

EARLY WARNING REPORT

NATIONAL INSTRUMENT 62-103

The Early Warning System and Related Take-Over Bid and Insider Reporting Issues

(a) **Name and Address of offeror:**

Gulf LNG America, LLC
JP Morgan Chase Tower
600 Travis, Suite 6800
Houston, Texas 77002

(b) **The designation and number or principal amount of securities and the offeror's securityholding percentage in the class of securities of which the offeror acquired ownership or control in the transaction or occurrence giving rise to the obligation to file the news release, and whether it was ownership or control that was acquired in those circumstances:**

On May 16, 2012 the offeror exercised its common share purchase warrants (due to expire Friday, May 18, 2012) to acquire ownership and control over 13,400,000 common shares of Range Energy Resources Inc. (Range) at an exercise price of \$0.15 per common share.

(c) **The designation and number or principal amount of securities and the offeror's securityholding percentage in the class of securities immediately after the transaction or occurrence giving rise to the obligation to file the news release:**

Following the issuance of the common shares on May 17, 2012, the offeror owns 67,900,000 common shares of Range, and has the right to acquire within 60 days through common share purchase warrants, an additional 41,100,000 common shares of Range, for an aggregate of 109,000,000 common shares representing approximately 38.01% of the issued and outstanding common shares of Range (assuming the exercise in full of the common share purchase warrants).

(d) **The designation and number or principal amount of securities and percentage of outstanding securities of the class of securities referred to in paragraph (c) over which:**

(i) **the offeror, either alone or together with any joint actors, has ownership and control:**

See item (c) above.

(ii) **the offeror, either alone or together with any joint actors, has ownership but control is held by other persons or companies other than the offeror or any joint actor:**

Not applicable.

(iii) **the offeror, either alone or together with any joint actors, has exclusive or shared control but does not have ownership:**

Not applicable.

(e) **The name of the market in which the transaction or occurrence that gave rise to the reporting obligation took place:**

The common shares were issued pursuant to the exercise of common share purchase warrants owned by the offeror.

- (e.1) The value, in Canadian dollars, of any consideration offered per security if the offeror acquired ownership of a security in the transaction or occurrence giving rise to the obligation to file a news release:**

The common share purchase warrants were exercisable at a price of \$0.15 per common share, for total consideration of \$2,010,000.00.

- (f) The purpose of the offeror and any joint actors in effecting the transaction or occurrence that gave rise to the news release, including any future intention to acquire ownership of, or control over, additional securities of the reporting issuer:**

The offeror holds common shares and common share purchase warrants of Range as a strategic investment and may acquire additional common shares of Range, or dispose of its holding of the common shares of Range, both as investment conditions or any other relevant factors warrant.

- (g) The general nature and the material terms of any agreement, other than lending arrangements, with respect to securities of the reporting issuer entered into by the offeror, or any joint actor, and the issuer of the securities or any other entity in connection with the transaction or occurrence giving rise to the news release, including agreements with respect to the acquisition, holding, disposition or voting of any of the securities:**

The exercise price of the 13,400,000 common share purchase warrants at an exercise price of \$0.15 per common share into the same number of common shares of Range was carried out under the terms attached to the common share purchase warrants.

- (h) The names of any joint actors in connection with the disclosure required by this report:**

Not applicable.

- (i) In the case of a transaction or occurrence that did not take place on a stock exchange or other market that represents a published market for the securities, including an issuance from treasury, the nature and value of the consideration paid by the offeror;**

See (b) and (g) above.

- (j) If applicable, a description of any change in any material fact set out in a previous report by the entity under the early warning requirements or Part 4 in respect of the reporting issuer's securities:**

Not applicable.

- (k) If applicable, a description of the exemption from securities legislation being relied on by the offeror and the facts supporting that reliance:**

The securities were issued in reliance upon the prospectus exemption in Section 2.42 of National Instrument 45-106 *Prospectus and Registration Exemptions* in that the common shares of Range were issued in accordance with the terms and conditions of the previously-issued common share purchase warrants. In addition, the direct and indirect owners of the offeror are accredited investors as defined in applicable securities laws in the United States.

Dated May 23, 2012.