

EARLY WARNING REPORT

National Instrument 62-103

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

1. Name and address of Offeror

Gulf LNG America, LLC
c/o Crest Investment Company
JP Morgan Chase Tower
600 Travis, Suite 6800
Houston, Texas 77002

2. Designation and number, or principal amount, of securities and the Offeror's security holding 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 18, 2011 the Offeror acquired ownership of 13,400,000 units (the "**Units**") for \$0.15 per Unit, each Unit being comprised of one common share ("**Common Shares**") in the capital of Range Energy Resources Inc. ("**Range**") and one common share purchase warrant ("**Warrants**") entitling the Offeror to acquire up to 13,400,000 Common Shares at any time up to May 18, 2012. The transaction was completed as part of a private placement (the "**Private Placement**") completed by Range, resulting in aggregate gross proceeds to Range of \$4,020,000.

3. Designation and number, or principal amount, of securities and the Offeror's security holding percentage in the class of securities immediately after the transaction or occurrence giving rise to obligations to file a news release.

Following the acquisition on May 18, 2011, the Offeror owns, or has the right to acquire within 60 days (pursuant to the Warrants acquired in the Private Placement), 28,100,000 Common Shares, representing approximately 13.74% of the issued and outstanding Common Shares.

4. Designation and number, or principal amount of securities, and the percentage of outstanding securities of the class of securities referred to in paragraph 3 over which:

- (i) **The Offeror, either alone or together with joint actors, has ownership and control,**

See item 3 above.

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

Not applicable.

- (iii) **The Offeror, either alone or together with joint actors, has exclusive or shared control but does not have ownership.**

Not applicable.

5. **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 Units were issued at a price of \$0.15 per unit for total consideration paid by the Offeror of \$2,010,000.

6. **The name of the market in which the transaction or occurrence that gave rise to the news release took place.**

The Units were acquired by way of a private placement.

7. **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 the Common Shares and warrants as a strategic investment and may acquire additional Common Shares, or dispose of its holdings of Common Shares, both as investment conditions or any other relevant factors warrant. The Offeror has entered into an Investor Agreement in respect of the purchase of additional Common Shares and warrants, as described under item 8.

8. **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 securities.**

Prior to the acquisition, the Offeror's affiliate, Crest Investment Company, and Range entered into a non-binding letter of intent dated April 15, 2011 (the "**Letter of Intent**") pursuant to which Crest and Range intend to negotiate a transaction in which Crest or its designated affiliate would invest \$16,350,000 in a private placement of Common Shares at a price of \$0.15 per share, subject to due diligence review and other conditions. The Letter of Intent contemplates that up to \$2 million will be advanced in advance of the full investment being completed, which is the transaction giving rise to this report. In connection with the Private Placement, the Offeror and Range entered into an Investor Agreement dated May 18, 2011 (the "**Investor Agreement**"). In addition to certain interim non-solicitation and operating covenants, the agreement provides that, at the Offeror's request, Range shall as soon as reasonably practicable use all reasonable efforts to have two new directors, as shall be designated by Offeror, appointed to Range's board of directors and to designate one of such directors as Chairman of the Board. The Letter of Intent contemplates that additional board rights may arise upon further investment by the Offeror. If such further investment does not occur, the Investor Agreement provides that one of Offeror's two director nominees shall resign from the board of directors and Offeror shall have the right to have a nominee on the board of directors until the second anniversary of the Investor Agreement. A further report will be filed by the Offeror if and when it acquires additional securities of Range pursuant to the negotiations being conducted in connection with the Letter of Intent.

9. **The names of persons or companies acting jointly or in concert with the Offeror in connection with the disclosure required above.**

Not applicable.

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, in Canadian dollars of the consideration paid by the Offeror.

The Units were issued at a price of \$0.15 per Unit for a total purchase price by the Offeror of \$2,010,000.

- 10. 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 of Part 4 of National Instrument 62-103 in respect of the reporting issuer's securities.**

Not applicable.

- 11. When 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 registration and prospectus exemptions in Section 2.3 and Section 3.3 of National Instrument 45-106 *Prospectus and Registration Exemptions* and analogous registration exemptions in the United States. The direct and indirect owners of the Offeror are accredited investors as defined in applicable securities laws.

Dated May 18, 2011.