SECOND QUARTER INTERIM REPORT

Three Months Ended June 30, 2006

NEW RANGE resources ltd.

Operating Summary

The following table provides unaudited operating results for the three months ended June 30, 2006 and the six months ended June 30, 2006 (the Company did not have any operations in 2005):

	Three months ended June 30 2006	Six months ended June 30 2006
Operations		
Petroleum and natural gas revenue	**$ 228,815**	$ 490,172
Royalty expense	**28,038**	65,127
Revenue, net of royalties	**200,777**	425,066
Production expense	**67,379**	130,362
Net operating income	**$ 133,398**	$ 294,704
Production		
Oil and NGL		
Total (bbl)	**2,042**	4,021
Per day (bbl/d)	**22**	22
Average price ($/bbl)	**64.72**	63.50
Natural Gas		
Total (mcf)	**13,804**	31,240
Per day (mcf/d)	**152**	173
Average price ($/mcf)	**7.00**	7.52
Combined (6:1)		
Total (boe)	**4,343**	9,228
Per day (boe/d)	**48**	51

2006 Q2

President's Message

In the second quarter of 2006, the Company's petroleum and natural gas revenues (net of royalties) were $200,777. Cash flow from field operations for the period totalled $133,398 while the Company had cash flow of $80,499. The loss for the period was $123,903.

New Range is pleased to announce financial and operating results for the six months ended June 30, 2006.

The Company produced an average of 48 BOE (6 Mcf = 1 BOE) per day during the second quarter of 2006 which was comprised of 22 barrels of oil and natural gas liquids per day, and 152 Mcf of natural gas per day.

The Company ended the period with working capital of $557,762 and no bank debt. New Range has an unused revolving operating line of credit of $750,000.

Operations Update

Knopcik, Alberta

New Range Resources Ltd. has participated in a natural gas discovery at Knopcik located in the Grand Prairie area of Northern Alberta.

New Range has a 30-per-cent working interest in the discovery, which involved the re-entry and completion of an existing wellbore located at 14-09-74-11W6 (the 14-9 well). The 14-9 well, which penetrates the Halfway zone at a depth of 2,398 to 2,410 metres, was perforated, stimulated with a 30-tonne oil-based gel frac and then production tested.

The 14-9 well flow tested over a 63-hour period at a stabilized rate of 3.0 million cubic feet per day per day (500 barrels of oil equivalent per day gross) of slightly sour (7.5 per cent) natural gas from the Halfway zone through a 6.35-millimetre choke with a final flowing pressure of 17,350 kilopascals. The 14-9 well will remain shut in for 14 days with pressure recorders downhole for further reservoir analysis. Subject to receipt of the reservoir analysis data, New Range will make a decision on the construction of a one-mile pipeline tie-in for the 14-9 well in order to flow the gas to a sour natural gas plant located at 4-8-75-7W6.

As a result of its participation in the 14-9 well, New Range has earned an option to drill the adjacent Section 17-74-11W6, also on a 30-per-cent working interest basis. New Range's decision to exercise this option will be based on an evaluation of the final pressure and reserve data from the 14-9 well. Production from both the 14-9 well and any discoveries on Section 17-74-11W6 will be subject to an 18-per-cent non-convertible overriding royalty.

President's Message (cont.)

The final pressure readings from Knopcik 14-9 will be recorded on September 2, 2006 and the estimated reserves information will be calculated at that time. Initial surveys and landowner consents have been obtained at Knopcik for the 1-mile tie in and operating and facility use agreements are presently being executed.

Upon tie-in, Knopcik 14-9 well is anticipated to increase New Range's overall net production from 55 barrels of oil equivalent per day to approximately 200 barrels of oil equivalent per day through its 30-per-cent working interest.

Pembina, Alberta

In September, 2006 New Range Pembina 100/2-12-47-9W5/00 (2-12 well) will be drilled to a depth of 1,655 metres to evaluate the Cardium formation for oil production. New Range is the operator and has a 64% working interest in the well. The 2-12 well is an offset to New Range's well located at 8-12-47-9W5 (8-12 well). As a result of a holding application made by New Range to the AEUB, the spacing was reduced to 80 acres for oil wells in the southeast one-fourth of Section 12. Estimated cost to drill and case the well is $671,883 ($430,005 net). The initial production rate for the offsetting 8-12 well was 35 barrels per day, declining to 20 barrels day after one year.

Outlook

Company goals for the balance of 2006 are as follows:

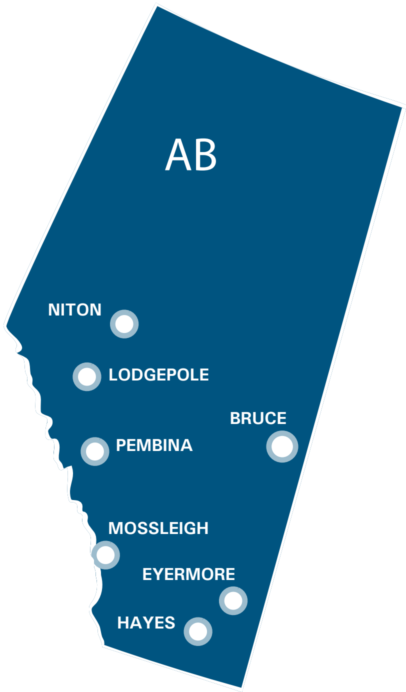
1) Complete drilling Pembina 2-12 and construct single well battery for production
2) Evaluate pressure and reserve information from Knopcik 14-9 and build pipeline and battery for production
3) Review seismic data over Knopcik section 17 and determine potential location for drilling in Winter 2006/2007
4) Evaluate new farm in opportunities for further drilling in 2007/2008

On behalf of the Board of Directors,

Hugh M. Thomson, C.A.
President
August 28, 2006

TSXV
RGE

Corporate Profile



New Range Resources Ltd. is a Calgary based junior oil and natural gas corporation, engaged in the exploration, development, acquisition and production of natural gas and medium to light gravity crude oil reserves in Alberta.

New Range's common shares trade on the TSX Venture Exchange (TSXV) under the symbol RGE.

The Company's primary corporate objective is to achieve non-dilutive growth and enhance shareholder value through internal prospect development, strategic production acquisitions and prudent financial management.

Financial Summary

The following table provides unaudited financial results for the three months and six months ended June 30, 2006 and 2005:

	Three months ended June 30		Six months ended June 30	
	2006	2005	2006	2005
FINANCIAL				
Net operating income	133,398	0	294,704	0
Interest income	3,298	1,181	14,166	2,313
Total income	136,696	1,181	308,870	2,313
General and adminstraive expense	56,197	9,195	388,767	19,482
Depletion, depreciation and accretion	204,402	0	269,045	0
Net income (loss)	(123,903)	(8,014)	(348,942)	(17,169)
Cash flow	80,499	(8,014)	(79,897)	(17,169)
Cash flow per share				
Basic	.003	-	(.003)	-
Diluted	.003	-	(.003)	-
Total assets	3,930,567	425,113	3,930,567	425,113
Shareholders equity	3,453,483	421,799	3,453,483	421,799
Weighted average shares outstanding for the period	23,468,500	7,000,000	16,069,727	7,000,000
Common shares issued and outstanding	23,468, 500	7,000,000	23,468,500	7,000,000

Management's Discussion & Analysis

The Management's discussion and analysis should be read in conjunction with the interim consolidated financial statements. The analysis compares results for the three months ended June 30, 2006, with the three months ended March 31, 2006. The Company had no operations for the period ended June 30, 2005.

Revenues	Three months ended June 30 2006	Three months ended March 31 2006	% Variance
Gross Revenues	228,815	261,378	(12)
Average Gas Price ($/Mcf)	6.27	7.93	(20)
Average Oil & NGL Price ($/Bbl)	60.70	63.35	(4)
Royalties			
Gross Royalties	28,038	37,089	(24)
Production Expenses			
Production Expense	67,397	62,083	9
Production Expense per BOE	14.19	13.25	9
Operating Netbacks per BOE			
Sales Price ($/BOE)	48.24	53.80	(10)
Royalties	5.91	7.80	(24)
Production Expenses	14.19	13.25	9
Operating Netback	28.14	32.75	(14)
General & Administrative Costs			
General & Administrative Costs	56,197	330,485	(83)
Depletion, Depreciation and Accretion			
Depletion depreciation and accretion	204,402	64,643	216

Financial Review

Gross revenues for the three month period ended June 30, 2006 decreased twelve percent to $228,815 from $261,378 for the three months ended March 31, 2006. The decrease in gross revenue resulted from a decrease in natural gas prices and production volumes. Natural gas prices fell from an average of $7.93/mcf in Q1 to $7.00/mcf in Q2 and average daily natural gas volumes decreased from 194 mcf/day to 152 mcf/day.

Royalty expenses were $28,038 or twelve percent of gross revenue for the three months ended June 30, 2006 compared to $37,089 or fourteen percent of gross revenue for the three months ended March 31, 2006.

MD & A (cont.)

Production expenses for the quarter increased nine percent to $67,3967 from $62,083 for previous quarter. Production expenses on a per boe basis increased from $13.25/boe for the first quarter of 2006 to $14.19/boe for the second quarter of 2006.

Field operating netbacks for the quarter decreased 14 percent to $28.14/BOE from $32.75 for previous quarter.

General and administrative expenses decreased from $330,485 for the three months ended March 31, 2006, to $56,197 for three months ended June 30, 2006. G&A expense for Q1 included significant one time legal, accounting and regulatory costs associated with the Plan of Arrangement involving the acquisition of Siga Resources Limited and Open Range Resources Ltd.

Depletion, depreciation and accretion expense for the quarter was $204,402 compared to $64,643 for the previous quarter in 2006. The large increase over Q1 is due to the bump up in the Company's capital assets base on the amalgamation of Open Range Capital Corp., Siga Resources Limited and Open Range Resources Ltd. on March 30, 2006.

New Range had a net loss of $123,903 for the three months ended June 30, 2006, compared to a net loss of $8,014 for the same period in 2005.

Review of Operations

New Range has completed it Qualifying Transaction and is now a Junior Oil and Gas producer and explorer. With a stable production base of approximately 50 BOE/day the Company is generating positive cash flow monthly, and has sufficient cash and working capital to carry out it capital program. The majority of capital expenditures will be spent on new farm in deals and follow-up drilling options. The assets acquired in the Qualifying Transaction provide minimal upside as the lands are almost fully developed. One exception are the lands at Pembina, Alberta where the Company has an undrilled 80 acre parcel where it will drill an infill oil well in the third quarter of 2006.

The main focus for the balance of 2006 will be the lands at Knopcik, Alberta where New Range participated at a 30% working interest in the recompletion of an existing wellbore and has earned the right to drill a follow-up well in the adjacent section. The adjacent section has multiple production horizons and may require two or three wellbores to maximize production.

Working Capital, Liquidity and Capital Resources

At June 30, 2006 New Range had working capital of $557,762 as compared to $394,725 at June 30, 2005. The Company has an unused operating line of credit with a chartered bank for $750,000. With monthly positive cash flow combined with working capital and bank lines New Range has sufficient capital resources to meet its exploration and development objectives.

Financial Statements

Balance Sheets Unaudited – Prepared by Management

June 30, 2006 (Unaudited) and December 31, 2005 (Audited)

		2006		2005
Assets				
Current assets:				
Cash	$	568,569	$	410,221
Accounts receivable		120,498		2,858
Prepaid expenses		16,695		-
		705,762		413,079
Capital assets		3,224,805		-
	$	3,930,567	$	413,079
Liabilities and Shareholders' Equity				
Current liabilities:				
Accounts payable and accrued liabilities	$	148,000	$	18,354
		148,000		18,354
Asset retirement obligation		329,084		-
Future income taxes		-		-
Shareholders' equity:				
Common shares		3,721,467		452,814
Contributed surplus		14,170		14,170
Retained earnings		(282,154)		(72,259)
		3,453,483		394,725
	$	3,930,567	$	413,079

See accompanying notes to financial statements.

"Signed"

Hugh M. Thomson,
Director

"Signed"

Thomas W. Robinson,
Director

Financial Statements (cont.)

Statements of Earnings and Retained Earnings

For the Three months Ended June 30, 2006 and 2005 (Unaudited)

	Three Months Ended June 30 (Unaudited)		Six Months Ended June 30 (Unaudited)	
	2006	**2005**	**2006**	**2005**
Revenue:				
Petroleum and natural gas	$ 228,815	$ -	$ 490,193	$ -
Royalties	(28,038)	-	(65,127)	-
	200,777	-	425,066	-
Other income	3,298	1,181	14,166	2,313
	204,075	1,181	439,231	2,313
Expenses:				
Operating	67,379	-	130,362	-
General and administrative	56,197	9,195	388,767	19,482
Depletion and depreciation	204,402	-	269,045	-
	327,978	9,195	790,708	19,482
Net loss	$ (123,903)	$ (8,014)	$ (348,942)	$ (17,169)

See accompanying notes to financial statements.

Financial Statements (cont.)

Statements of Cash Flows

For the Three months Ended June 30, 2006 and 2005 (Unaudited)

	Three Months Ended June 30 (Unaudited)		Six Months Ended June 30 (Unaudited)	
	2006	**2005**	**2006**	**2005**
Cash provided by (used in):				
Operations:				
Net loss	$ (123,903)	$ (8,014)	$ (348,942)	$ (17,169)
Items not involving cash:				
Depletion and depreciation	204,402	-	269,045	-
Funds generated from operations	80,499	(8,014)	(79,897)	(17,169)
Change in non-cash working capital	(187,297)	(6,795)	4,690	(5,915)
	(106,798)	(14,809)	(75,207)	(23,084)
Financing:				
Share issuance costs	(47,247)	-	(47,247)	157
Proceeds from issuance of share capital		-	3,315,900	-
Consolidation adjustment			(139,047)	
	47,247	-	3,129,606	157
Investment:				
Additions to property, plant and equipment	562	-	(3,224,805)	-
Asset retirement obligation			329,084	
	562	-	(2,895,721)	-
Increase (decrease) in cash	(153,484)	(14,809)	158,348	(22,927)
Cash, beginning of period	722,053	438,828	410,221	446,946
Cash end of period	$ 568,569	$ 424,019	$ 568,569	424,019

See accompanying notes to financial statements.

Notes to Interim Financial Statements

Three months ended March 31, 2006 and 2005 (Unaudited)

1. Nature of Operations

New Range Resources Ltd. (the "Company") was incorporated pursuant to the provisions of the Business Corporations Act (Alberta) on April 7, 2004 and subsequently amended its articles to remove the private company restrictions. On October 14, 2004 its common shares were listed for trading on the TSX Venture Exchange.

On March 30, 2006 New Range Resources Ltd. (formerly Open Range Capital Corp. "Open Range") completed its qualifying transaction and was promoted to a Tier I TSX Venture Exchange issuer. The qualifying transaction involved the acquisition of SIGA Resources Limited ("Siga"), pursuant to a plan of arrangement involving Open Range, SIGA and Open Range Resources Ltd. ("OR Resources"), a private company created by the management of Open Range in order to facilitate the financing of the acquisition. Pursuant to the arrangement: (i) OR Resources acquired all the issued and outstanding common shares of SIGA from SIGA's shareholders for cash consideration of 20 cents per SIGA share; (ii) Open Range acquired all of the issued and outstanding common shares of OR Resources from shareholders of OR Resources on the basis of one common share of Open Range for each OR Resources share; and (iii) OR Resources and Open Range were vertically amalgamated to form the amalgamated corporation New Range Resources Ltd.

2. Significant Accounting Policies

These financial statements have been prepared using the historical cost basis in accordance with Canadian generally accepted accounting principles. These financial statements have, in management's opinion, been properly prepared within the framework of the accounting policies summarized as follows:

Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. By their nature, these estimates are subject to measurement uncertainty. The effect of changes in such estimates on the financial statements in future periods could be significant. Accounts specifically affected by estimates in these financial statements are accounts receivable and accounts payable and accrued liabilities.

Cash

Cash consists of balances with financial institutions.

Stock-based compensation

The Company has a stock-based compensation plan, which is described in note 4. Awards of options under this plan are expensed based on the fair value of the options at the grant date. Any consideration paid by employees on exercise of stock options or purchase of stock is credited to share capital.

Revenue recognition

Interest income is recognized when earned.

Loss per share

The Company uses the treasury stock method of calculating per share amounts whereby any proceeds from the exercise of stock options or other dilutive instruments are assumed to be used to purchase common shares at the average market price during the period.

Future income taxes

The Company follows the asset and liability method of accounting for income taxes. Under this method, future tax assets and liabilities are recognized for the future tax consequences attributable to differences between financial statement carrying amounts of assets and liabilities and their respective tax bases.

3. Capital Assets

	June 30,2006	March 31,2006
Petroleum and natural gas properties	$ 5,112,411	$ 5,116,388
Furniture, fixtures and office equipment	3,415	-
	5,115,826	5,116,388
Less: Accumulated depletion and depreciation	(1,891,022)	(1,711,620)
	3,224,804	$ 3,404,768

4. Related Party Transactions

(a) During the six months ended June 30, 2006, the Company entered into transactions with the following related parties:

New North Resources Ltd. (“New North”), related by common directors
Robinson Stewart, Barristers and Solicitors (“Robinson Stewart”), controlled by two directors

Notes to Financial Statements (cont.)

(b) Transactions

Expenses		
Rent	$	6,000
Legal fees		35,824
	$	41,824

These transactions are in the normal course of operations and have been valued in these financial statements at the exchange amount which is the amount of consideration established and agreed to by the related parties.

5. Share Capital

a) Authorized

Unlimited number of Common voting shares without nominal or par value.

Unlimited number of Preferred shares, without nominal or par value, issuable in series. The directors are authorized to fix the number of shares in each series and to determine the designation, rights, privileges, restrictions and conditions attached to the shares of each series.

b) Issued

	Number	Value
Issued for cash in May 2004	3,000,000	$ 150,000
Issued for cash in October 2004	4,000,000	400,000
Share issuance costs		(97,186)
Balance December 31, 2005	7,000,000	452,814
Issued for cash in February 2006	2,230,000	446,000
Issued to acquire Open Range Resources Ltd. in March 2006	14,238,500	3,057,000
Share issuance costs		(234,347)
Balance June 30, 2006	23,468,500	$ 3,721,467

On May 11, 2004 the Company issued 2,200,000 common shares at a price of $0.05 per share for proceeds of $110,000.

On May 12, 2004 the Company issued an additional 800,000 common shares at a price of $0.05 per share for proceeds of $40,000.

Notes to Financial Statements (cont.)

On October 7, 2004 the Company issued 4,000,000 common shares to the public at a price of $0.10 per share for proceeds of $400,000. The costs of the issue were $97,186 including the agents' commission of 10% of gross proceeds raised.

In February, 2006 the Company issued 2,230,000 common shares at a price of $0.20 per share for proceeds of $446,000.

On March 30, 2006 the Company issued 14,238,500 common shares in exchange for all of the issued and outstanding shares of Open Range Resources Ltd. at a deemed price of $0.20 per share for total consideration of $3,057,000.

c) Escrowed shares
Under the requirements of the TSX-V the 3,000,000 common shares held by officers and directors will be held in escrow. On March 30, 2006 25% of these shares were released upon the issuance of the bulletin announcing the acceptance of the Company's qualifying transaction (the "initial release"). Hereafter 25% of the escrowed shares will be released on each of the 6, 12, 18, months following the initial release anniversaries.

The following options were outstanding at June 30, 2006:

	Number of options	Weighted average exercise price
Agents options	400,000	$ 0.10
Directors, employees and consultants	700,000	0.10
Directors, employees and consultants	1,250,000	0.25
Total options, end of period	2,350,000	$ 0.10

6. Subsequent Events

On August 15, 2006 the Company granted certain employees 80,000 options to acquire common shares at a price of $0.25/share such options having a term of 5 years.

Notice Of No Auditor Review

Pursuant to National Instrument 51-102, Part 4, subsection 4.3(3)(a), the accompanying unaudited interim financial statements have been prepared by management.

The company's independent auditors have not performed a review of these financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditors.

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TSX–V
RGE

NEW RANGE
resources ltd.

Corporate Information

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Note: [1]Audit Committee

Officers

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Vice President, Land

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Chief Financial Officer and
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Stock Exchange Listing

TSX Venture Exchange
TSX–V Trading Symbol: RGE

Abbreviations

Bbl	barrels
Bpd	barrels of oil per day
Mcf	thousand 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 (6:1)

Where amounts are expressed on a barrel of oil equivalent (“BOE”) basis, natural gas volumes have been converted to oil equivalence at six thousand cubic feet per barrel. The term BOEs 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.

All sums of money are expressed in Canadian dollars.