

**IN THE UNITED STATES DISTRICT COURT
IN AND FOR THE DISTRICT OF DELAWARE**

ROBERT HURWITZ, on Behalf of Himself and All Others Similarly Situated,)	Case No.: 1:15-cv-00711-MAK
)	
)	
Plaintiff,)	<u>CLASS ACTION</u>
v.)	
)	
ERIC MULLINS, CHARLES W. ADCOCK, JONATHAN C. FARBER, TOWNES G. PRESSLER, JR., JOHN A. BAILEY, JONATHAN P. CARROLL, SCOTT W. SMITH, RICHARD A. ROBERT, W. RICHARD ANDERSON, BRUCE W. MCCULLOUGH, and LOREN SINGLETARY,)	
)	
Defendants.)	
)	

**NOTICE OF PROPOSED SETTLEMENT
OF CLASS ACTION AND SETTLEMENT HEARING**

TO: ALL PERSONS OR ENTITIES:

(i) HOLDING LRR ENERGY, L.P. ("LRE" OR THE "COMPANY") COMMON UNITS AS OF AUGUST 28, 2015 THROUGH THE OCTOBER 5, 2015 CLOSE OF VANGUARD NATURAL RESOURCES, LLC'S ("VANGUARD") ACQUISITION OF LRE (THE "ACQUISITION"), WERE DAMAGED, AND ASSERT CLAIMS PRESENTLY SUSTAINED IN THE MARCH 13, 2017, DECEMBER 29, 2017, AND MARCH 8, 2018 ORDERS UNDER SECTIONS 14(A) AND 20(A) OF THE EXCHANGE ACT; AND

(ii) RECEIVING VANGUARD COMMON UNITS IN EXCHANGE FOR THEIR LRE COMMON UNITS ON OR ABOUT OCTOBER 5, 2015 UNDER THE REGISTRATION STATEMENT, AS AMENDED, WERE DAMAGED, AND ASSERT CLAIMS PRESENTLY SUSTAINED IN THE MARCH 13, 2017, DECEMBER 29, 2017, AND MARCH 8, 2018 ORDERS UNDER SECTIONS 11 AND 15 OF THE SECURITIES ACT;

(iii) BUT EXCLUDING DEFENDANTS, MEMBERS OF THE IMMEDIATE FAMILY OF EACH INDIVIDUAL DEFENDANT; AN OFFICER OR DIRECTOR OF VANGUARD OR LRE, A FIRM, TRUST, CORPORATION, OFFICER, OR OTHER ENTITY IN WHICH A DEFENDANT HAS OR HAD A CONTROLLING INTEREST; PERSONS PARTICIPATING IN THE ALLEGED MATERIAL OMISSIONS OR MISREPRESENTATIONS, AND THE LEGAL REPRESENTATIVES, AGENTS, AFFILIATES, HEIRS, BENEFICIARIES, SUCCESSORS-IN-INTEREST, OR ASSIGNS OF AN EXCLUDED PERSON OR ENTITY; AND ALSO EXCLUDING THOSE PERSONS LISTED IN EXHIBIT A-4 TO THE STIPULATION OF SETTLEMENT WHO, PURSUANT TO THE COURT'S JANUARY 17, 2018 ORDER [D.I. 126], TIMELY AND VALIDLY REQUESTED TO BE EXCLUDED FROM THE CLASS (THE "CLASS").

PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. YOUR RIGHTS MAY BE AFFECTED BY PROCEEDINGS IN THIS ACTION. PLEASE NOTE THAT IF YOU ARE A CLASS MEMBER, YOU MAY BE ENTITLED TO SHARE IN THE PROCEEDS OF THE SETTLEMENT DESCRIBED IN THIS NOTICE. TO CLAIM YOUR PRO RATA SHARE OF THE NET SETTLEMENT AMOUNT, YOU MUST SUBMIT A VALID PROOF OF CLAIM AND RELEASE FORM ("PROOF OF CLAIM") POSTMARKED OR SUBMITTED ONLINE ON OR BEFORE NOVEMBER 26, 2018.

This Notice of Proposed Settlement of Class Action and Settlement Hearing ("Notice") has been sent to you pursuant to Rule 23 of the Federal Rules of Civil Procedure and an Order of the U.S. District Court for the District of Delaware (the "Court"). The purpose of this Notice is to inform you of: (i) the pendency of this class action (the "Action") between plaintiff Robert Hurwitz ("Class Representative" or "Hurwitz"), defendants Eric Mullins, Charles W. Adcock, Jonathan C. Farber, Townes G. Pressler, Jr., John A. Bailey, and Jonathan P. Carroll (the "LRE Defendants"), and defendants Scott W. Smith, Richard A. Robert, W. Richard Anderson, Bruce W. McCullough, and Loren Singletary (the "VNR Defendants") (the LRE Defendants and VNR Defendants are, collectively, the "Defendants"); (ii) the proposed \$8 million settlement reached therein (the "Settlement"); and (iii) the hearing to be held by the Court to consider the fairness, reasonableness, and adequacy of the Settlement as well as Class Counsel's application for fees, costs, and expenses

and Class Representative's request for a Service Award (the "Settlement Hearing"). This Notice describes what steps you may take in relation to the Settlement and this class action.¹

This Notice is not intended to be, and should not be construed as, an expression of any opinion by the Court with respect to the truth of the allegations in the Action as to any of the Defendants or the merits of the claims or defenses asserted by or against the Defendants. This Notice is solely to advise you of the proposed Settlement of the Action and of your rights in connection therewith.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
SUBMIT A CLAIM FORM	As a Class Member, you will receive an Initial Settlement Payment (see No. 7 – How much will my payment be?). In addition to an Initial Settlement Payment, you are required to submit a Proof of Claim in order to also be eligible to receive a portion of the Net Settlement Amount allocated on a per-unit basis. Proof of Claim forms must be postmarked or submitted online on or before November 26, 2018.
OBJECT	Write to the Court about why you do not like the Settlement, the Initial Settlement Payment, the Plan of Allocation, and/or the request for attorneys' fees and expenses and the Service Award. You will still be a Member of the Class. Objections must be received by the Court on or before November 9, 2018.
GO TO THE HEARING ON DECEMBER 14, 2018.	You may speak in Court about the fairness of the Settlement at the Settlement Hearing currently scheduled for 12:30 p.m. Eastern, on December 14, 2018 , in the Courtroom of the Honorable Mark A. Kearney, at the U.S. District Court in and for the Eastern District of Pennsylvania, U.S. Courthouse, 601 Market Street, Philadelphia, PA 19106.
DO NOTHING	As a Class Member, you will receive an Initial Settlement Payment but no additional payment. You will, however, still be a Class Member, which means that you give up your right to ever be part of any other lawsuit against the Defendants or any other Released Party about the legal claims being resolved by this Settlement and you will be bound by any judgments or orders entered by the Court in the Action.

SUMMARY OF THIS NOTICE

Statement of Class Recovery

Pursuant to the Settlement described herein, an \$8 million settlement has been established (the "Settlement Amount"). A Class Member's actual recovery consists of: (i) the Initial Settlement Payment; plus (ii) a portion of the Net Settlement Amount allocated on a per-unit basis among the Settlement Amount Recipients who submit to the Paying Agent a valid Proof of Claim by November 26, 2018 based on the number of Vanguard common units received by the applicable Settlement Amount Recipient upon closing of the Acquisition.

Statement of Potential Outcome of the Case

The Settling Parties disagree on both liability and damages and do not agree on the amount of damages that would be recoverable, if any, if the Class prevailed on each claim alleged. The Defendants deny that they are liable to the Class and deny that the Class has suffered any damages. The issues on which the parties disagree are many, but

¹ All capitalized terms used in this Notice that are not otherwise defined herein shall have the meanings provided in the Stipulation of Settlement dated June 27, 2018, along with the addendums thereto dated July 11, 2018 and July 25, 2018 (the "Stipulation"), which are available online at www.lrenergysecuritieslitigation.com and www.robbinsarroyo.com/category/notices.

include: (1) whether Defendants engaged in conduct that would give rise to any liability to the Class under the federal securities laws, or any other laws; (2) whether Defendants have valid defenses to any such claims of liability; (3) whether the definitive joint registration statement/proxy statement disseminated by Defendants in connection with the Acquisition omitted material information concerning Vanguard's then-existing financial condition in violation of the federal securities laws; and (4) the amount of damages (if any) to which Class Representative and the Class are entitled.

Statement of Attorneys' Fees and Expenses Sought

Class Counsel will apply to the Court for an award of attorneys' fees not to exceed \$2.4 million (30% of the Settlement Amount), plus expenses not to exceed \$325,000, plus interest earned on both amounts at the same rate as earned by the Settlement Fund. Since the Action's inception, Class Counsel has expended considerable time and effort in the prosecution of this Action on a wholly contingent basis and has advanced the expenses of the Action with the expectation that if counsel was successful in obtaining a recovery for the Class, counsel would be paid from such recovery. In addition, the Class Representative intends to petition the Court for a Service Award to reflect the time and effort he has expended on behalf of the Class.

Further Information

For further information regarding the Action, this Notice, or to review the Stipulation, please contact the Claims Administrator toll-free at (800) 324-2941, or visit the website at www.lirenergysecuritieslitigation.com.

You may also contact representatives of counsel for the Class: Stephen J. Oddo, Esq., Robbins Arroyo LLP, 600 B Street, Suite 1900, San Diego, CA 92101, Telephone: 619-525-3990, www.robbinsarroyo.com.

PLEASE DO NOT CALL THE COURT OR DEFENDANTS WITH QUESTIONS ABOUT THE SETTLEMENT.

Reasons for the Settlement

Class Representative's principal reason for entering into the Settlement is the benefit to the Class now, without further risk or the delays inherent in continued litigation. The cash benefit under the Settlement must be considered against the significant risk that a smaller recovery—or, indeed, no recovery at all—might be achieved after contested motions, trial, and likely appeals, a process that could last several years into the future. For Defendants, who have denied and continue to deny all allegations of liability, fault, or wrongdoing whatsoever, the principal reason for entering into the Settlement is to eliminate the uncertainty, risk, costs, and burdens inherent in any litigation, especially in complex cases such as this Action.

BASIC INFORMATION

1. Why did I get this Notice package?

This Notice was sent to you pursuant to an Order of a U.S. federal court because you or someone in your family or an investment account for which you serve as custodian may have owned LRE common units as of August 28, 2015 that were exchanged for Vanguard common units on or about October 5, 2015, upon close of the Acquisition. This Notice explains the class action lawsuit, the Settlement, Class Members' legal rights in connection with the Settlement, what benefits are available, who is eligible for them, and how to get them.

This Action is pending in the U.S. District Court for the District of Delaware and the case is known as *Hurwitz v. Mullins, et al.*, Case No. 1:15-cv-00711-MAK. The case has been assigned to the Honorable Mark A. Kearney of the U.S. District Court for the Eastern District of Pennsylvania. The individual representing the Class is the Class Representative, and the individuals he sued and who have now settled are called the Defendants.

2. What is this lawsuit about?

On August 18, 2015, Class Representative filed a class action complaint on behalf of the public unitholders of LRE against the LRE Defendants, Vanguard, and Lighthouse Merger Sub, LLC ("Lighthouse Merger Sub"), asserting violations of sections 14(a) and 20(a) of the Securities Exchange Act of 1934 (the "Exchange Act"), and U.S. Securities and Exchange Commission ("SEC") Rule 14a-9 promulgated thereunder, in connection with the acquisition of LRE by Vanguard and Lighthouse Merger Sub that was first announced on April 20, 2015. On January 20, 2016, the Court appointed Hurwitz as Lead Plaintiff, Robbins Arroyo LLP as Lead Counsel, and Cooch and Taylor, P.A. as Liaison Counsel for plaintiff.

On June 22, 2016, Hurwitz filed the operative Amended Class Action Complaint ("Complaint"), adding LRE and the VNR Defendants as defendants, and alleging: violations of section 14(a) of the Exchange Act against LRE, Vanguard, Lighthouse Merger Sub, the LRE Defendants, and the VNR Defendants; violations of section 20(a) of the Exchange Act against the LRE Defendants and the VNR Defendants; and violations of sections 11 and 15 of Securities Act of 1933 ("Securities Act") against Vanguard and the VNR Defendants.

On August 22, 2016, Defendants filed their motion to dismiss the Complaint, which Hurwitz opposed.

On February 1, 2017, Vanguard and several of its subsidiaries, including LRE, filed voluntary petitions for Chapter 11 bankruptcy in the U.S. Bankruptcy Court for the Southern District of Texas. On February 23, 2017, a notice of bankruptcy and suggestion of automatic stay was filed in this Court by Vanguard and LRE. On August 1, 2017, Vanguard announced that it successfully emerged from Chapter 11 as a new corporation under the name of Vanguard Natural Resources, Inc.²

On March 13, 2017, Judge Sue L. Robinson denied Defendants' motion to dismiss. On March 27, 2017, the Defendants filed answers to the Complaint.

On July 25, 2017, this matter was reassigned to Judge Mark A. Kearney in the U.S. District Court for the Eastern District of Pennsylvania upon Judge Robinson's retirement. On August 2, 2017, Judge Kearney issued a revised scheduling order shortening the period for fact and expert discovery and setting a July 30, 2018 trial date.

On November 3, 2017, Hurwitz moved for class certification, which Defendants opposed. Also on November 3, 2017, Defendants filed motions for summary judgment on Hurwitz's individual Securities Act and Exchange Act claims. On December 29, 2017, Defendants' motions for summary judgment were denied without prejudice as premature. On January 2, 2018, Judge Kearney granted Hurwitz's motion for class certification and conditionally certified a class consisting of former LRE unitholders who held LRE common units as of August 28, 2015 that were exchanged on or about October 5, 2015 for Vanguard common units in connection with the close of the LRE Acquisition.

On January 17, 2018, the Court entered an order approving the Class notice, notice procedures, and appointment of notice administrator and set May 29, 2018 as the deadline for Class Members to request exclusion from the Class. Since March 30, 2018, approximately 14,134 notices have been mailed to potential members of the certified Class. As of May 29, 2018, twenty-two putative members of the Class have submitted requests for exclusions.

During the pendency of the Action, the Settling Parties have undertaken extensive fact and expert discovery relating to the claims in this litigation. Specifically, Class Counsel has reviewed tens of thousands of pages of documents and other materials produced by Defendants in response to numerous discovery requests, including e-mail communications, board materials, financial data, analyst reports, and SEC filings. Class Counsel has also reviewed documents and other materials produced in response to the subpoenas Class Counsel issued to various third-parties, including, among others: (i) LRE's financial advisor, Tudor, Pickering, Holt & Company; (ii) LRE's conflicts committee's financial advisor, Simmons & Company; and (iii) Vanguard's lead lender and administrative agent, Citibank, N.A. Since January 2018, Class Counsel has deposed ten witnesses who played a role in the Acquisition of LRE and/or the administration of Vanguard's credit agreement, including many of the former officers and/or directors of LRE and Vanguard. Class Counsel has responded to discovery propounded by Defendants and sat for a deposition by Defendants' counsel. In addition, Class Counsel retained three industry and financial experts to assist with evaluating documents and testimony as well as assessing damages sustained by Class Representative and the Class as a result of Defendants' alleged violations of the Exchange Act and the Securities Act. On April 9, 2018, Class Counsel provided Defendants reports of the three persons designated by Class Representative as experts. That same day, Class Representative received the affirmative report of the person whom Defendants designated as an expert.

In April 2018, the Settling Parties agreed to participate in mediation before Robert A. Meyer, Esq. The Settling Parties prepared detailed mediation statements and engaged in a full-day, in-person mediation session with Mr. Meyer on May 17, 2018. These efforts culminated with the Settling Parties agreeing to settle the Action for \$8,000,000, subject to the negotiation of the terms of a Stipulation of Settlement and approval by the Court. On May 22, 2018, the Settling Parties informed the Court that they reached an agreement-in-principle to settle the Action.

² On March 7, 2018, Class Representative stipulated to the dismissal of LRE and Vanguard as, pursuant to the Bankruptcy Plan, any claims against the debtors Vanguard and LRE were expunged, disallowed, and discharged. Pursuant to the stipulation, on March 8, 2018, the Court dismissed defendants LRE and Vanguard with prejudice.

3. Why is there a Settlement?

The Court has not decided in favor of the Defendants or the Class Representative. Instead, both sides agreed to the Settlement to avoid the distraction, costs, and risks of further litigation, and Class Representative agreed to the Settlement in order to ensure that Class Members will receive compensation.

WHO IS IN THE SETTLEMENT

4. How do I know if I am a Member of the Class?

The Court directed that everyone who fits this description is a Class Member: **all Persons or entities that held LRE common units as of August 28, 2015 that were exchanged for Vanguard common units on or about October 5, 2015 under the registration statement (as amended) issued in relation to the Acquisition and were damaged thereby**, except those Persons or entities that are excluded.

Excluded from the Class are: Defendants; members of the immediate family of each individual Defendant; an officer or director of Vanguard or LRE; a firm, trust, corporation, officer, or other entity in which a Defendant has or had a controlling interest; Persons participating in the alleged material omissions or misrepresentations; and the legal representatives, agents, affiliates, heirs, beneficiaries, successors-in-interest, or assigns of any excluded Person or entity. Also excluded from the Class is any Class Member who requested exclusion on or before the May 29, 2018 deadline provided in the Class notice.

Please Note: If you are a Class Member and you wish to be eligible to participate in the pro rata distribution of proceeds from the Net Settlement Amount, you are required to submit the Proof of Claim that is being distributed with this Notice and the required supporting documentation as set forth therein postmarked or submitted online on or before November 26, 2018.

5. What if I am still not sure if I am included?

If you are still not sure whether you are included, you can ask for free help. You can contact the Claims Administrator toll-free at (800) 324-2941, or you can fill out and return the Proof of Claim form enclosed with this Notice package to see if you qualify.

THE SETTLEMENT BENEFITS – WHAT YOU GET

6. What does the Settlement provide?

The Settlement provides that, in exchange for the release of the Released Claims (as defined below) and dismissal of the Action with prejudice, Defendants have agreed to instruct their respective insurer and/or indemnitor to pay their respective portion of a Settlement Amount that totals \$8 million in cash. After the deduction of Administration Costs, taxes, Initial Settlement Payments, fees, expenses, and Service Award, the remaining Settlement Amount proceeds will be distributed according to the Plan of Allocation. (See No. 19 – How will the Settlement Amount be Allocated?)

7. How much will my payment be?

A payment of \$5.00 (five dollars, payable via check—each an "Initial Settlement Payment" and together the "Initial Settlement Payments") will be made to each Person who: (i) is a Class Member; (ii) received notice of class pendency pursuant to the Court's January 17, 2018 Order [D.I. 126], or otherwise provides a valid Proof of Claim identifying him, her, or itself as a valid Class Member; and (iii) did not validly request exclusion from the Class.³

In addition to an Initial Settlement Payment, each Class Member is also eligible to receive a portion of the Net Settlement Amount. (See No. 19 – How will the Settlement Amount be allocated?). Your share of the Net Settlement Amount will depend on several things, including the total amount of claims represented by the valid Proof of Claim forms that Class Members send in, compared to the amount of your claim.

³ For avoidance of doubt, submission of a Proof of Claim is not required for a Class Member to be entitled to receive an Initial Settlement Payment.

The proposed Settlement, if approved by the Court, will provide \$8 million to pay claims of investors who received Vanguard common units on or around October 5, 2015 in connection with the close of the Acquisition. The \$8 million represents a recovery of approximately \$0.76 per Vanguard common unit received by the Class.

The Court-appointed lawyers for the Class will ask the Court for up to \$2.4 million in attorneys' fees (30% of the Settlement Amount) and up to \$325,000 in reimbursement for expenses for their work litigating the case and negotiating the Settlement. They will also ask for an award to the Class Representative not to exceed \$25,000, for his reasonable time and effort in securing the Settlement. If approved by the Court, these amounts (totaling approximately \$0.26 per Vanguard common unit) will be paid from the Settlement Fund.

The estimated average recovery for the Class, after deducting attorneys' fees and expenses, and the Class Representative award of reasonable costs and expenses (if approved by the Court), is approximately \$0.50 per Vanguard common unit received in connection with the close of the Acquisition of LRE.

HOW YOU GET A PAYMENT – SUBMITTING A CLAIM FORM

8. How can I get a payment?

The Initial Settlement Payments will be distributed by the Claims Administrator via U.S. Mail to each eligible Person after the Final Approval Order becomes Final and is no longer subject to appeal.

To be eligible to receive a pro rata payment from the Net Settlement Amount, you **MUST** submit a Proof of Claim form. A Proof of Claim form is enclosed with this Notice or it may be downloaded at www.Irrenergysecuritieslitigation.com. Read the instructions carefully, fill out the Proof of Claim, include all the documents the form asks for, sign it, and **mail or submit it online so that it is postmarked or received no later than November 26, 2018**. The Proof of Claim form may be submitted online at www.Irrenergysecuritieslitigation.com.

9. When would I get my payment(s)?

The Court will hold a Settlement Hearing on December 14, 2018, at 12:30 p.m., to decide whether to approve the Settlement. If the Court approves the Settlement, there might be appeals. It is always uncertain whether appeals can be resolved, and if so, how long it would take to resolve them. It also takes time for all the Proofs of Claim to be processed. Please be patient. In any event, the Settlement calls for the Initial Settlement Payments to be distributed to eligible Class Members after the Final Approval Order approving the Settlement becomes a "Final" judgment and is no longer subject to appeal.

10. What am I giving up if the Settlement is approved?

Unless you timely and validly excluded yourself, you are in the Class, and that means you cannot sue, continue to sue, or be part of any other lawsuit against Defendants or the Released Parties about the Released Claims. It also means that all of the Court's orders will apply to you and legally bind you. If the Settlement is approved and if you are a Class Member and have not timely and validly opted out of the Class, you will give up all "Released Claims," including "Unknown Claims" (as defined below) that you may have against the "Released Parties" (as defined below):

- "Released Claims" means any and all manner of claims, rights, duties, controversies, obligations, demands, actions, debts, amounts, costs, sums of money, expenses, suits, contracts, agreements, promises, damages, losses, judgments, liabilities, allegations, arguments, and causes of action of every nature and description, that have been, could have been, or in the future can or might be asserted in any court, tribunal, or proceeding (including but not limited to any claims arising under federal, state, local, common, statutory, administrative, or foreign law, or any other law, rule, or regulation, at law or in equity), whether class or individual in nature, whether fixed or contingent, whether accrued or unaccrued, whether liquidated or unliquidated, whether matured or unmatured, whether pleaded or unpleaded, whether suspected or unsuspected, whether apparent or unapparent, including Unknown Claims as defined in paragraph 1.31 of the Stipulation, that the Class Representative or any Class Member asserted or could have asserted based upon, arising out of, or relating to any fact, matter, allegation, transaction, event, disclosure, statement, representation, act, failure to act, or omission that was asserted or could have been asserted by Class Representative or any Class Member which arise out of or relate in any way to: (i) the Acquisition; (ii) any actions, deliberations or negotiations in connection with the Acquisition or any agreements, disclosures, or events related thereto; (iii) the transfer or conversion of LRE units as a result of the Acquisition; or (iv) any disclosure, public filing (including, but not limited to registration statements and proxies), or other statements, acts, or omissions by LRE, Vanguard, Lighthouse Merger Sub, any Defendant, or any Released Party based

upon, arising out of, or relating to any fact, matter, allegation, transaction, event, disclosure, statement, representation, act, failure to act, or omission that was asserted or could have been asserted by Class Representative or any Class Member in the Action; provided, however, that the Released Claims shall not include claims to enforce the Settlement.

- "Released Parties" collectively and "Released Party" individually means: (i) each Defendant; (ii) any Person which is, was, or will be related to or affiliated with any Defendant or in which any Defendant has, had, or will have a controlling interest; (iii) LRE; (iv) Vanguard and Vanguard Natural Resources Inc.; and (v) each and all of the foregoing's current and former parents, subsidiaries, general partners, divisions, and affiliates (including, for avoidance of doubt, Lime Rock Resources), and the respective present and former employees, members, principals, officers, directors, controlling unitholders, attorneys, advisors, accountants, auditors, and insurers and reinsurers of each of them; and the predecessors, successors, estates, spouses, heirs, executors, trusts, trustees, administrators, agents, legal or personal representatives, and assigns of each of them, in their capacity as such.
- "Unknown Claims" means any claim that Class Representative or any other Class Member does not know or suspect exists in his, her, or its favor at the time of the release of the Released Claims as against any Released Party, including without limitation those which, if known, might have affected the decision to enter into the Settlement or to object or to not object to the Settlement. With respect to any of the Released Claims, the Settling Parties stipulate and agree that upon the occurrence of the Effective Date and by operation of the Final Approval Order, Class Representative and each Class Member shall be deemed to have expressly waived, relinquished, and released any and all provisions, rights, and benefits conferred by or under California Civil Code §1542 or any law of the United States or any state of the United States or territory of the United States, or principle of common law, which is similar, comparable, or equivalent to California Civil Code §1542, which provides:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

Class Representative acknowledges, and the Class Members by operation of law shall be deemed to have acknowledged, that they may discover facts in addition to or different from those now known or believed to be true with respect to the Released Claims, but that it is the intention of Class Representative, and by operation of law the Class Members, to completely, fully, finally, and forever extinguish any and all Released Claims, known or unknown, suspected or unsuspected, which now exist, or heretofore existed, or may hereafter exist, and without regard to the subsequent discovery of additional or different facts. Class Representative acknowledges, and the Class Members by operation of law shall be deemed to have acknowledged, that the inclusion of "Unknown Claims" in the definition of "Released Claims" was separately bargained for and was a material element of the Settlement and was relied upon by each and all of Defendants in entering into the Stipulation.

THE LAWYERS REPRESENTING YOU

11. Do I have a lawyer in this case?

The Court ordered that the law firm of Robbins Arroyo LLP represents the Class Members, including you. These lawyers are called Lead Class Counsel. If you want to be represented by your own lawyer, you may hire one at your own expense.

12. How will the lawyers be paid?

Class Counsel will apply to the Court for an award of attorneys' fees not to exceed \$2.4 million (30% of the Settlement Amount) and for expenses and costs in an amount not to exceed \$325,000 in connection with the Action, plus interest on such fees and expenses at the same rate as earned by the Settlement Fund. In addition, Class Representative may seek a Service Award of up to \$25,000 to reflect the time and effort he has expended on behalf of the Class. Such sums as may be approved by the Court will be paid from the Settlement Fund.

OBJECTING TO THE SETTLEMENT

You can tell the Court that you do not agree with the Settlement or any part of it.

13. How do I tell the Court that I object to the proposed Settlement?

If you are a Class Member, you can comment or object to the proposed Settlement and/or Lead Class Counsel's fee and expense application and Class Representative's Service Award. You can write to the Court setting out your comment or objection. The Court will consider your views. To comment or object, you must send a signed letter saying that you wish to comment on or object to the proposed Settlement in the *LRE Litigation*. Include your name, address, telephone number, and your signature, and documents sufficient to prove: (i) the number of LRE common units you held as of August 28, 2015 and (ii) the number of Vanguard common units you received on or about October 5, 2015 in exchange for your LRE units owned as of August 28, 2015 in connection with the close of the Acquisition, and state your comments or the reasons why you object to the proposed Settlement. Your comments or objections must be filed or delivered **on or before November 9, 2018** to the Clerk of Court, U.S. District Court for the District of Delaware, 844 North King Street Unit 18, Wilmington, DE 19801.

THE COURT'S SETTLEMENT HEARING

The Court will hold a hearing to decide whether to approve the proposed Settlement. You may attend and you may ask to speak, but you do not have to.

14. When and where will the Court decide whether to approve the proposed Settlement?

The Court will hold a Settlement Hearing at **12:30 p.m., on December 14, 2018**, in the Courtroom of the Honorable Mark A. Kearney, at the U.S. District Court in and for the Eastern District of Pennsylvania, U.S. Courthouse, 601 Market Street, Philadelphia, PA 19106. At the hearing, the Court will consider whether the Settlement and requested fees and expenses are fair, reasonable, and adequate. If there are objections, the Court will consider them, even if you do not ask to speak at the hearing. The Court will listen to people who have asked to speak at the hearing. The Court may also decide how much to pay to Class Counsel and Class Representative. After the Settlement Hearing, the Court will decide whether to approve the Settlement. We do not know how long these decisions will take. You should be aware that the Court may change the date and time of the Settlement Hearing without another notice being sent to Class Members. If you want to attend the hearing, you should check with Lead Class Counsel or the Settlement website www.lreenergysecuritieslitigation.com beforehand to be sure that the date and/or time has not changed.

15. Do I have to come to the Settlement Hearing?

No. Lead Class Counsel will answer questions the Court may have. But, you are welcome to come at your own expense. If you send an objection, you do not have to come to Court to talk about it. As long as you mailed your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but it is not necessary. Class Members do not need to appear at the Settlement Hearing or take any other action to indicate their approval.

16. May I speak at the hearing?

If you object to the Settlement or the fee and expense application, you may ask the Court for permission to speak at the Settlement Hearing. To do so, you must file an objection with the Court prior to the objection deadline (see No. 13 — How do I tell the Court that I object to the proposed Settlement?). Persons who intend to object to the Settlement and/or any attorneys' fees and expenses to be awarded to Lead Class Counsel or Class Representative and desire to present evidence at the Settlement Hearing must include in their written objections the identity of any witnesses they may call to testify and exhibits they intend to introduce into evidence at the Settlement Hearing.

IF YOU DO NOTHING

17. What happens if I do nothing?

If you do nothing, your recovery will be limited to the Initial Settlement Payment.

If you do nothing, you will not receive any *pro rata* recovery from the Net Settlement Amount.

In addition, unless you timely and validly excluded yourself from the Class by May 29, 2018, you will not be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against Defendants or the Released Parties about the Released Claims.

GETTING MORE INFORMATION

18. How do I get more information?

For even more detailed information concerning the matters involved in this Action, you can obtain answers to common questions regarding the proposed Settlement by contacting the Claims Administrator toll-free at (800) 324-2941. Reference is also made to the Stipulation, to the pleadings in support of the Settlement, to the Orders entered by the Court and to the other settlement-related papers filed in the Action, which are posted on the Settlement website at www.lreenergysecuritieslitigation.com, and which may be inspected at the Office of the Clerk of the U.S. District Court in and for the District of Delaware, U.S. Courthouse, 844 North King Street Unit 18, Wilmington, DE 19801, during regular business hours. For a fee, all papers filed in this Action are available at www.pacer.gov.

PLAN OF ALLOCATION OF NET SETTLEMENT AMOUNT AMONG CLASS MEMBERS

19. How will the Settlement Amount be allocated?

The Settlement Amount of \$8 million and any interest earned thereon is the "Settlement Fund."

Initial Settlement Payments:

If the Settlement is approved by the Court and upon the Court's Final Approval Order becoming a "Final" judgment and is no longer subject to appeal, the Initial Settlement Payments will be disbursed to each eligible Class Member by the Paying Agent via U.S. Mail. The Initial Settlement Payments will be made payable to Person(s) receiving this Notice plus potentially others who submit valid Proofs of Claim.

You must cash the Initial Settlement Payment within one hundred and twenty (120) days of the date of issuance. Each uncashed Initial Settlement Payment shall be void one hundred and twenty (120) days after the date of issuance. The remaining balance from each uncashed and voided Initial Settlement Payment shall be reallocated and included in the Net Settlement Amount.

Allocation of the Net Settlement Amount:

After payment of the Initial Settlement Payments, the Settlement Fund, less all taxes, approved costs, fees, expenses, and the Initial Settlement Payments (the "Net Settlement Amount") shall be distributed to Class Members who submit timely and valid Proof of Claim forms to the Claims Administrator ("Settlement Amount Recipients").

In the unlikely event there are sufficient funds in the Net Settlement Amount, each Settlement Amount Recipient will receive an amount equal to the Settlement Amount Recipient's claim, as outlined below. If, however, and as is more likely, the amount in the Net Settlement Amount is not sufficient to permit payment of the total claim of each Settlement Amount Recipient, then each Settlement Amount Recipient shall be paid the percentage of the Net Settlement Amount that each Settlement Amount Recipient's claim bears to the total of the claims of all Settlement Amount Recipient. Payment in this manner shall be deemed conclusive against all Settlement Amount Recipients.

The Net Settlement Amount will be disbursed by the Paying Agent to each Settlement Amount Recipients as soon as reasonably practicable after the Initial Settlement Payments. The Net Settlement Amount will be allocated on a per-unit basis amongst the Settlement Amount Recipients who have submitted to the Claims Administrator a valid Proof of Claim by the deadline provided in this Notice based on the number of LRE common units held as of August 28, 2015 that were exchanged for Vanguard common units on or about October 5, 2015 upon close of the Acquisition.

Distributions will be made to Settlement Amount Recipients after all claims have been processed and after the Court has finally approved the Settlement. If any funds remain in the Net Settlement Amount by reason of uncashed distribution checks or otherwise, then, after the Claims Administrator has made reasonable and diligent efforts to have Class Members who are entitled to participate in the distribution of the Net Settlement Amount cash their distributions, any balance remaining in the Net Settlement Amount after at least one hundred and twenty (120) days after the initial distribution of such funds shall be used: (a) first, to pay any amounts mistakenly omitted from the initial disbursement; (b) second, additional settlement administration fees, costs, and expenses, including those of Lead Class Counsel as may

be approved by the Court; and (c) to make a second distribution to claimants who cashed their checks from the initial distribution and who would receive at least \$10.00, after payment of the estimated costs, expenses, or fees to be incurred in administering the Net Settlement Amount and in making this second distribution, if such second distribution is economically feasible. These redistributions shall be repeated, if economically feasible, until the balance remaining in the Net Settlement Amount is *de minimis* and such remaining balance shall then be distributed to the United Way of Greater Houston's Disaster Recovery Fund, which was selected by the Settling Parties because both LRE and Vanguard were headquartered in Houston, Texas, and many Class Members are believed also to reside there.

Defendants, their respective counsel, and all other Released Parties will have no responsibility or liability whatsoever for the investment of the Settlement Fund, the distribution of the Initial Settlement Payments, the Net Settlement Amount, the Plan of Allocation, or the payment of any claim. Class Representative and Class Counsel, likewise, will have no liability for their reasonable efforts to execute, administer, and distribute the Settlement.

SPECIAL NOTICE TO SECURITIES BROKERS AND OTHER NOMINEES

If you caused an individual or organization, for a beneficial interest other than yourself, to hold LRE common units as of August 28, 2015 that were exchanged for Vanguard common units on or about October 5, 2015 in connection with the close of the Acquisition, the Court has directed that, WITHIN TEN (10) CALENDAR DAYS OF YOUR RECEIPT OF THIS NOTICE, you either (a) provide to the Claims Administrator the name and last known address of each person or organization that held LRE/Vanguard common units during such time period, or (b) request additional copies of this Notice and the Proof of Claim form, which will be provided to you free of charge, and within ten (10) calendar days mail the Notice and Proof of Claim form directly to the beneficial owners of the LRE/Vanguard common units referred to herein. If you choose to follow alternative procedure (b), upon such mailing, you must send a statement to the Claims Administrator confirming that the mailing was made as directed and retain the names and addresses for any future mailings to Class Members. You are entitled to reimbursement from the Settlement Fund of your reasonable expenses actually incurred in connection with the foregoing, including reimbursement of postage expense and the cost of ascertaining the names and addresses of beneficial owners. Your reasonable expenses will be paid upon request and submission of appropriate supporting documentation. All communications concerning the foregoing should be addressed to the Claims Administrator:

LRR Energy Securities Litigation Settlement
c/o GCG
P.O. Box 10532
Dublin, Ohio 43017-4532
(800) 324-2941
www.lreenergysecuritieslitigation.com

Dated: August 9, 2018

BY ORDER OF THE COURT
UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE