# OPEN RANGE ENERGY CORP. ANNOUNCES STRATEGIC WORKING-INTEREST ACQUISITION AT ANSELL/SUNDANCE AND $60 MILLION BOUGHT-DEAL FINANCING

**NOT FOR DISTRIBUTION TO U.S. NEWS WIRE SERVICES OR DISSEMINATION IN THE UNITED STATES**

OCTOBER 13, 2009 CALGARY, ALBERTA – Open Range Energy Corp. ("Open Range" or the "Company") (TSX: ONR) is pleased to announce it has reached an agreement to acquire the position of a working-interest partner in the Company-operated Ansell/Sundance property in west central Alberta (the "Acquisition"). The Acquisition will add current production of approximately 1,150 boe per day (93 percent natural gas), 5.0 million boe of proved plus probable reserves, 19 net sections of undeveloped lands and 61 net drilling locations in the heart of Alberta's prolific Deep Basin.

Consideration for the Acquisition is a cash payment of $60 million and the effective date of the Acquisition is October 1, 2009. The two parties to the transaction have executed a definitive purchase and sale agreement with the transaction expected to close on or about November 27, 2009. Cormark Securities Inc. acted as financial advisor to Open Range with respect to the Acquisition.

The Company-operated Ansell/Sundance property is a multi-zone, Deep Basin natural gas play that has grown organically from a grassroots discovery in 2005 to a current gross production rate of approximately 21 mmcf per day plus natural gas liquids (3,800 boe per day).

Anticipated strategic benefits of the Acquisition:

- Current corporate production increases from 2,350 boe per day to 3,500 boe per day, an increase of 49 percent;
- Current production at Ansell/Sundance increases by 59 percent from 1,950 boe per day to 3,100 boe per day and now represents nearly 90 percent of total corporate production;
- Average working interest at Ansell/Sundance increases from 59 percent to 85 percent on 58 gross sections;
- Net undeveloped land increases from approximately 52,800 acres to 64,900 acres, including an increase of 12,100 acres (19 net sections) at Ansell/Sundance to 31,700 acres (50 net sections);
- Proved plus probable reserves, based on the most recent independent evaluation at December 31, 2008, increase from 10 million boe to 15 million boe;
- Drilling inventory increases from 108 to 169 net locations, of which 36 are horizontal locations in the Bluesky, Wilrich and Notikewin formations. All locations are supported by 3D seismic;
- The addition of 12.1 mmcf per day in working interest compression and processing capacity at Open Range-operated facilities;
- No increase to corporate staff or addition of field facilities, resulting in further reductions to G&A expenses and operating costs on a unit-of-production basis. Open Range is already one of the lowest-cost junior producers in western Canada;
- Full tax-pool coverage on the purchase price, which increases the Company's combined corporate tax pools from an estimated $100 million pre-acquisition to approximately $160 million;
- Estimated fourth quarter cash flow increases from $3 million to $5 million, based on a spot natural gas price of $4 per GJ at AECO; and

- Significant corporate de-leveraging. The combination of increased cash flow and significant equity financing will result in the Company's forecast year-end debt to annualized estimated fourth quarter cash flow ratio decreasing from approximately 3:1 to 2:1 (assuming an average fourth quarter natural gas price of $4 per GJ at AECO).

Based on Open Range's internal estimate of $7 million in value for the undeveloped land and facilities interests, added production of 1,150 boe per day and 5.0 million boe of proved plus probable reserves added, the key metrics of the Acquisition are:

- $10.55 per proved plus probable boe of reserves added; and

- $46,100 per daily flowing boe of production added.

"This is an important strategic step forward for Open Range as it provides additional production and cash flow as well as a major increase in future upside in one of the highest-quality, multi-zone natural gas resource plays in western Canada," said Scott Dawson, Open Range President and CEO. "In addition to the significant corporate de-leveraging that will occur as a result of this acquisition and the combined bought-deal equity financing, the transaction gives us critical mass cash flow and further strengthens the balance sheet which allows us to follow up our exploration successes with an aggressive development program in the future" added Dawson.

Announcement of the Acquisition follows Open Range's recent operational update in which the Company announced solid production performance of 2.0 mmcf per day from its initial Bluesky horizontal, multi-stage fractured well at Ansell/Sundance, as well as plans to drill a further two horizontal wells beginning in early 2010. The Company's bank lines were recently reconfirmed at $54 million, of which approximately $17 million remains undrawn. Open Range expects that its borrowing base will be expanded as a result of its increased reserves.

**Bought Deal Financing**

In conjunction with the Acquisition, Open Range is also pleased to announce that it has entered into an agreement with a syndicate of underwriters led by Cormark Securities Inc. and including FirstEnergy Capital Corp., National Bank Financial Inc., Canaccord Capital Corp., Raymond James Ltd., Dundee Securities Corp. and GMP Securities Ltd. (collectively, the "Underwriters") pursuant to which the Underwriters have agreed to: (i) purchase 28,650,000 subscription receipts ("Subscription Receipts") at a price of $1.85 per Subscription Receipt; and (ii) offer for sale, on a bought deal basis, 3,050,000 special warrants ("Flow-Though Warrants") at a price of $2.30 per Flow-Through Warrant, subject to adjustment as described below.

Each Subscription Receipt shall entitle the holder thereof to receive, for no additional consideration and without further action, one common share ("Common Share") of the Company, upon satisfaction of the Escrow Release Conditions (defined below). The gross proceeds of the Subscription Receipt offering (the "Escrowed Funds") will be held in escrow and will be released to the Company upon satisfaction of the following conditions ("Escrow Release Conditions"): (i) the closing of the Acquisition in accordance with the terms and conditions of the purchase and sale agreement; and (ii) receipt by the Company of all necessary regulatory, shareholder and other approvals (including the approval of the TSX) for the Acquisition and the issuance of the Common Shares issuable pursuant to the Subscription Receipts. In the event that the Escrow Release Conditions are not satisfied at or before 5:00 pm (Calgary time) on December 18, 2009, the Escrowed Funds, together with accrued interest thereon, shall be returned to the holders of the Subscription Receipts.

Pursuant to the Bought Deal Financing, the Subscription Receipts will be offered by way of private placement in all provinces of Canada (except Quebec) and by way of private placement in the United States pursuant to exemptions from the registration requirements pursuant to Rule 144A and/or Regulation D of the United States Securities Act of 1933.

Open Range has also agreed to use its commercially reasonable efforts to file and obtain a receipt for a (final) short form prospectus (the "Receipt") qualifying the Common Shares issuable pursuant to the Subscription Receipts and upon exercise of the Flow-Through Warrants (described below) in all provinces of Canada, except Quebec, on or before the date of closing of the Acquisition (the "Prospectus Deadline Date"). If the Receipt is not issued by the Prospectus Deadline Date, each holder of Subscription Receipts shall receive 1.1 Common Share for each Subscription Receipt held.

Each Flow-Through Warrant will entitle the holder to receive, for no additional consideration and without further action, one Common Share to be issued on a "flow-through" basis (a "Flow-Through Share"), upon the earlier of (i) the issuance of the Receipt; and (ii) the earlier of (A) the date of closing of the Acquisition; and (B) December 29, 2009. The price per Flow-Through Warrant will be $2.30

per Flow-Through Warrant if the Receipt is issued prior to the earlier of the date of closing of the Acquisition and December 29, 2009 and otherwise will be $2.09 per Flow-Through Warrant.

The gross proceeds received by the Company from the sale of the Flow-Through Warrants will be used to incur eligible Canadian Exploration Expenses ("CEE"), which will be renounced in favour of the holders for the December 31, 2009 taxation year.

The Subscription Receipt offering and the Flow-Through Warrant offering are expected to close concurrently on or about November 3, 2009.

**OPEN RANGE ENERGY CORP. IS A PUBLICLY TRADED CANADIAN ENERGY COMPANY WITH FOCUSED OPERATIONS IN THE DEEP BASIN REGION OF ALBERTA.**

**THE TORONTO STOCK EXCHANGE HAS NEITHER APPROVED NOR DISAPPROVED OF THE INFORMATION CONTAINED HEREIN.**

**THE SECURITIES OFFERED HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED, AND MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES ABSENT REGISTRATION OR APPLICABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS. THIS PRESS RELEASE SHALL NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY NOR SHALLTHERE BE ANY SALE OF THE SECURITIES IN ANY JURISDICTION IN WHICH SUCH OFFER, SOLICITATION OR SALE WOULD BE UNLAWFUL.**

**For further information, please refer to the Company's website at** *www.openrangeenergy.com*, **or contact:**


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### Reader Advisory

This news release contains certain forward-looking statements, which include assumptions with respect to (i) completion of the Acquisition; (ii) completion of a financing; (iii) results to production, reserves, land values and other anticipated benefits of the Acquisition; (iv) future capital expenditures; (v) funds from operations; (vi) cash flow; and (vii) debt levels. The reader is cautioned that assumptions used in the preparation of such information may prove to be incorrect. All such forward-looking statements involve substantial known and unknown risks and uncertainties, certain of which are beyond Open Range's control. Such risks and uncertainties include, without limitation, risks associated with oil and natural gas exploration, development, exploitation, production, marketing and transportation, loss of markets, volatility of commodity prices, currency fluctuations, imprecision of reserve estimates, environmental risks, competition from other producers, inability to retain drilling rigs and other services, delays resulting from or inability to obtain required regulatory approvals and ability to access sufficient capital from internal and external sources, the impact of general economic conditions in Canada and the United States, industry conditions, changes in laws and regulations (including the adoption of new environmental laws and regulations) and changes in how they are interpreted and enforced, increased competition, the lack of availability of qualified personnel or management, fluctuations in foreign exchange or interest rates, stock market volatility and market valuations of companies with respect to announced transactions and the final valuations thereof, and obtaining required approvals of regulatory authorities. Open Range's actual results, performance or achievements could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurances can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do, what benefits, including the amount of proceeds, Open Range will derive therefrom. Readers are cautioned that the foregoing list of factors is not exhaustive. All subsequent forward-looking statements, whether written or oral, attributable to Open Range or persons acting on its behalf are expressly qualified in their entirety by these cautionary statements. Furthermore, the forward-looking statements contained in this news release are made as at the date of this news release and Open Range does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws.

Disclosure provided herein in respect of barrel(s) of oil equivalent (boe) may be misleading, particularly if used in isolation. A boe conversion ratio of 6 mcf:1 barrel is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

# OPEN RANGE ENERGY CORP. INCREASES BOUGHT-DEAL FINANCING TO $65 MILLION

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OCTOBER 13, 2009 CALGARY, ALBERTA – Open Range Energy Corp. ("Open Range" or the "Company") (ONR – TSX) is pleased to announce that as part of the bought-deal financing agreement announced on October 13, 2009 with a syndicate of underwriters led by Cormark Securities Inc. and including FirstEnergy Capital Corp., National Bank Financial Inc., Canaccord Capital Corp., Raymond James Ltd., Dundee Securities Corp. and GMP Securities Ltd. the Company has increased the size of the common share subscription receipt ("Subscription Receipts") offering to approximately $58.0 million. Under the agreement, the syndicate will now purchase from Open Range 31,350,000 Subscription Receipts at an issue price of $1.85 per Subscription Receipt and 3,050,000 special warrants to acquire common shares to be issued on a flow-through basis ("Flow-Through Warrants") at an issue price of $2.30 per Flow-Through Warrant for total gross proceeds to Open Range of approximately $65.0 million (the "Offering").

The Subscription Receipt offering and the Flow-Through Warrant offering are expected to close concurrently on or about November 3, 2009, and are subject to certain conditions including, but not limited to, the receipt of all necessary approvals, including shareholder approval and the approval of the Toronto Stock Exchange.

The proceeds of the Subscription Receipt financing will be used to acquire the position of a working-interest partner in the Company-operated Ansell/Sundance property in west central Alberta (the "Acquisition"). Each Subscription Receipt shall entitle the holder thereof to receive, for no additional consideration and without further action, one common share of the Company, upon satisfaction of the Escrow Release Conditions as detailed in the October 13, 2009 press release.

The gross proceeds received by the Company from the sale of the Flow-Through Warrants will be used to incur eligible Canadian Exploration Expenses ("CEE"), which will be renounced in favour of the holders for the December 31, 2009 taxation year.

The securities offered have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or applicable exemption from the registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

Further details of the Offering and the Acquisition are set out in the Company's press release of earlier today.

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