	52.62	49.99

Revenues for the three months ended June 30, 2007, were $246,550 compared to $224,815 for the same period last year. The Company began operations in 2006 with the acquisition of Siga Resources Limited ("Siga") on March 30, 2006. Since effective control of Siga occurred in December, 2005 the operating results of Siga are included for the period January 1, 2006 to December 31, 2006.

Oil, natural gas and natural gas liquid sales averaged 58 barrels of oil equivalent per day during the second quarter of 2007 compared to 46 boe/d during the same period of 2006.

During the second quarter of 2007, average commodity prices received were $68.48 per bbl of oil, $35.18 per bbl of NGL and $6.70 per mcf of gas.

Royalties

	Three months ended June 30		Six months ended June 30	
	2007	2006	2007	2006
Royalties ($)	27,173	28,038	95,034	65,127
Royalties ($/boe)	5.24	6.46	7.47	7.06
Royalties Rate (% of revenue)	11	12	16	13

Netbacks

	Q2 2007	Q1 2007	Q4 2006	Q3 2006	Q2 2006	Q1 2006	Year 2006
Average Production Rates (boepd)	58	79	41	50	46	56	48
Total Revenue ($/boe)	47.51	48.40	53.03	41.29	53.72	52.62	49.99
Royalties ($/boe)	5.24	8.47	6.59	5.43	6.70	7.35	6.53
Operating Costs ($/boe)	20.94	14.62	22.90	12.47	15.14	13.28	15.58
Operating Netback ($/boe)	21.33	25.31	23.54	23.39	31.88	31.99	27.88
G & A Costs ($/boe)	30.31	6.20	29.50	12.33	13.43	65.95	31.59
Interest ($/boe)	5.07	1.72	16.28	0	0	0	3.59
Corporate Netback ($/boe)	(14.05)	17.39	(22.44)	11.06	18.45	(33.96)	(7.30)

Operating Costs

Operating costs can vary significantly depending on factors such as production rates, reservoir quality, water content and available infrastructure.

	Three months ended June 30		Six months ended June 30	
	2007	**2006**	**2007**	**2006**
Operating Costs ($)	108,488	67,379	225,581	130,362
Operating Costs ($/boe)	20.94	15.51	18.57	14.13
Operating Costs (% of revenue)	44	29	38	27

General & Administrative ("G & A") Expenses

	Q2 2007	**Q1 2007**	**Q4 2006**	**Q3 2006**	**Q2 2006**	**Q1 2006**	**Q4 2005**	**Year 2006**
G & A Costs ($)	158,418	49,676	112,083	57,175	56,197	332,570	23,788	558,025
G & A Costs ($/boe)	30.54	6.99	29.50	12.33	13.43	65.95	N/A	31.59

Interest Expenses

The balance outstanding under the Canadian Chartered Bank credit facility at June 30, 2007 was $754,778. The credit facility has a maximum of $825,000 with interest payable at the bank's prime rate plus 0.25% annually. At June 30, 2007 New Range also had short term loans outstanding of $650,000 due to related parties. The short term loans bear interest at bank prime rate plus 4% annually. Interest on the credit facility and short term loans was $26,065 for the three months ended June 30, 2007

Depletion, Depreciation and Accretion ("DD&A") Costs

The rate of depletion, depreciation and accretion with respect to petroleum and natural gas properties was $27.51 per boe produced.

	Three months ended June 30		Six months ended June 30	
	2007	**2006**	**2007**	**2006**
DD & A Costs ($)	141,512	204,402	310,822	269,045
DD & A Costs ($/boe)	27.51	46.70	25.65	29.15

DD&A costs were based on a reserve decline rate of 14.8% per year.

Cash Flow and Earnings

Net loss for the three months ended June 30, 2007 was ($212,729) on revenues of $246,550 as compared to a loss of (123,903) on net revenues of $224,815 during the same period in 2006.

	Q2 2007 $	Q1 2007 $	Q4 2006 $	Q3 2006 $	Q2 2006 $	Q1 2006 $	Year 2006 $
Revenues	246,550	344,176	201,561	191,474	224,815	265,378	883,228
Royalties	27,173	67,861	25,048	25,165	28,037	37,090	115,340
Other Income	2,307	764	(2,821)	3,852	3,298	13,402	17,731
Revenues after Royalties	221,684	277,080	173,692	170,161	204,075	237,691	785,619
Operating Costs	108,488	117,093	87,052	57,848	67,379	62,983	275,262
G&A Costs	158,418	49,676	112,084	57,175	56,197	332,570	558,025
Interest	26,065	12,296	60,294	0	0	2,534	62,928
Current Income Tax	0	4,305	0	0	0	0	0
Cash Flow	(71,217)	102,321	(88,837)	55,138	80,499	(160,396)	(110,597)
Cash Flow per Share (basic)	(0.003)	0.004	(0.0036)	0.0023	0.0034	(0.0177)	(0.0056)
Cash Flow per Share (diluted)	(0.003)	0.004	(0.0033)	0.0021	0.0031	(0.0164)	(0.0051)
DD&A	141,512	169,310	(153,828)	332,857	204,402	64,543	447,974
Stock Based Compensation	0	0	272,293	0	0	0	272,293
Future Income Tax	0	0	(336,135)	0	0	0	(336,135)
Net Income (loss)	(212,729)	(66,989)	131,932	(277,719)	(123,903)	(225,039)	(494,729)
Net Income (loss) per Share (basic)	(0.009)	(0.003)	0.0055	(0.0116)	(0.0052)	(0.0249)	(0.0249)
Net Income (loss) per Share (diluted)	(0.009)	(0.003)	0.0055	(0.0116)	(0.0052)	(0.0249)	(0.0249)

Capital Expenditures

During the three months ended June 30, 2007, New Range recorded $128,411 in net capital expenditures compared to ($562) in the same period in 2006.

Liquidity and Capital Resources

	June 30, 2007 $	December 31, 2006 $	June 30, 2006 $
Working Capital (Deficiency)	(1,537,220)	(1,089,440)	557,762

New Range has a working capital deficiency of $1,537,220 at the end of the Q2 2007 compared to positive working capital of $557,762 at the end of Q2 2006.

As of June 30, 2007 New Range had utilized $754,778 of its $825,000 revolving loan facility with a Canadian chartered bank. During Q1 2007, the Company obtained additional short term financing to cover its working capital deficiency.

Related Party Transactions

An officer and director of the Company is a lawyer whose firm provides legal services to the Company at market rates. In Q2 2007, amounts totaled $26,119 for such legal services (2006 - $ 8,956).

An officer and director of the Company, and an insider of the Company (holding in excess of 10% of the Company's common shares) is also a officer, director or insider of a private oil and gas company that entered into a sub-participation agreement with the Company pursuant to which the Company had the right to earn a 30% working interest in a gas well at Knopcik 14-9-74-11W6 at the period ended June 30, 2007, the Company had accounts payable and accrued liabilities to the private company in the amount of $119,833 in connection with the Company's share of expenses for development and production activity on the Knopcik 14-9-74-11W6 well.

In addition, during the period June 30, 2007, the Company paid $14,550 general and administrative expenses (2006 - $3,000) to the private oil and gas company in connection with sharing of administrative services with the private company.

Share Information

As of June 30, 2007, there were 23,678,500 common shares of the Company outstanding and 25,458,500 common shares diluted. There are 1,980,000 options to purchase common shares outstanding. The Company's common shares are listed for trading on the TSX Venture Exchange under the symbol "RGE".

New Range intends to, and has received all required regulatory approvals including approval by the TSX Venture Exchange in compliance with applicable securities, laws, rules and regulations, to make a normal-course issuer bid to repurchase up to 2,053,350 of its common voting shares, being 10 per cent of New Range's public float as defined in the policies of the TSX Venture Exchange. The bid commenced on January 17, 2007, and will continue until the earlier of January 16, 2008, and the date by which New Range has acquired the maximum 20,053,350 shares that may be purchased under the bid. In January and February 2007 the Company purchased 190,000 common shares in the market for $65,338, at an average purchase price of $0.34 per share.

	June 30 2007	December 31 2006	June 30 2006
Common Shares issued and outstanding	23,678,500	23,868,500	23,868,500
Common shares issuable on conversion:	-	-	-
Stock Options	1,980,000	1,780,000	700,000
Agent's Warrants	-	-	-
Diluted common shares outstanding	25,658,500	25,648,500	24,568,500

Critical Accounting Estimates

The significant accounting policies of New Range are disclosed in Note 2 to the 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, and revenues and expenses. New Range's management reviews its estimates regularly.

There are a number of critical estimates underlying the accounting policies employed in preparing the Financial Statements including cost estimates for services received but not yet billed which are estimated based on original quotes and historical cost information. In addition, estimates are provided for income taxes, stock based compensation, asset retirement obligations and depreciation, depletion and amortization of property and equipment.

The Company's Financial Statements have been prepared on a going concern basis, which contemplates the realization of certain assets and the payment of liabilities in the ordinary course of business. Should the Company be unable to continue as a going concern, it may be unable to realize the carrying value of its assets and to meet its liabilities as they become due. The financial statements do not include any adjustments relating to the recoverability and the classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence.

The determination of the Company's 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 consideration time. Accordingly, the actual income tax liability may differ significantly from estimated and recorded in the Company's Financial Statements.

Proved Petroleum and Natural Gas Reserves

The full cost method of accounting, which is used to account for oil and gas activities, relies on estimates of proved reserves that will ultimately be recovered from the properties. These estimates are utilized in calculating unit of production depletion, potential impairment of asset carrying costs and future site restoration expense. The process of estimating reserves is complex and requires judgment on available geological, engineering and economic data.

Reserves are evaluated at year-end by an independent engineering firm. Although the Company makes every effort to ensure the estimates are accurate, changing economic and operational conditions, and governmental regulations can significantly affect these estimates, which may cause fluctuations in earnings and cash flows.

Disclosure Controls and Procedures

Disclosure controls and procedures have been designed to ensure that information required to be disclosed by New Range is accumulated and communicated to our management as appropriate to allow timely decisions regarding required disclosure. The Company's Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO") have concluded, based on their evaluation as of December 31, 2006, that the Company's disclosure controls and procedures are effective to provide reasonable assurance that material information related to New Range, is made known to them by employees or third part consultants working for the Company.

Internal Control Over Financial Reporting

The design of the Company's internal control over financial reporting was assessed by the CEO and CFO as of December 31, 2006 pursuant to the requirements of Multilateral Instrument 52-109 of the Canadian Securities Administrators. During this process, management identified the following weaknesses in internal control over financial reporting which are as follows:

(a) Due to the limited number of staff, it is not possible to achieve a segregation of duties and;
(b) Due to the limited number of staff there is no independent review of more complex areas of accounting. This may result in inadvertent errors in the accounting for income taxes, complex or non-routine accounting transactions that may arise.

These weaknesses in the Company's internal controls over financial reporting results in a more than remote likelihood that a material misstatement would not be prevented or detected. Management and the board of director's work to mitigate the risk of material misstatement in financial reporting. In addition, when complex accounting and technical issues arise during the preparation of the quarterly financial statements, outside consulting expertise is engaged.

CORPORATE INFORMATION

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Stock Exchange Listing

TSX Venture Exchange
Trading Symbol: RGE

Abbreviations

bbl	barrels
bpd	barrels of oil per day
mcf	thousand cubic feet
mmcf	million cubic feet
mcfpd	thousand cubic feet per day
NGL	natural gas liquids
boe	barrel of oil equivalent (6:1)
boepd	barrel of oil equivalent per day