

December 15, 2012

Dear Shareholder,

A meeting of the Range Financial Corporation Board of Directors was held on November 29, 2012. At the meeting, the Directors approved the fourth quarter dividend for 2012 of \$1.20 per share to shareholders of record on December 1, 2012 and payable on December 15, 2012. Your dividend check or direct deposit receipt is enclosed.

The Stock Purchase Plan Committee last met on November 29, 2012 and established the price at which the Corporation would be willing to repurchase Range Financial Corporation stock on an as needed basis. The purchase price is set at \$139.00 per share. Periodically, we do have shareholders who wish to sell their shares and we maintain a list of potential buyers that we provide to potential sellers. If you are interested in being on the list of potential buyers, please send me a letter or e-mail to kapalmer@rangebank.com requesting to be on the list.

Range Financial Corporation continues to grow and assets now exceed \$280 million. In addition, we manage approximately \$215 million in off-balance sheet business sweep accounts, sold commercial and mortgage loans along with trust and wealth management assets bringing our total assets under management to over \$495 million. The financial performance of Range Financial Corporation continues to be strong and we have exceeded our budget for the year along with being 16% above last year's net income. Mortgage volumes continue to be strong and we have had a record year in loan originations. We appreciate the hard work of everyone in our mortgage department during this busy time.

As a reminder, we have appointed the Registrar and Transfer Company as our new transfer agent. They are available to assist you with any questions you may have regarding stock transfers, lost certificates, address changes and dividend payment options. You may contact them by letter, telephone or on-line at the following:

Registrar and Transfer Company
10 Commerce Drive
Cranford, New Jersey 07016-3572
Telephone: 1-800-368-5948
E-mail: info@rtco.com
Internet address: www.rtco.com

We are excited about the progress being made on our new 4,200 square foot Negaunee Highway Office. We expect the office to be open by the end of March 2013 and we appreciate our customer's patience during this construction period.

We are also moving forward with renovations on our downtown Marquette facility which will be completed in stages as tenant leases expire. We will begin renovations on the top floor sometime in

early 2013 and this floor will eventually house our Trust and Wealth Management department as well as our Executive Management team.

As always, we appreciate you as a shareholder and customer and hope that you continue to refer your family, friends and business associates to our bank for any financial service needs they may have. We remain grateful for your confidence in Range Financial Corporation and Range Bank. If you have any questions regarding the announcements in this letter or your relationship with our company, I encourage you to contact Roxanne Daust, Executive Vice President at 906-228-8043 or me at 906-228-8041.

On behalf of all of us at Range Financial Corporation and Range Bank, I wish you and your family the very best during this holiday season.

Sincerely,

Kenneth A. Palmer
Chairman, President and Chief Executive Officer