



Form ADV Part 2A: Firm Brochure

Lime Rock Management LP

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Principal Office

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This brochure provides information about the qualifications and business practices of Lime Rock Management LP and its affiliates (collectively, “Lime Rock” or the “Adviser”). If you have any questions about the contents of this Brochure, please contact our Chief Compliance Officer, Anu Mehta, at 713-345-2105 or email amehta@lrpartners.com.

Additional information about Lime Rock is also available on the SEC’s website at: www.adviserinfo.sec.gov.

Lime Rock is registered as an investment adviser with the United States Securities and Exchange Commission (the “SEC”) under the Investment Advisers Act of 1940, as amended (the “Advisers Act”). Registration as an investment adviser with the SEC does not imply a certain level of skill or training. In addition, the information in this Brochure has not been approved or verified by the SEC or by any state securities authority.

Item 2: Material Changes

Lime Rock filed its most recent annual amendment to Form ADV Part 2A on March 30, 2020. This section is designed to make clients and investors aware of certain information that has changed since the most recent version of the Brochure and that may be important to them.

This annual amendment updates the description of the business practices of Lime Rock and its affiliates, including with respect to regulatory assets under management, certain risks, conflicts of interest, client referrals and other compensation. In certain cases we have elaborated on these disclosures to conform with the disclosures generally contained in the offering documentation and governing documents for our Funds (as defined herein). We encourage all recipients of this Brochure to read it carefully in its entirety.

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Item 4: Advisory Business

Lime Rock Management LP (“Lime Rock”) was founded in 1998, and as of December 31, 2020 managed approximately \$5,739,854,631 in client assets on a discretionary basis for investments in the energy industry through three types of private investment funds: Lime Rock Partners, Lime Rock Resources and Lime Rock New Energy.

Lime Rock Partners was formed with the goal of generating long-term capital appreciation through investments of private growth capital in energy companies in three principal sectors: (i) exploration and production; (ii) energy service; and (iii) oil service technology. Lime Rock Partners consists of six private investment funds (the “Partners Funds”) and six co-investment funds (the “LRP Co-investment Funds”). Lime Rock Partners does not invest directly in oil and natural gas properties, but its exploration and production portfolio companies do invest in those types of assets.

Lime Rock Partners IV, L.P. (“Fund IV”), does not have investments and is in the process of dissolving.

Lime Rock created Lime Rock Partners IV AF, L.P. (“Fund IV AF”) in 2018 to hold certain assets of Fund IV. Fund IV transferred its remaining investments to Fund IV AF in 2018. Since Fund IV AF was created to hold specific investments and not to invest in new opportunities, many of its commercial terms vary from the other Partners Funds as explained in further detail below.

Lime Rock Resources was formed by Lime Rock for the purpose of acquiring mature, lower-risk oil and natural gas producing properties with long-lived production profiles, and currently consists of three private investment funds (collectively, the “Resources Funds”).

Lime Rock is principally owned directly and indirectly by Jonathan Farber and John Reynolds.

Lime Rock serves as an investment manager and provides discretionary advisory services to the Partners Funds, the Resources Funds, LRNE and the Co-investment Funds (collectively, the “Funds,” and each, a “Fund”). Investors in the Funds include large institutional investors such as endowments, foundations and pension funds as well as fund of funds, family trusts and high net worth individuals.

The Funds include private investment partnerships and foreign investment companies, together with any respective parallel funds, special purpose and/or subsidiary investment vehicles. Typically, within each Fund structure is a designated general partner (the “General Partner,” and collectively, the “General Partners”), and the Co-investment Funds share the General Partner of one of the Funds that they are co-invested with. To the extent that the context otherwise requires, references to Lime Rock include the General Partners.

In providing services to the Funds, Lime Rock provides portfolio management and administrative services, including investigating, analyzing, structuring, and negotiating potential investments, monitoring the performance of portfolio companies, and advising the Funds as to disposition opportunities. Lime Rock provides investment advice solely to its Fund clients and it is not tailored individually to the limited partners or shareholders of the Funds (the “Investors” or “Limited Partners”). Lime Rock manages the assets of the Funds in accordance with the terms of each Fund’s

individual limited partnership agreement, offering memorandum and other governing documents applicable to each Fund (the “Governing Fund Documents”). All terms are generally established at the time of the formation of a Fund, and are only terminable once the applicable Fund is dissolved, wound up, and terminated. The Investors generally are not permitted to restrict investments by the Funds in any capacity beyond the Governing Fund Documents, and except in limited circumstances, Limited Partners are not permitted to withdraw from a Fund prior to the Fund’s dissolution. Investors participate in the overall investment program for the applicable Fund but in certain circumstances are excused from a particular investment due to legal, regulatory or other agreed-upon circumstances pursuant to the Governing Fund Documents; such arrangements generally do not and will not create an adviser-client relationship between Lime Rock and any Investors.

Equity interests in the Funds are not registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”), and the Funds are not registered under the Investment Company Act of 1940, as amended (the “Investment Company Act”). Accordingly, equity interests in the Funds are offered and sold exclusively to investors satisfying the applicable eligibility and suitability requirements, either in private transactions within the United States or in offshore transactions.

Item 5: Fees and Compensation

General

Lime Rock provides investment advisory services to each of the Funds pursuant to separate management agreements (the “Agreements”). The Agreements for each Fund, along with the applicable Governing Fund Documents, set forth in detail the fee structure relevant to each such Fund, and they generally vary by Fund. The terms of the Agreements are generally established at the time of the formation of the applicable Fund.

Although it varies by Fund, Lime Rock typically receives compensation from fees based on a percentage of assets under management, carried interest allocations and certain other fees or expenses related to transactions (see below). Investors should review all fees charged by Lime Rock and others as detailed in the applicable Governing Fund Documents to fully understand the total amount of fees to be paid by a Fund and, indirectly, by its Limited Partners.

Management Fee

The Funds (other than Fund IV and Fund IV AF and the Co-Investment Funds) pay Lime Rock an annual management fee (the “Management Fee”) that generally ranges between 1.5% to 2.0% (per annum) of committed capital during the investment period, subject to a downward adjustment in certain instances, including, without limitation, Lime Rock raising a successor Fund, the investment period expiring, or, in the case of the Partners Funds and LRNE, the aggregate remaining capital commitments of the Limited Partners being reduced below 10% of the aggregate commitments of all the partners in the Fund. The LRP Co-investment Funds generally do not pay an annual management fee, except certain Investors in the LRP Co-investment Funds that are not also Investors in the Partners Funds or the Resources Funds, pay an annual Management Fee of 0.5% (per annum) of committed capital during the investment period of the applicable LRP Co-investment Fund. The LRNE Co-investment Fund pays an annual management fee of 1.0% of committed capital during its investment period, which fee is reduced if Investors therein also invest in LRNE. The Management Fee is negotiable. The Management Fee is payable quarterly in advance and is typically based upon committed capital during the investment period and on

remaining invested contributions thereafter, in each case in accordance with the terms of the applicable Governing Fund Documents. Where the Governing Fund Documents calculate Management Fees based on the amount of capital commitments or the amount of investment contributions, the amount of Management Fees generally will not be reduced based on reductions in investment value, except where specified by the relevant Governing Fund Documents. As a general matter, Management Fees will be payable during term extensions unless otherwise agreed with investors in the relevant Fund. As described more fully below, the Management Fee is subject to reduction due to other types of collected fees; and Lime Rock or the General Partner each reserves the right to waive or reduce management fees in its sole discretion.

Fund IV has no investments and does not currently charge a Management Fee.

Fund IV AF charges an annual Management Fee 0.75% (per annum) of contributed capital to certain (but not all) Limited Partners in that Fund that is subject to downward adjustment in later years of the Fund.

Carried Interest Allocations

A portion of each Fund's (other than the Co-investment Funds') net investment profit generally is allocated to the capital account of its General Partner as "carried interest." The manner of calculation of such carried interest is disclosed in the Governing Fund Documents, and generally varies by Fund. Generally, however 20% of the investment profits of the Funds (subject to the exceptions that follow) are allocated as carried interest to such Fund's General Partner after payment of a preferred return of 8% per annum to its Investors. Carried interest is subject to a clawback obligation and an escrow in certain Funds. The LRP Co-investment Funds do not allocate carried interest to such Co-investment Funds' General Partner. Fund IV AF only charges carried interest to certain of its Limited Partners, which carried interest varies depending on performance of the Fund and ranges from 0% to 25%. The LRNE Co-investment Fund charges carried interest of up to 10% after payment of a preferred return of 8% per annum to its Investors. Lime Rock and the applicable General Partner reserve the right to reduce or waive such carried interest for any Investor in any Fund. Please refer to Item 6 for further details regarding such performance-based compensation.

Transaction, Break-Up and Other Fees And Other Fees Earned by Lime Rock

While Lime Rock does not typically charge transaction or monitoring fees, to the extent specified in the relevant Governing Fund Documents, in certain circumstances it will be permitted to receive portfolio company directors' fees, transaction fees, monitoring fees, break-up or topping fees, management services or advisory consulting fees and other similar advisory fees ("Fee Income"). An amount ranging from 80% to 100% of all Fee Income paid by portfolio companies that are received by Lime Rock, a General Partner or any of their respective affiliates, net of any related expenses, will be credited against future Management Fees otherwise payable. The remaining amount of such Fee Income will be retained by Lime Rock or its applicable affiliate. All such fees will be allocated between the applicable Fund and any related co-investing entities on the basis of capital committed by each to the relevant investment. As a result, a Fund will, in most cases, benefit only with respect to its allocable portion on a fully diluted basis of any such Fee Income and not the portion of any Fee Income that relates to any other co-investors or potential co-investors (which could include co-investment vehicles managed by Lime Rock, third parties, portfolio company

management or employees and/or others) participating in the relevant transaction, which have the potential to be significant. Management Fee reductions will be carried forward to apply to future charges of Management Fee incurred by the same Fund. Additionally, Fee Income received by Lime Rock in respect of Funds for which it has waived the right to collect Management Fees will be retained by Lime Rock up to the amount of total Management Fees payable.

Organizational Expenses

Each Fund bears all legal and other expenses incurred in the formation of such Fund and the offering of the interests, up to an amount not to exceed the amount specified in the relevant Governing Fund Documents. Organizational expenses in excess of this amount will be paid by the applicable Fund, but borne by Lime Rock through a 100% offset against the Management Fee.

Other Expenses

With respect to Funds other than the Resources Funds, Lime Rock will pay all costs and expenses incurred by Lime Rock in providing for its and the General Partners' normal operating overhead, including benefits and salaries of the Manager's employees, rent and other expenses incurred in maintaining the Manager's place of business. To the extent possible, third-party costs will be charged to portfolio companies. The Funds will bear all costs, expenses, liabilities and obligations in connection with their (and their subsidiaries' and intermediate entities') operations, business and investments, including, without limitation: fees, costs, and expenses (including travel, legal, consulting, tax, accounting, recordkeeping and environmental, social and governance reporting expenses) related to the identification, investigation, evaluation, arrangement, pursuit, negotiation, structuring, acquisition, holding, monitoring, hedging, valuing, selling and disposition of actual or potential portfolio investments (each, to the extent not reimbursed by a portfolio company); software costs; insurance costs (including D&O insurance, insurance protecting portfolio company investments and insurance protecting the Funds and any other person from liabilities in connection with the Fund's or portfolio companies' business and activities and with respect to the coverage of Lime Rock); legal, custodial and accounting expenses, including costs of reporting to the Limited Partners, expenses associated with the preparation of financial statements, tax returns and Schedule K-1s and the representation of the Funds or the Limited Partners by the tax matters representative; auditing, accounting, banking and consulting expenses; costs and expenses of the Limited Partner advisory committees and the annual meetings (including related meals and entertainment expenses); costs and expenses in connection with any audit, proceeding, litigation or threatened litigation (including discovery) and any related settlement or judgement; taxes and other governmental charges, fees and duties levied against a Fund or on its income or assets or in connection with its business or operations; indemnification of covered employees, officers and managers of the Funds and their affiliates, and other extraordinary expenses; expenses related to organizing persons through or in which portfolio investments may be made; buy-side and sell-side finders' fees (or any other similar sourcing payment); costs of car or other transportation services for Lime Rock employees conducting specific travel on behalf of a Fund; expenses incurred in connection with attending conferences (including related travel, lodging and/or meals) relating to specific investment opportunities and/or the relevant industries or strategies in which a Fund invests; any fees or expenses related to the transfer of a Limited Partner's interest in a Fund (to the extent not borne by the relevant Limited Partner); third-party administration expenses; costs and expenses related to any structuring or restructuring of a Fund and/or its subsidiaries; capital and interest payments and other expenses related to any credit facilities; cost related to winding-up and

liquidating a Fund; costs and expenses related to a Fund's compliance with applicable laws, rules and regulations; and any other fees, costs or expenses approved by a Fund's investor advisory committee. The Funds will also bear third-party fees, expenses, liabilities or obligations incurred in connection with transactions not consummated (including break-up or topping fees) ("Broken Deal Expenses"). As a general matter, Broken Deal Expenses are allocated among Fund Investors regardless of whether any individual investor negotiated for an elective or automatic contractual right that would have excused them from participating in the investment. The Funds also bear (a *pro rata* share of) expenses indirectly to the extent a portfolio company (or intermediate entity) pays expenses, including expense of Lime Rock and/or its affiliates.

As they do not invest in separate portfolio companies, the Resources Funds have a somewhat different methodology for the expenses they pay. The Resources Funds will pay the costs, expenses, liabilities and obligations described in the preceding paragraph applicable to all the Funds, except that Lime Rock will pay all compensation and employee benefit expenses allocable to the top five executives of the Resources Funds (the "Executive Team"), travel costs, rent and other occupancy costs allocable to the Executive Team, and certain other overhead and administrative expenses allocable to the Executive Team. In addition, the Resources Funds will bear their respective *pro rata* portion of the expenses of Lime Rock (including, without limitation, rent, utilities, equipment, taxes and general office expenses), Lime Rock personnel (other than the Executive Team) and Lime Rock Resources Operating Company, Inc. personnel (including, salaries, wages, bonuses and/or other benefits) for any services provided to or on behalf of such Resource Fund or its investments (including, without limitation, with respect to the operation and development of a Fund's properties and review of potential investments and compliance with the policies of the organization).

The Partners Funds, the Resources Funds and LRNE will bear all Broken Deal Expenses, including Broken Deal Expenses relating to transactions that have been offered to co-investors. In the event that a transaction in which a co-investment was planned, including a transaction for which a co-investment was believed necessary in order to consummate such transaction or would otherwise be beneficial, in the judgement of the applicable General Partner, ultimately is not consummated, all Broken Deal Expenses relating to such proposed transaction will be borne by the Funds, and not by any potential co-investors, that were to have participated in such transaction. To the extent a Fund makes use of a credit facility to make an investment or pay related expenses, it generally will not be reimbursed separately by co-investors for use of the facility.

To the extent holding or intermediate entities include one or more special purpose acquisition companies ("SPACs"), the relevant Fund(s) will bear the costs of organizing and offering such SPACs, as well as the amount and dilutive effect of any founders' equity or similar interests issued thereby that are not held directly or indirectly by the Fund, and except where prohibited by the relevant Governing Fund Documents, such interests are permitted to be issued to Lime Rock and its personnel.

Generally included in the expenses permitted to be borne by a Fund are the fees, costs, expenses, liabilities and obligations of legal counsel, consultants and/or other service providers to procure, develop, establish, review, revise, customize, upgrade and/or negotiate relationships relating to the foregoing items, which generally are expected to be significant. In certain cases, these or similar expenses are expected to be charged to portfolio companies, capitalized into the cost basis of a

transaction or, to the extent necessary or desirable for operational, administrative, tax or other reasons, charged at the level of an intermediate holding company between the relevant Fund and the portfolio company. Each Fund also generally will bear the costs of implementing, monitoring and complying with investment guidelines and directives relating to the Fund's strategy, including in side letters relating thereto, and (where applicable and specifically in the case of LRNE) environmental, social, governance and other standards to which the relevant General Partner has committed in making investments on behalf of the Fund. Additionally, subject to the Governing Fund Documents, a Fund typically will bear certain unreimbursed expenses of portfolio companies and intermediate holding vehicles through which the Fund invests.

Item 6: Performance Based Fees and Side-by-Side Management

As described above, the General Partners (other than the General Partner of the Co-investment Funds as it relates to contributed capital of the co-investors to the portfolio companies) are generally allocated carried interest, which amount is based on the profits generated on the sale or disposition of Fund assets. The fact that a significant portion of the Lime Rock's compensation (and its affiliates' and investment professionals' compensation) is directly computed on the basis of profits generated by the sale or disposition of Fund assets creates an incentive for Lime Rock to make investments on behalf of the Funds that are riskier or more speculative than would be the case in the absence of such compensation. However, Lime Rock believes this incentive may be mitigated by the fact that losses will reduce a Fund's performance and thus Lime Rock's compensation. Additionally, to the extent that Lime Rock has Funds with varying carried interest terms and/or Lime Rock personnel are assigned varying percentages of carried interest from the Funds, Lime Rock and such personnel are subject to potential conflicts of interest, to the extent they are involved in identifying investment opportunities as appropriate for the Funds from which they are entitled to receive a higher carried interest percentage.

Allocation of Investment Opportunities

Lime Rock and its affiliates are required to act in a manner that it believes is fair, reasonable and equitable to the Funds under the circumstances over time in allocating investment opportunities to the Funds. In allocating investment opportunities amongst the Funds, Lime Rock will act in good faith and reserves the right to consider factors it believes are reasonably appropriate for such determinations, including, but not limited to, investment strategies, risk tolerances, the nature of the investment, investment time frames and other similar factors. Lime Rock and its affiliates are generally not required to accord exclusivity or priority to the Funds in the event of limited investment opportunities.

To the extent that the available amount of an investment opportunity exceeds the amount that would be appropriate for the applicable Fund, Lime Rock reserves the right to offer any such excess to one or more potential co-investors, including third parties, as determined by Lime Rock in accordance with the relevant Governing Fund Documents, side letters and Lime Rock's procedures and practices regarding co-investment allocation. Lime Rock's procedures permit it to take into consideration a variety of factors in making such determinations.

Lime Rock's allocation of investment opportunities among the persons (including the Funds) and in the manner discussed herein often will not result in proportional allocations among such persons, and such allocations may be more or less advantageous to some persons relative to others. While

Lime Rock will allocate investment opportunities in a manner that it believes in good faith is fair and equitable to its clients under the circumstances over time and considering relevant factors, there can be no assurance that a Fund's actual allocation of an investment opportunity, if any, or the terms on which that allocation is made, will be as favorable as they would have been if the conflicts of interest to which Lime Rock and its affiliates may be subject, did not exist.

Item 7: Types of Clients

Lime Rock provides discretionary management and advisory services solely to its Fund clients, which are pooled investment vehicles exempt from registration under the Investment Company Act, subject to the direction and control of the General Partner of each Fund, and not individually to the Limited Partners, and references throughout this Brochure to "clients" and to Lime Rock's related duties to and practices on behalf of its clients and/or investors should be construed accordingly. Investors in the Funds generally include, but are not limited to, pension plans, endowments, foundations, pooled investment vehicles (*e.g.*, funds-of-funds), trusts, estates or charitable organizations, high net worth individuals, and corporate or business entities and from time to time include, directly or indirectly, principals or other employees of Lime Rock and its affiliates and members of their families, or service providers retained by Lime Rock, as well as executives of portfolio companies.

The minimum commitment for a Limited Partner is outlined in the Governing Fund Documents; however, Lime Rock maintains discretion to accept less than the minimum investment threshold. In addition, the Funds have and expect in the future to enter into separate agreements, commonly referred to as "side letters" with certain Investors. Side letters waive certain terms or allow such Investors to invest on different terms including idiosyncratic and non-economic issues (including discounted or rebated compensation terms, information rights, specialized reporting, priority co-investment rights or targeted co-investment amounts, and liquidity or transfer rights). Except where required by the Governing Fund Documents, other investors generally will not receive copies of side letters or related provisions, and as a general matter, the other Investors have no recourse against a Fund, the relevant General Partner or any of their affiliates in the event that certain Investors have received additional and/or different rights and/or terms as a result of such side letters. As a consequence of one or more Limited Partners being excused or excluded from, or from regulatory or other factors limiting their participation in, investments, the aggregate returns realized by participating Limited Partners could be adversely affected in a material manner by the unfavorable performance of particular investments.

Investors will be required to meet certain suitability qualifications, such as being an "accredited investor" within the meaning set forth in Rule 501(a) of Regulation D under the Securities Act. Also, each Investor will be required to make certain representations when investing in a Fund, including, but not limited to, that (i) it is acquiring an interest for its own account, (ii) it received or had access to all information it deemed relevant to evaluate the merits and risks of the prospective investment and (iii) it has the ability to bear the economic risk of an investment in the Fund. Details concerning applicable Investor suitability criteria are set forth in the respective Governing Fund Documents and subscription materials, which are furnished to each Investor.

Item 8: Methods of Analysis, Investment Strategies and Risk of Loss

The Partners Funds (with the exception of Fund IV AF) are long-term investors of growth capital in energy companies worldwide targeting investments ranging in size from \$25 million to \$150 million. The Partners Funds' objectives (with the exception of Fund IV AF) are to generate long-term capital appreciation through investments of private growth capital in energy companies in three principal sectors: (i) exploration and production; (ii) energy service; and (iii) oil service technology. The Partners Funds do not invest directly in oil and natural gas properties, but their exploration and production portfolio companies do invest in those types of assets.

The Co-investment Funds were formed to enable investors to invest additional funds alongside the Funds in certain portfolio companies.

The Resources Funds were formed by Lime Rock for the purpose of acquiring mature, low-risk oil and natural gas producing properties with long-lived production profiles.

LRNE is a long-term investor of growth capital in portfolio companies that are directly or indirectly facilitating the transition to a lower carbon economy.

Fund IV AF was formed by Lime Rock as a continuation fund to allow the existing Limited Partners of Fund IV to, at their option, either liquidate their investment or continue to hold their interest in a specific oil and gas portfolio company held by Fund IV as well as allow new Limited Partners to have exposure to this portfolio company.

The Lime Rock investment team is led by senior investment professionals with prior experience from leading organizations in finance, private equity, and energy.

The Partners Funds' strategy is to differentiate itself by being a creative, value-adding, and long-term investor, which seeks to enable these Funds to benefit from capital appreciation in investments in existing portfolio companies and to provide Lime Rock a competitive advantage in sourcing attractive new investment opportunities. Lime Rock's strategy to be a different kind of investment partner consists of five elements: taking a creative and flexible approach; being a true investment partner; bringing to investments its experience in value creation; pursuing a global, cross sector strategy; and investing for the long-term. The Partners Funds seek to pursue this strategy through a four-part investment process: identify high quality opportunities within a variety of growth strategies; structure investments creatively and flexibly; seek to create value through active partnering; and exit investments at the right time and in the right way.

The Resources Funds target a minimum gross IRR along with three other objectives (relative to the Partners Funds): a lower-risk investment; long-term capital gains and cash distributions; and a more direct exposure to oil and natural gas prices. The Resources Funds have developed a differentiated strategy emphasizing flexibility, creativity, patience, and discipline. There are six key parts to this strategy: pursue proprietary opportunities whenever possible; target niche acquisitions with differentiated competitive dynamics; seek opportunities in disrupted or difficult marketed asset processes; patiently wait for quality acquisitions at the right price; capture opportunities made available by the Resources Funds' capital structure; and balance building core operating areas with entering new ones.

LRNE's strategy is to bring its dedicated sector expertise and network of relationships to identify opportunities for capital appreciation in the new energy economy (opportunities that are intended to directly or indirectly facilitate the transition to a lower carbon economy). Although it involves a different strategy, the basic investment processes and procedures are similar to those that have been developed by and used by the Partners Funds.

Associated Risks

All investing involves a risk of loss and the investment strategy offered by Lime Rock and the Funds could lose money over short or even long periods. An investment in the Funds is a speculative investment and is not intended as a complete investment program. It is designed for sophisticated investors who fully understand and are capable of bearing the risk of an investment in the Funds. No guarantee or representation is made that a Fund will achieve its investment objective or that Limited Partners will receive a return of their capital.

Identifying and participating in portfolio company investments and assisting in building successful enterprises is challenging. Many investment decisions made by Lime Rock will be dependent upon the ability of its investment professionals to obtain relevant information predominantly from non-public sources, and reliance upon information provided by third parties that is impossible to verify. The marketability and value of each investment will depend upon many factors beyond the control of Lime Rock.

Key risk areas inherent to investing in portfolio companies include operational, investment and market risks. Lime Rock seeks to mitigate these risks through a variety of mechanisms, including operational due diligence, risk modeling, physical and financial hedging where possible and appropriate investment structuring.

The descriptions contained below provide a brief overview of certain material market risks related to Lime Rock's investment strategy; however, it is not intended to serve as an exhaustive list or a comprehensive description of all risks that have the potential to arise in connection with the management and operations of the Funds. Investors should review the risks detailed in the relevant Governing Fund Documents for more information.

Lime Rock faces both general industry risks and company-specific risks. The general industry risks arise from volatility in energy commodity prices. Because of shifting commodity prices, short-term financial performance of energy companies is often more volatile than in other industries. Lime Rock attempts to mitigate commodity price risk in several ways:

- Invest in well-managed companies in attractive business niches that it believes will grow in a neutral commodity price environment
- During periods of high commodity prices, remain disciplined in the investment process in terms of valuation and investment terms;
- Maintain prudent capital structures in portfolio companies;
- When appropriate, encourage portfolio companies in the E&P sector to hedge oil and gas production to protect cash flows necessary for development; and
- Invest in companies in the oil service technology sector whose performance is less correlated to oil and gas prices.

While any sustained commodity price decline would impact business conditions at Partners Funds' portfolio companies and the Resources Funds, likely severely, those companies and future portfolio companies may also find opportunities, Lime Rock believes, to acquire assets and operations currently managed by under-experienced management teams or leveraged with imprudent capital structures.

Company-specific risks include geographic risk, exploration risk, development stage risk, management execution risk and financial risk. Lime Rock believes that investments with a slightly increased geographic, exploration, or development stage risk are appropriate at this time; and that the rewards available have increased to compensate for the higher risk. Furthermore, Lime Rock has put processes in place to mitigate increased risks.

When investing in new areas, the Partners Funds and LRNE seek to invest with management teams with extensive experience in those areas or alongside local co-investors. Lime Rock will be particularly cautious about investing in certain markets given the political sensitivity of foreign resource ownership in many countries. Lime Rock also believes that it can manage exploration risk in certain investments by using the latest technology to lower exploration risk, backing experienced management teams with experience in a particular field, hedging a portion of its commodity exposure, and by seeking control of significant capital expenditures on exploration-oriented projects on either a board or investment committee level.

General Business and Management Risk

Investments in portfolio companies subject the Funds to the general risks associated with the underlying businesses, including market conditions, changes in regulatory requirements, reliance on management at the company level, interest rate and currency fluctuations, general economic downturns, domestic and foreign political situations and other factors. With respect to management at the portfolio company level, many portfolio companies rely on the services of a limited number of key individuals, the loss of any one of whom could significantly adversely affect the portfolio company's performance. While in all cases the Adviser will monitor portfolio company management, management of each portfolio company will have day-to-day responsibility regarding the operation of such portfolio company.

Liquidity Issues

The Funds generally invest in instruments where there is likely to be no actively traded market. Moreover, many of the Funds' investments may be held by relatively few other investors. Under adverse market or economic conditions or in the event of adverse changes in the financial condition of the issuer or of the asset, a Fund may find it more difficult to sell such instruments when the Adviser believes it advisable to do so or may be forced to sell them at prices lower than if the instruments were widely held. It is uncertain as to when profits, if any, will be realized. Losses on unsuccessful investments may be realized before gains on successful investments are realized. The return of capital and the realization of gains, if any, generally will occur only upon the partial or complete disposition of an investment. Thus, the range of disposal strategies available to the Funds may be further limited. Finally, dispositions of investments may be subject to contractual and other limitations on transfer, or other restrictions that would interfere with subsequent sales of such

investments or adversely affect the terms obtainable upon a disposition. Before such time, there may be no current return on investment and expenses of operating a Fund may exceed its income.

Highly Competitive Market for Investment Opportunities

The activity of identifying, completing and realizing attractive investments is highly competitive and involves a high degree of uncertainty. The Funds face competition from numerous competitors in all fields of activity. The Funds will be competing for investments with a variety of other investment vehicles, as well as with individuals, financial institutions and other institutional investors. Additional private investment funds with similar investment objectives are expected to be formed in the future by other unrelated parties. There can be no assurance that a Fund will be able to locate and complete investments which satisfy its investment objectives or that it will be able to invest fully its available capital. However, regardless of the extent to which commitments of the Limited Partners are invested (or drawn down to be invested), the Funds' Limited Partners will be required to bear Management Fees through such Funds during the investment period based on the entire amount of the Limited Partners commitment to such Funds and other expenses pursuant to the Governing Fund Documents.

Dynamic Investment Strategy

While each General Partner generally intends to seek attractive returns for a Fund through the investment strategy and methods described herein, the relevant General Partner is permitted to pursue additional investment strategies and/or modify or depart from its initial investment strategy, investment process or investment techniques to the extent it determines such modification or departure to be appropriate and consistent with the Governing Fund Documents. A General Partner is permitted to pursue investments outside of the industries and sectors in which Lime Rock has previously made investments or has internal operational experience.

Valuation of Assets

Most of the securities owned by the Funds are not publicly traded and are required to be fair valued by the Adviser. When estimating fair value, the Adviser will apply a methodology it believes is appropriate in light of the nature, facts and circumstances of the investments. Valuations are subject to multiple levels of review for approval and ensuring that portfolio investments are fairly valued is an important focus of the Adviser. There can be no assurance that the Adviser will have all the information necessary to make valuation decisions in respect of these investments, or that any information provided by third parties on which such decisions are based will be correct. There can be no assurance that the valuation decision of the Adviser with respect to an investment will represent the value realized by the relevant Fund on the eventual disposition of such investment or that would, in fact, be realized upon an immediate disposition of such investment on the date of its valuation. Accordingly, the valuation decisions made by the Adviser may cause it to ineffectively manage the relevant Fund's investment portfolios and risks, and may also affect the diversification and management of such Fund's portfolio of investments.

No Assurance of Returns

There is no assurance that the Funds will be able to generate returns for its Investors or that the returns will be commensurate with the risks of investing in the types of companies and transactions described herein. There can be no assurance that the Funds' investment objectives will be achieved or that there will be any return of capital. Therefore, an investor should only invest in a Fund if the

investor can withstand a total loss of its investment. The past investment performance of the entities with which officers and employees of the Adviser have been associated cannot be taken to guarantee future results of any investment in the Funds.

Industry Concentration and Diversification

Since the Funds' investments are concentrated within a particular industry or related group of industries (the energy sector), an investment in a Fund may be subject to greater market fluctuations than an investment in a portfolio of securities representing a broader range of industries. As a consequence, the aggregate return on a Limited Partner's investment in the Funds may be substantially adversely affected by the unfavorable performance of even a single portfolio investment.

Uncertain Economic, Social and Political Environment

Consumer, corporate and financial confidence may be adversely affected by current or future tensions around the world, fear of terrorist activity and/or military conflicts, localized or global financial crises, virus or disease epidemics or other sources of political, social or economic unrest. Such erosion of confidence may lead to or extend a localized or global economic downturn. A climate of uncertainty may reduce the availability of potential investment opportunities, and increases the difficulty of modeling market conditions, potentially reducing the accuracy of financial projections. In addition, limited availability of credit for consumers, homeowners and businesses, including credit used to acquire businesses, in an uncertain environment or economic downturn may have an adverse effect on the economy generally and on the ability of the Funds and their portfolio companies to execute their respective strategies and to receive an attractive multiple of earnings on the disposition of businesses. This may slow the rate of future investments by the Funds and result in longer holding periods for investments. Furthermore, such uncertainty or general economic downturn may have an adverse effect upon the Funds' portfolio companies.

Public Health Emergencies; COVID-19

Pandemics and other widespread public health emergencies, including outbreaks of infectious diseases such as SARS, H1N1/09 flu, avian flu, ebola and the current outbreak of COVID-19 (as defined below), have and are resulting in market disruption, and future such emergencies have the potential to materially and adversely impact economic production and activity in ways that are impossible to predict, all of which may result in significant losses to the Funds.

Currently, there is an ongoing outbreak of a novel and highly contagious form of coronavirus ("COVID-19"), which the World Health Organization formally declared in March 2020 to constitute a global "pandemic." This outbreak has caused a worldwide public health emergency, straining healthcare resources and resulting in extensive and growing numbers of infections, hospitalizations and deaths. In an effort to contain COVID-19, national, regional and local governments, as well as private businesses and other organizations, have taken severely restrictive measures, including instituting local and regional quarantines, restricting travel (including closing certain international borders), prohibiting public activity (including "stay-at-home" and similar orders), and ordering the closure of large numbers of offices, businesses, schools, and other public venues. In many jurisdictions, restrictive measures have been re-imposed to address subsequent waves of infection. As a result, COVID-19 has significantly diminished global economic production and activity of all kinds and has contributed to both volatility and a severe decline in all financial

markets. Among other things, these unprecedented developments have resulted in material reductions in demand across most categories of consumers and businesses, dislocation (or in some cases a complete halt) in the credit and capital markets, labor force and operational disruptions, slowing or complete idling of certain supply chains and manufacturing activity, steep increases in unemployment levels in the United States and several other countries, and strain and uncertainty for businesses and households, with a particularly acute impact on industries dependent on travel and public accessibility, such as transportation, hospitality, tourism, retail, sports and entertainment.

The ultimate impact of COVID-19 — and any resulting decline in economic and commercial activity — on global economic conditions, and on the operations, financial condition and performance of any particular industry or business, is impossible to predict, although ongoing and potential additional materially adverse effects, including a further global or regional economic downturn (including a recession) of indeterminate duration and severity, are possible. The extent of COVID-19's impact will depend on many factors, including the ultimate duration and scope of the public health emergency and the restrictive countermeasures being undertaken, as well as the effectiveness of other governmental, legislative and financial and monetary policy interventions (including the effectiveness of vaccines and the implementation of vaccination programs) designed to mitigate the crisis and address its negative externalities, all of which are evolving rapidly and may have unpredictable results. Even if and as the spread of the COVID-19 virus itself is substantially contained and economies are able to “re-open,” it will be difficult to assess what the longer-term impacts of an extended period of unprecedented economic dislocation and disruption will be on future macro- and micro-economic developments, the health of certain industries and businesses, and commercial and consumer behavior.

The ongoing COVID-19 crisis and any other public health emergency could have a significant adverse impact and result in significant losses to the Funds. The extent of the impact on the Funds' and their portfolio companies' operational and financial performance will depend on many factors, all of which are highly uncertain and cannot be predicted, and this impact may include significant reductions in revenue and growth, unexpected operational losses and liabilities, impairments to credit quality and reductions in the availability of capital. These same factors may limit the ability of the Funds to source, diligence and execute new investments and to manage, finance and exit investments in the future, and governmental mitigation actions may constrain or alter existing financial, legal and regulatory frameworks in ways that are adverse to the investment strategy the Funds intend to pursue, all of which could adversely affect the Funds' ability to fulfill their investment objectives. They may also impair the ability of portfolio companies or their counterparties to perform their respective obligations under debt instruments and other commercial agreements (including their ability to pay obligations as they become due), potentially leading to defaults with uncertain consequences. In addition, the operations of the Funds, their portfolio companies, the General Partners and Lime Rock may be significantly impacted, or even temporarily or permanently halted, as a result of government quarantine measures, restrictions on travel and movement, remote-working requirements and other factors related to a public health emergency, including its potential adverse impact on the health of any such entity's personnel. These measures may also hinder such entities' ability to conduct their affairs and activities as they normally would, including by impairing usual communication channels and methods, hampering the performance of administrative functions such as processing payments and invoices, and diminishing their ability to make accurate and timely projections of financial performance.

Leverage

A Fund is permitted to make use of leverage by incurring or having a portfolio company incur debt to finance a portion of its investment in such portfolio company. Leverage generally magnifies both such Fund's opportunities for gain and its risk of loss from a particular investment. The cost and availability of leverage is highly dependent on the state of the broader credit markets (and such credit markets may be impacted by regulatory restrictions and guidelines), which state is difficult to accurately forecast, and at times it may be difficult to obtain or maintain the desired degree of leverage. Leverage often imposes restrictive financial and operating covenants on a company, in addition to the burden of debt service, and may impair its ability to operate its business as desired and/or finance future operations and capital needs. The leveraged capital structures of portfolio companies will increase the exposure of a Fund's investments to any deterioration in a company's condition or industry, competitive pressures, an adverse economic environment or rising interest rates (which in recent years have been at or near historic lows) and could accelerate and magnify declines in the value of such Fund's investments in the leveraged portfolio companies in a down market. In the event any portfolio company cannot generate adequate cash flow to meet its debt service, a Fund may suffer a partial or total loss of capital invested in the portfolio company, which could adversely affect the returns of such Fund. Furthermore, should the credit markets be limited or costly at the time the Fund determines that it is desirable to sell all or a part of a portfolio company, the Fund may not achieve an exit multiple or enterprise valuation consistent with its forecasts. Furthermore, the companies in which a Fund invests generally will not be rated by a credit rating agency.

A Fund is also permitted to borrow money or guaranty indebtedness (such as a guaranty of a portfolio company's debt, a letter of credit or other forms of promise to provide funding) or otherwise be liable therefor, and in such situations, it is not expected that such Fund would be compensated for providing such guarantee or exposure to such liability. The use of leverage by a Fund generally also will result in fees, interest expense and other costs to such Fund that may not be covered by distributions made to such Fund or appreciation of its investments. While Fund-level borrowings generally will be interim in nature, asset-level leverage generally will not be subject to any limitations regarding the amount of time such leverage may remain outstanding. A Fund is permitted to incur leverage on a joint and several basis with one or more other Funds and entities managed by Lime Rock or any of its affiliates and may have a right of contribution, subrogation or reimbursement from or against such entities. In addition, to the extent a Fund incurs leverage (or provides such guaranties), such amounts are permitted to be secured by capital commitments made by such Fund's investors and such Investors' contributions may be required to be made directly to the lenders instead of such Fund.

To the extent a Fund provides bridge financing to facilitate portfolio company investments, it is possible that all or a portion of such bridge financing will not be recouped within the time period specified in the Governing Fund Documents, in which case the investment would be treated as a permanent investment of the Fund. As a result, the Fund's portfolio could become more concentrated with respect to such investment than initially expected or otherwise provided for under the Fund's investment limitations.

Subscription Lines

A Fund generally is permitted to enter into a subscription line with one or more lenders in order to finance its operations (including the acquisition of the Fund's investments). Fund-level borrowing subjects Limited Partners to certain risks and costs. For example, because amounts borrowed under a subscription line typically are secured by pledges of the relevant General Partner's right to call capital from the Limited Partners, Limited Partners may be obligated to contribute capital on an accelerated basis if the Fund fails to repay the amounts borrowed under a subscription line or experiences an event of default thereunder. Moreover, any Limited Partner claim against the Fund would likely be subordinate to the Fund's obligations to a subscription line's creditors.

In addition, Fund-level borrowing will result in incremental partnership expenses that will be borne by Investors. These expenses typically include interest on the amounts borrowed, unused commitment fees on the committed but unfunded portion of a subscription line, an upfront fee for establishing a subscription line, and other one-time and recurring fees and/or expenses, as well as legal fees relating to the establishment, structuring and negotiation of the terms of the borrowing facility, as well as expenses relating to maintaining, renegotiating or terminating the facility. Because a subscription line's interest rate is based in part on the creditworthiness of the relevant Fund's Limited Partners and the terms of the Governing Fund Documents, it may be higher than the interest rate a Limited Partner could obtain individually. To the extent a particular Limited Partner's cost of capital is lower than the Fund's cost of borrowing, Fund-level borrowing can negatively impact a Limited Partner's overall individual financial returns even if it increases the Fund's reported net returns in certain methods of calculation. Conflicts of interest have the potential to arise in that the use of Fund-level borrowing typically delays the need for Limited Partners to make contributions to a Fund, which in certain circumstances enhances the relevant Fund's internal rate of return calculations and thereby may be deemed to benefit the marketing efforts of the General Partner and its affiliates. Conflicts of interest also have the potential to arise to the extent that a subscription line is used to make an investment that is later sold in part to co-investors (including one or more co-investing Funds) as, to the extent co-investors are not required to act as guarantors under the relevant facility or pay related costs or expenses, co-investors nevertheless stand to receive the benefit of the use of the subscription line and neither the relevant Fund nor Investors generally will be compensated for providing the relevant guarantee(s) or being subject to the related costs, expenses and/or liabilities.

A credit agreement frequently will contain other terms that restrict the activities of a Fund and the Limited Partners or impose additional obligations on them. For example, a subscription line may impose restrictions on the relevant General Partner's ability to consent to the transfer of a Limited Partner's interest in the Fund or impose concentration or other limits on the Fund's investments. In addition, in order to secure a subscription line, the relevant General Partner may request certain financial information and other documentation from Limited Partners to share with lenders. The General Partner will have significant discretion in negotiating the terms of any subscription line and may agree to terms that are not the most favorable to one or more Limited Partners.

Fund-level borrowing involves a number of additional risks. For example, drawing down on a subscription line allows the General Partner to fund investments and pay partnership expenses without calling capital, potentially for extended periods of time. Calling a large amount of capital at once to repay the then-current amount outstanding under a subscription line could cause short-

term liquidity concerns for Limited Partners that would not arise had the relevant General Partner called smaller amounts of capital incrementally over time as needed by a Fund. This risk would be heightened for a Limited Partner with commitments to other funds that employ similar borrowing strategies or with respect to other leveraged assets in its portfolio; a single market event could trigger simultaneous capital calls, requiring the Limited Partner to meet the accumulated, larger capital calls at the same time. A Fund is permitted to utilize Fund-level borrowing when the General Partner expects to repay the amount outstanding through means other than Limited Partner capital, including as a bridge for equity or debt capital with respect to an investment. If the Fund ultimately is unable to repay the borrowings through those other means, Limited Partners would end up with increased exposure to the underlying investment, which could result in greater losses.

Derivatives

The Funds do not intend to trade in derivatives for speculative purposes but reserve the right to use such transactions at the portfolio company level (or in the case of the Resources Funds, at the fund level) to reduce commodity price risk associated with their investments. The prices of commodities and related derivative instruments may be subject to periods of extreme volatility. Price movements in commodities and derivatives are influenced by many factors, including, without limitation, supply and demand relationships, fiscal, monetary, and trade policies, and political events. As a result, a portfolio company's (or a Resource Fund's) use of derivative transactions may be affected by such volatility as well as by any market disruption and unanticipated changes in interest rates, securities prices, or currency exchange rates, all of which may expose the portfolio company (or Resource Fund) to the risk of material financial loss or may reduce a Fund's ability to hedge commodity prices. In addition, the portfolio company (or Resource Fund) will be at risk for the performance of the counterparty on the derivative transaction. In the event that the counterparty defaults, the cost of replacing the transaction or the counterparty could be significant.

Nature of Investments in the Energy Sector

Investments in the energy sector may be subject to a variety of risks, not all of which can be foreseen or quantified. Such risks are expected to include, but are not limited to: (i) the risk that the technology employed in an energy project will not be effective or efficient; (ii) uncertainty about the availability or efficacy of energy sales agreements or fuel supply agreements that may be entered into in connection with a project; (iii) risks that regulations affecting the energy industry will change in a manner detrimental to the industry; (iv) environmental liability risks related to energy properties and projects; (v) risks of equipment failures, fuel interruptions, loss of sale, and supply contracts or fuel contracts, decreases or escalations in power contract or fuel contract prices, bankruptcy of key customers or suppliers, tort liability in excess of insurance coverage, inability to obtain desirable amounts of insurance at economic rates, acts of God and other catastrophes; (vi) uncertainty about the extent, quality, and availability of oil and gas reserves; (vii) the risk that interest rates may increase, making it difficult or impossible to obtain project financing, or impairing the cash flow of leveraged projects; and (viii) the risk of changes in values of companies in the energy sector whose operations are affected by changes in prices and supplies of energy fuels (prices and supplies of energy fuels can fluctuate significantly over a short period of time due to changes in international politics, energy conservation, the success of exploration projects, the tax and other regulatory policies of various governments, and the economic growth of countries that are large consumers of energy, as well as other factors). The occurrence of events related to the foregoing may have a material adverse effect on the Funds and their investments. Because of the Funds' sector focus,

investment-related decisions and determinations, such as portfolio construction and diversification, generally will differ as compared to a more broadly-focused private equity fund. When making such decisions and determinations, the Adviser expects to emphasize factors in a different manner and consider different factors, in each case, as compared to such decisions and determinations relating to a more broadly-focused private equity fund.

In addition to the foregoing, certain of the companies in which the Funds invest will be subject to the risks inherent in acquiring or developing recoverable oil and natural gas reserves, including capital expenditures for the identification and acquisitions of projects, the drilling and completing of wells, and the conduct of development and production operations. The presence of unanticipated pressures or irregularities in formations, miscalculations, or accidents may cause such activity to be unsuccessful, which may result in losses. Furthermore, successful investment in oil and natural gas properties and other related facilities and properties requires an assessment of (i) recoverable reserves, (ii) future oil and natural gas prices, (iii) operating and capital costs, (iv) potential environmental and other liabilities, and (v) other factors; such assessments are necessarily inexact and their accuracy inherently uncertain. Also, the revenues generated by certain of the companies in which the Funds invest are expected to be dependent on the future prices of and the demand for oil and natural gas. Oil and gas investments may have significant shortfalls in projected cash flow if oil and gas prices decline from levels projected at the time the investment is made. Various factors beyond the control of the Funds will affect prices of oil, natural gas, and natural gas liquids, including the worldwide supply of oil and natural gas, political instability or armed conflict in oil and natural gas producing regions, the price of foreign imports, the level of consumer demand, the price and availability of alternative fuels, the availability of pipeline capacity, and changes in existing government regulation, taxation, and price control. Prices for oil and natural gas have fluctuated greatly during the past, and markets for oil, natural gas, and natural gas liquids continue to be volatile.

Investments in the energy sector are expected to entail risks associated with more mature businesses and heavily regulated industries. The energy and natural resources industries are subject to comprehensive U.S. federal, state and local laws and regulations as well as non-U.S. laws and regulations. Further, environmental laws, rules, regulations and regulatory initiatives play a significant role in the energy and natural resources industries and can have a substantial impact on investments in these industries. Failure to comply with any such requirements could have a material adverse effect on a portfolio company, and there can be no assurance that portfolio companies will at all times comply with all applicable environmental laws, rules, regulations and permit requirements.

Limited Access to Information

Limited Partners' rights to information regarding a Fund, the relevant General Partner or Lime Rock generally will be specified, and in many cases strictly limited, by the Governing Fund Documents. In particular, it is anticipated that the General Partner and its affiliates will obtain certain types of material information from or relating to a Fund's investments that will not be disclosed to Limited Partners because such disclosure is prohibited, including as a result of contractual, legal or similar obligations outside of Lime Rock's control. Decisions by Lime Rock or its affiliates to withhold information may have adverse consequences for Limited Partners in a variety of circumstances. For example, a Limited Partner that seeks to transfer its interest in a Fund may have difficulty in

determining an appropriate price for such interest. Decisions to withhold information may also make it difficult for a Limited Partner to monitor Lime Rock and its performance. Additionally, it is anticipated that Limited Partners that designate representatives to participate on a Fund's advisory board generally may, by virtue of such participation, have more or earlier information about a Fund and its investments in certain circumstances than other Limited Partners. Limited Partners generally will bear the expenses of responding to disclosure requests, including in connection with state public records, similar freedom of information and other laws, whether or not the relevant Fund succeeds in asserting confidentiality for requested documents and other materials, and Lime Rock reserves the right to withhold certain information from investors subject to such laws for reasons relating to Lime Rock's public reputation, business strategy or other reasons.

Material, Non-Public Information; Other Regulatory Restrictions

As a result of the operations of the Adviser and its affiliates, as well as in connection with officerships or directorships of Lime Rock personnel, the Adviser frequently comes into possession of confidential or material, non-public information. Therefore, the Adviser and its affiliates may have access to material, non-public information that may be relevant to an investment decision to be made by a Fund. Consequently, a Fund may be restricted from initiating a transaction or selling an investment which, if such information had not been known to it, may have been undertaken on account of applicable securities laws or the Adviser's internal policies. Due to these restrictions, a Fund may not be able to make an investment that it otherwise might have made or sell an investment that it otherwise might have sold.

Similarly, anti-money laundering, anti-boycott and economic and trade sanction laws and regulations in the United States and other jurisdictions may prevent Lime Rock or the Funds from entering into transactions with certain individuals or jurisdictions. The United States Department of the Treasury's Office of Foreign Assets Control ("OFAC") and other governmental bodies administer and enforce laws, regulations and other pronouncements that establish economic and trade sanctions on behalf of the United States. Among other things, these sanctions may prohibit transactions with or the provision of services to, certain individuals or portfolio companies owned or operated by such persons, or located in jurisdictions identified from time to time by OFAC. Additionally, antitrust laws in the United States and other jurisdictions give broad discretion to the U.S. Federal Trade Commission, the United States Department of Justice and other U.S. and non-U.S. regulators and governmental bodies to challenge, impose conditions on, or reject certain transactions. In certain circumstances, antitrust restrictions relating to one Fund's acquisition of a portfolio company may preclude other Funds from making an attractive acquisition or require one or more other Funds to sell all or a portion of certain portfolio companies owned by them.

As a result of any of the foregoing, a Fund may be adversely affected because of Lime Rock's inability or unwillingness to participate in transactions that may violate such laws or regulations, or by remedies imposed by any regulators or governmental bodies. Any such laws or regulations may make it difficult or may prevent a Fund from pursuing investment opportunities, require the sale of part or all of certain portfolio companies on a timeline or in a manner deemed undesirable by Lime Rock or may limit the ability of one or more portfolio companies from conducting their intended business in whole or in part. Consequently, there can be no assurance that any Fund will be able to participate in all potential investment opportunities that fall within its investment objectives.

Cybersecurity Risk

With the increased use of technologies such as the Internet to conduct business, the Adviser and the Funds are susceptible to operational, information security and related risks. In general, cyber incidents can result from deliberate attacks or unintentional events. Cyber attacks include, but are not limited to, gaining unauthorized access to digital systems (*e.g.*, through “hacking” or malicious software coding) for purposes of misappropriating assets or sensitive information, corrupting data, or causing operational disruption. Cyber attacks may also be carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks on websites (*i.e.*, efforts to make network services unavailable to intended users). Cyber incidents affecting the Adviser’s and other service providers (including, but not limited to, accountants, prime brokers and financial intermediaries) have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, interference with the Funds’ ability to value its securities or other investments, impediments to trading, the inability of investors to transact business, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs. Similar adverse consequences could result from cyber incidents affecting issuers of securities in which the Funds invest, counterparties with which the Funds engage in transactions, governmental and other regulatory authorities, exchange and other financial market operators, banks, brokers, dealers, insurance companies and other financial institutions (including financial intermediaries and service providers for investors) and other parties. To the extent that a portfolio company is subject to cyber-attack or other unauthorized access is gained to a portfolio company’s systems, such portfolio company may be subject to substantial losses in the form of stolen, lost or corrupted (i) customer data or payment information; (ii) customer or portfolio company financial information; (iii) portfolio company software, contact lists or other databases; (iv) portfolio company proprietary information or trade secrets; or (v) other items. In certain events, a portfolio company’s failure or deemed failure to address and mitigate cybersecurity risks may be the subject of civil litigation or regulatory or other action.

In addition, substantial costs may be incurred in order to prevent any cyber incidents in the future. While the Funds’ significant service providers have established business continuity plans in the event of, and risk management systems to prevent, such cyber incidents, there are inherent limitations in such plans and systems including the possibility that certain risks have not been identified. Furthermore, the Funds cannot control the cyber security plans and systems put in place by its service providers or any other third parties whose operations may affect the Funds or their investors. The Funds and their investors could be negatively impacted as a result.

Conflicts of Interest

As more fully explained in the relevant Governing Fund Documents, Investors should be aware that there will be occasions where Lime Rock and its affiliates encounter potential conflicts of interest in connection with the Funds’ activities. Lime Rock and its affiliates reserve the right to engage in activities involving the energy industry including financial advisory activities and investment activities that are independent from, and may from time to time conflict with, that of the Funds. In certain circumstances, the interests of Lime Rock and its affiliates conflict with the interest of the Funds and their Investors. Also, as a result of existing investments and activities, the Lime Rock investment team and their affiliates expect from time to time acquire confidential information that

they will not be able to use for the benefit of the Funds. Any of these situations subjects Lime Rock and/or its affiliates to potential conflicts of interest.

The employees of Lime Rock will devote such time among the various Funds in Lime Rock's sole discretion, subject to the relevant Governing Fund Documents, as deemed necessary to carry out the operation of the Funds effectively. Conflicts of interests may arise in allocating investment opportunities, management time, services, and such functions among the Funds. Moreover, potential conflicts of interest could arise from time to time in view of Lime Rock's role as manager of multiple funds with rights to receive management fees and other fees for structuring transactions and its potential for investing other than through any particular Fund. Following the investment period of a Fund, Lime Rock principals reserve the right to, and likely will, focus their investment activities on other opportunities and areas unrelated to such Fund's investments.

A potential conflict of interest exists in Lime Rock's determination whether certain costs or expenses that are incurred in connection with the operation of the Fund meet the definition of Fund operational expenses for which the Fund is responsible or whether such expenses should be borne by the Lime Rock. The Funds will be reliant on the determinations of Lime Rock in this regard, and also in regard to the allocation of investment expenses and any common operating expenses as between Funds managed by the Manager.

Lime Rock personnel reserve the right to manage their own personal investments, whether or not through a formal family office or estate planning structure, and to pay or receive compensation relating to these arrangements. Personal investments by investment professionals and other personnel of Lime Rock can present potential conflicts of interest. The employees of Lime Rock are permitted to buy and sell securities or other investments for their own accounts (including through the Funds). As a result of differing investment strategies or constraints, or for other reasons, positions may be taken by Lime Rock personnel that are the same as, different from, or made at different times than positions taken for the Fund. For the same reasons, employees of Lime Rock may, subject to compliance with internal policies, invest in public or private companies, private equity funds, private venture capital funds, hedge funds, real estate funds, mutual funds, and other investments. Accordingly, the potential exists for personal securities transactions by Lime Rock personnel to generate higher investment returns for such personnel than any of particular Fund's investment transactions generate for its own investors. Unless restricted by the Governing Fund Documents, Lime Rock personnel are permitted to serve on boards or act in other roles unaffiliated with Lime Rock, the Funds or their portfolio companies, including boards of charitable and educational institutions, public companies and former portfolio companies, and receive compensation in connection with such services and roles, and no such compensation will offset or otherwise reduce any Management Fees.

The portfolio companies of certain Funds are permitted to be counterparties or participants in agreements, transactions, or other arrangements with any of the Lime Rock Resources funds or one or more of the portfolio companies of any of the other Funds. For example, one or more of the Lime Rock Resources funds may purchase products from, or contract for services of, a portfolio company of the Fund. Similarly, one or more of the portfolio companies of any of the other Lime Rock Partners funds may purchase products from, or contract for services of, a portfolio company of another Fund. While we believe that the terms and conditions of these transactions will be negotiated on an arms' length basis, these transactions may present conflicts of interest or the appearance of a conflict of interest in light of the common management by Lime Rock. Further,

Lime Rock may not become aware of transactions between a Fund or a portfolio company of any of the other Funds, or between two portfolio companies of different Funds in order to manage any potential conflicts of interest. In certain circumstances where Lime Rock commits or has committed to seek “market” or “arms-length” rates or terms, Lime Rock will do so in its sole discretion, seeking rates that it has determined in its sole discretion to be reflective of the range of rates in the applicable or related markets. Consequently, Lime Rock undertakes no minimum amount of benchmarking, and does not represent that any such benchmarking ultimately will be accurate, comparable or relate specifically to the assets or services to which such rates or terms relate. Where such rates or terms include hourly components, Lime Rock reserves the right to rely on approximations or estimates of time spent for purposes of allocating or charging for services. Any methodology, or choice among methodologies, involves potential conflicts of interest.

Additionally, expenses relating to the Funds or portfolio companies are expected to be charged using credit cards or other widely available third-party rewards programs that provide airline miles, hotel stays, travel rewards, traveler loyalty or status programs, “points,” “cash back,” rebates, discounts and other arrangements, perquisites and benefits under the available terms of such reward programs. Such terms are expected to vary from time to time, and any such rewards (whether or not *de minimis* or difficult to value) generally will inure to the benefit of the personnel participating in the rewards program, rather than the portfolio companies, the Funds or their respective investors; no such rewards will offset Management Fees.

Except to the extent prohibited by the Governing Documents, Lime Rock and its personnel are permitted to market, organize, sponsor or act in other capacities (including as director, founder or manager) for other pooled investment vehicles, accounts or SPACs and to receive compensation (including in the form of management fees, performance-based compensation, founders’ equity or similar interests) relating thereto. Subject to any limitations imposed by the Governing Fund Documents and anti-“assignment” provisions of the Advisers Act, Lime Rock and its personnel are also permitted to offer, restructure and monetize interests in Lime Rock.

Lime Rock attempts to resolve conflicts of interest in light of its obligations to investors in its Funds and the obligations owed by Lime Rock’s advisory affiliates to investors in investment vehicles managed by them, and attempts to allocate investment opportunities among a Fund, other Funds and such investment vehicles in a manner it believes to be fair and equitable under the circumstances over time. To the extent that an investment or relationship raises particular conflicts of interest, Lime Rock will review the circumstances of such investment or relationship with a view to addressing and reducing the potential for conflict. Where Lime Rock believes it necessary, Lime Rock consults and receives consent to conflicts from an advisory committee consisting of Limited Partners of the relevant Fund(s) and such other investment vehicles.

Item 9: Disciplinary Information

On January 17, 2017, the SEC instituted administrative proceedings against Lime Rock, pursuant to Sections 203(e) and 203(k) of the Advisers Act, finding that Lime Rock had violated Advisers Act Rule 206(4)-5 when an employee made a \$1,000 personal contribution to the campaign of a candidate for President of the United States, and then governor of Ohio, while Lime Rock advised a pooled investment vehicle where an Ohio public entity was an investor. The SEC found that after the contribution was made, its return was sought and received, and noted that Advisers Act Rule

206(4)-5 does not require a showing of quid pro quo or actual intent to influence an elected official or candidate. Without admitting or denying liability, Lime Rock agreed to pay \$75,000 to resolve the matter.

Lime Rock and its management persons have not been subject to any other material legal or disciplinary events that are required to be discussed in this Brochure.

Item 10: Other Financial Industry Activities and Affiliations

Lime Rock organizes and sponsors the Funds, which are private investment companies. These pooled investment vehicles managed by Lime Rock are controlled by affiliated General Partner entities (“GP Entities”). Lime Rock or the GP Entities will be responsible for all decisions regarding portfolio transactions of the Funds and have full discretion over the management of the Funds’ investment activities. While the GP Entities are not separately registered as investment advisers with the SEC, all of their investment advisory activities are subject to the Advisers Act and the rules thereunder pursuant to Lime Rock’s registration in accordance with SEC guidance. In addition, employees and persons acting on behalf of the GP Entities are subject to the supervision and control of Lime Rock. Thus, the GP Entities and employees acting on behalf of the GP Entities would be “persons associated with” the registered investment adviser so that the SEC could enforce the requirements of the Advisers Act on the GP Entities.

Certain GP Entities will have an investment in a Fund or Funds. Therefore, Lime Rock will be considered to participate indirectly in transactions effected for those clients. The foregoing relationships, fees, and any other actual or potential conflicts of interest arising therefrom are disclosed in the respective Governing Fund Documents.

Employees of the Adviser serve as directors and officers of certain portfolio companies and, in that capacity, will be required to make decisions that consider the best interests of such portfolio companies and their respective shareholders. In certain circumstances, for example in situations involving bankruptcy or near-insolvency of a portfolio company, actions that are in the best interests of the portfolio company may not be in the best interests of the Fund, and vice versa. Accordingly, in these situations, there are expected to be potential conflicts of interest between such individual’s duties as an employee of the Adviser and such individual’s duties as a director or officer of such portfolio company.

Furthermore, Lime Rock and its related persons reserve the right to make decisions regarding whether and to whom to offer co-investment opportunities in consultation with other participants in the relevant transactions, such as a co-sponsor. Co-investment opportunities typically will be offered to some and not to other Limited Partners. When and to the extent that employees and related persons of Lime Rock and its affiliates make capital investments in or alongside certain Funds, Lime Rock and its affiliates expect to be subject to potential conflicting interests in connection with these investments. There can be no assurance that any Fund’s return from a transaction would be equal to and not less than another Fund or person participating in the same transaction or that it will be as favorable as it would have been had such conflict not existed.

Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Pursuant to Rule 204A-1 of the Advisers Act, Lime Rock has adopted a written Code of Ethics (the “Code”) predicated on the principle that the Adviser owes a fiduciary duty to the Funds. The Code is designed to address and avoid potential conflicts of interest and is applicable to all officers, directors, members, partners or employees of Lime Rock (the “Employees”). The Adviser requires its Employees to act in the Funds’ best interests, abide by all applicable regulations and avoid any action that is, or could even appear to be, legally or ethically improper.

Lime Rock generally prohibits employees from purchasing or selling securities that are held by the Funds. Additionally, Lime Rock requires pre-clearance before purchasing an IPO or limited offering (*i.e.*, private placement); requires periodic reporting of access persons’ personal securities transactions and holdings; and requires prompt internal reporting of Code violations. Lime Rock endeavors to maintain current and accurate records of all personal securities accounts of its access persons in an effort to monitor all such activity. A copy of the Code is available to Investors upon request.

Certain transactions in which Lime Rock engages may require, for either business or legal reasons, that no Employees trade in the subject securities for specified time periods. Such securities will appear on a list (the “Restricted List”) that will be circulated to all Employees. Employees are not permitted to trade on securities on the Restricted List.

Principals and employees of Lime Rock and its affiliates are permitted to, directly or indirectly, own an interest in one or more Funds.

Item 12: Brokerage Practices

The Adviser focuses on making investments in private securities, and does not ordinarily deal with any financial intermediary such as a broker-dealer; therefore commissions are not ordinarily payable in connection with such investments. To the limited extent Lime Rock transacts in public securities, or other non-private equity investments (*e.g.*, currency hedging), Lime Rock will, consistent with its fiduciary obligations, seek to obtain best execution. Lime Rock intends to select brokers based upon the broker’s ability to provide best execution for the Funds. Lime Rock and/or the General Partner are generally authorized to make the following determinations, subject to each Fund’s investment objectives and restrictions, without obtaining prior consent from the relevant Fund or any of its Investors: (1) which securities or other instruments to buy or sell; (2) the total amount of securities or other instruments to buy or sell; (3) the executing broker or dealer for any transaction; and (4) the commission rates or commission equivalents charged for transactions.

The Adviser does not participate in any soft dollar arrangements outside of receiving research generally available to other institutional investors. Research services received from brokers and dealers are supplemental to Lime Rock’s own research effort. To the best of Lime Rock’s knowledge, these services are generally made available to all institutional investors doing business with such broker-dealers. The Adviser does not separately compensate such broker-dealers for the research and does not believe that it “pays-up” for such broker-dealers’ services due to the difficulty associated with the broker-dealers not breaking out the costs for such services.

Trade Allocation

The Adviser is required to act in a manner that it believes is fair, reasonable, and equitable to the Funds under the circumstances over time in allocating investment opportunities to the Funds and any other Lime Rock investment vehicles. In allocating investment opportunities among the Funds and any other Lime Rock investment vehicles, the Adviser will act in good faith and reserves the right to consider factors it believes are reasonably appropriate for such determinations, including, but not limited to, investment strategies, risk tolerances, the nature of the investment, investment time frames, and other similar factors.

Item 13: Review of Accounts

All investments are reviewed and approved by the relevant Fund's Investment Committee. The Partners Funds' and LRNE's portfolio companies, and the Resources Funds' oil and gas properties, are reviewed on a continuous basis and the investment personnel meet regularly to discuss investment ideas, economic developments, industry outlook and other issues related to current holdings and potential investment opportunities. Some of the processes and procedures utilized by Lime Rock to monitor and review portfolio companies and oil and gas properties and to seek to mitigate risk include the following:

- Regular weekly communications and formal updates on Lime Rock portfolio companies and weekly communications on the Resources Funds' performance;
- Active hedging program for Resources Funds, to limit the funds' commodity price risk, with regular meetings of the investment team to monitor hedges;
- Quarterly valuation exercises and annual audit/third-party reserve report to analyze, monitor, and judge individual portfolio company performance and reserve base; and
- Firm-wide discussions in person twice per year to review and highlight important events or risks.

Lime Rock provides each Limited Partner of the Partners Funds, the Resources Funds, Co-investment Funds and LRNE with the following reports in accordance with the terms of the applicable Governing Fund Documents: (i) audited annual financial statements; (ii) unaudited quarterly financial statements for the first three quarters of a year; (iii) individual capital account statements on a quarterly basis; and (iv) annual tax information necessary to complete any applicable tax returns. Lime Rock also holds annual meetings with the Limited Partners of the Partners Funds and Resources Funds.

Item 14: Client Referrals and Other Compensation

From time to time, Lime Rock reserves the right to enter into solicitation arrangements pursuant to which it compensates third parties for referrals that result in a potential investor becoming a Limited Partner in a Fund. Any fees payable to any such placement agents will be borne by Lime Rock indirectly through an offset against the Management Fee. Related expenses incurred pursuant to the relevant placement agent or similar agreement, including, but not limited to, placement agent travel, meal and entertainment expenses, typically are borne by the relevant Funds as part of their syndication costs.

As described in Item 5 above, Lime Rock does not typically charge transaction or monitoring fees, but, to the extent specified in the relevant Governing Fund Documents, in certain circumstances it will be permitted to receive Fee Income. Please see Item 5 above for further details regarding Fee Income.

Item 15: Custody

All assets of the Funds (other than privately offered securities) are held in custody by unaffiliated qualified custodians (*i.e.*, broker-dealers or banks). Lime Rock has access to client accounts since affiliate serves as the general partner of each Fund. Investors will not receive statements from the custodian. Instead, the Funds, pursuant to Advisers Act Rule 206(4)-2, are subject to an independent annual audit by an independent public accountant that is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board. Each such Fund's audited financial statements are prepared in accordance with generally accepted accounting principles and are generally distributed within 90 days of the applicable Fund's fiscal year end, pursuant to the applicable Governing Fund Documents. Limited Partners should carefully review these statements and compare these statements to any account information provided by the Adviser.

Item 16: Investment Discretion

In accordance with the terms and conditions of the applicable Governing Fund Documents, and subject to the direction and control of the General Partner of each Fund, the Adviser generally has discretionary authority to determine, without obtaining specific consent from the Funds or its Limited Partners, the securities and the amounts to be bought or sold on behalf of the Funds, and to perform the day-to-day investment operations of the Funds.

Item 17: Voting Client Securities

In accordance with its fiduciary duty to clients and Rule 206(4)-6 under the Advisers Act, Lime Rock has adopted and implemented written policies and procedures governing the voting of client securities.

Lime Rock will seek to vote client proxies in the best interests of its clients. Lime Rock's investment professionals are generally responsible for making voting decisions with respect to proxies received.

In exercising its voting discretion, Lime Rock and its employees will seek to avoid any direct or indirect conflict of interest raised by such voting decision. In situations where Lime Rock perceives a conflict of interest, Lime Rock reserves the right to defer to the voting recommendation of an independent third party provider of proxy services or take such other action it believes would protect the interests of Lime Rock's clients.

Certain investment professionals of Lime Rock serve as board members for the Funds' portfolio companies. In situations where Lime Rock votes the proxy for a company in which an employee of Lime Rock serves on the board of directors, Lime Rock has determined that this does not inherently present a conflict of interest as the purpose for serving on the board is to maximize the return on the Funds' investment and to ensure that the Funds' best interests are protected.

All proxies that Lime Rock receives will be treated in accordance with these policies and procedures. A copy of Lime Rock's written proxy voting policies and procedures, as well as a record of how Lime Rock has voted in the past, will be maintained and available for review upon written request.

Item 18: Financial Information

A balance sheet is not required to be provided as Lime Rock does not solicit fees six months or more in advance. Lime Rock does not have a financial condition that is likely to impair its ability to meet contractual commitments to clients and has not been subject to any bankruptcy proceeding during the past 10 years.