

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLORADO**

Civil Action No. 1:12-cv-00292-RM-KMT

In re MOLYCORP, INC. SECURITIES LITIGATION

STIPULATION OF SETTLEMENT

This Stipulation of Settlement, dated as of October 27, 2016 (the “Stipulation”), is made and entered into by and among the following Settling Parties (as defined further in § III, ¶ 1.36 hereof) to the above-entitled Litigation: (i) the Lead Plaintiffs (on behalf of themselves and each of the Class Members), by and through their counsel of record in the Litigation; and (ii) the Defendants, by and through their counsel of record in the Litigation. Subject to the approval of the United States District Court for the District of Colorado (the “Court”), the Stipulation is intended by the Settling Parties to fully, finally, and forever resolve, discharge, and settle the Released Claims as defined herein, and to dismiss the Litigation with prejudice, upon and subject to the terms and conditions hereof, without any admission or concession concerning the merits, or lack thereof, of any claim or defense by Lead Plaintiffs or Defendants.¹

I. THE LITIGATION

On February 3, 2012, a class action complaint was filed in the Court as a putative securities fraud class action on behalf of investors in Molycorp, Inc. (“Molycorp” or the “Company”) common stock (the “Litigation”). The complaint alleged violations of §§10(b) and 20(a) of the Securities Exchange Act of 1934, 15 U.S.C. §§ 78j(b) & 78t(a) (the “Exchange Act”), and SEC Rule 10b-5, 17 C.F.R. § 240.10b-5, on behalf of a class of all persons and entities who purchased or otherwise acquired the publicly traded common stock of Molycorp between March 9, 2011 and November 10, 2011, inclusive.

On May 29, 2012, the Court appointed Randall Duck, Jerry W. Jewell, individually and as trustee of the Jerry W. Jewell Trust, Philip Marner, and Donald E. McAlpin as Lead Plaintiffs pursuant to §21D(a)(3)(B) of the Exchange Act, as amended by the Private Securities Litigation Reform Act of 1995, and approved their selection of Robbins Geller Rudman & Dowd LLP and

¹ All terms with initial capitalization not otherwise defined herein shall have the meanings ascribed to them in § III herein.

Kessler Topaz Meltzer & Check LLP as co-Lead Counsel and Dyer & Berens LLP as Liaison Counsel for the class. Dkt. 49.

On July 31, 2012, Lead Plaintiffs filed the Consolidated Class Action Complaint for Violations of Federal Securities Laws (the “Consolidated Complaint”). Dkt. 60. The Consolidated Complaint alleged violations of §§10(b), 20(a) and 20A of the Exchange Act on behalf of a class of persons who purchased or acquired the publicly traded securities of Molycorp from February 11, 2011 through November 10, 2011. The Consolidated Complaint also alleged violations of §§11, 12(a)(2) and 15 of the Securities Act of 1933 (the “Securities Act”) on behalf of all persons who purchased or acquired Molycorp 5.50% Series A Mandatory Convertible Preferred Stock (hereinafter “preferred stock”) pursuant to the Company’s February 2011 offering and all persons who purchased or acquired Molycorp common stock pursuant to the Company’s June 2011 offering. On October 22, 2012, Defendants moved to dismiss the Consolidated Complaint (Dkts. 109, 110), which the Court granted without prejudice in an Order dated March 31, 2015 (Dkt. 150).

On May 29, 2015, Lead Plaintiffs filed their First Amended Consolidated Class Action Complaint for Violations of the Federal Securities Laws (the “First Amended Complaint”).² Dkt. 153. The First Amended Complaint alleges violations of §§10(b) and 20(a) of the Exchange Act on behalf of all persons who purchased or acquired the publicly traded securities — *i.e.*, the Company’s common stock and/or preferred stock — from February 7, 2011 through November 10, 2011. The First Amended Complaint also alleges violations of §§11, 12(a)(2) and 15 of the Securities Act on behalf of all persons who purchased or acquired Molycorp common stock and/or preferred stock pursuant to the Company’s February 2011 offering and all persons who purchased or acquired Molycorp common stock traceable and/or pursuant to the Company’s

² On June 25, 2015, Molycorp declared Chapter 11 bankruptcy with the United States Bankruptcy Court for the District of Delaware (Dkt. 161) and, on the same day, Lead Plaintiffs voluntarily dismissed Molycorp from the Litigation (Dkt. 162).

June 2011 offering. On June 24, 2015, Defendants moved to dismiss the First Amended Complaint (Dkt. 160), which the Court granted in part and denied in part in an Order dated January 20, 2016 (Dkt. 169).

On February 11, 2016, the Court conducted a scheduling conference pursuant to Federal Rule of Civil Procedure 16 and, the same day, issued the operative Scheduling Order for the Litigation. Dkt. 181. Discovery in the Litigation commenced immediately thereafter. On March 17, 2016, the Individual Defendants filed a motion for summary judgment. Dkt. 193. On May 25, 2016, the Court denied that motion without prejudice to renewing the motion at the conclusion of discovery. Dkt. 221.

On June 29, 2016, the Settling Parties participated in a mediation session facilitated by Judge Layn R. Phillips (Ret.). In connection with the mediation process, Lead Plaintiffs and Defendants conducted arm's-length negotiations with respect to a potential compromise and settlement of the Litigation. Following the mediation session, the Settling Parties continued discussions through Judge Phillips and ultimately reached an agreement to settle the Litigation for a total settlement payment of \$20,500,000. On July 27, 2016, the Settling Parties advised the Court that a tentative settlement had been reached subject to formal approval of the Court. Dkt. 227.

II. ASSERTIONS AND DENIALS OF THE SETTLING PARTIES AND THE BENEFITS OF THE SETTLEMENT

A. Plaintiffs' Assessment of the Claims and Benefits of Settlement

Lead Plaintiffs believe that the claims asserted in the First Amended Complaint have merit and that evidence gathered to date supports their claims. Lead Plaintiffs recognize and acknowledge the expense and length of continued proceedings necessary to prosecute the Litigation against Defendants through trial and, if necessary, through potential appeals. Lead Plaintiffs have also taken into account the uncertain outcome and the risk of any litigation, especially in complex actions such as this Litigation, as well as the difficulties and delays

inherent in this type of case. Lead Plaintiffs are also mindful of the problems of proof, and possible defenses to the securities law violations asserted in the Litigation. Lead Plaintiffs believe that the Settlement set forth in the Stipulation confers substantial benefits upon Class Members, is in the best interests of the Lead Plaintiffs and Class Members, and is fair, reasonable, and adequate.

B. Defendants' Denials of Wrongdoing

Defendants, individually and collectively, have denied and continue to deny that they engaged in any wrongdoing of any kind, or that they violated or breached any law, regulation, or duty owed to Plaintiffs. Defendants have vigorously denied and continue to deny all charges of wrongdoing or liability against them arising out of any of the conduct, statements, acts or omissions alleged, or that could have been alleged, in the Litigation. Defendants deny that the Lead Plaintiffs or any Member of the Class have suffered damages, that the prices of Molycorp common and preferred stock were artificially inflated during the Class Period as the result of any alleged misrepresentations, omissions, non-disclosures or otherwise by Defendants, and that the Lead Plaintiffs or the Class were harmed by the conduct alleged in the First Amended Complaint. Defendants further deny that Molycorp's publicly filed documents contained any alleged material misrepresentation and/or omission.

Nonetheless, Defendants have concluded that further defense of the Litigation would be protracted and expensive, and that it is desirable that the Litigation be fully and finally settled in the manner and upon the terms and conditions set forth in this Stipulation. Defendants also considered the uncertainty and risks inherent in the Litigation. Defendants have, therefore, determined that it is desirable to settle the Litigation in the manner and upon the terms and conditions set forth in this Stipulation.

III. TERMS OF STIPULATION AND AGREEMENT OF SETTLEMENT

NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED by and among the Lead Plaintiffs, acting on behalf of themselves and all Class Members, and Defendants, by and through their respective counsel or attorneys of record, that, subject to the approval of the Court under Rule 23(e) of the Federal Rules of Civil Procedure, the Litigation, the Released Claims, and all matters encompassed within the scope of the releases set forth or referenced in this Stipulation shall be finally, fully, and forever compromised, settled, released, and discharged, and the Litigation shall be dismissed with prejudice as to all Settling Parties, upon and subject to the terms and conditions of the Stipulation, as follows.

1. Definitions

As used in this Stipulation, and any exhibits attached hereto and made a part hereof, the following terms have the meanings specified below:

1.1 “Authorized Claimant” means any Class Member who timely submits a valid Proof of Claim and Release Form to the Claims Administrator in accordance with the requirements established by the Court, and that is approved for payment from the Net Settlement Fund.

1.2 “Claimant” means any Class Member who submits a Proof of Claim and Release Form in such form and manner, and within such time, as the Court shall prescribe.

1.3 “Claims Administrator” means the firm of Gilardi & Co. LLC.

1.4 “Class,” “Class Members,” or “Members of the Class” mean, for the purposes of this Settlement, and to be certified pursuant to Federal Rule of Civil Procedure 23 for purposes of effectuating this Settlement only, all persons who purchased or otherwise acquired Molycorp securities from February 7, 2011 through November 10, 2011, inclusive, including all persons who purchased or acquired Molycorp common stock and/or Molycorp 5.50% Series A Mandatory Convertible Preferred Stock (“Preferred Stock”) pursuant to the February 2011

offering, and all persons who purchased or acquired Molycorp common stock pursuant to the June 2011 offering, and who were damaged thereby. Excluded from the Class are: (i) Defendants and their families, the officers and directors of the Company, at all relevant times, members of their immediate families and their legal representatives, heirs, successors or assigns, and any entity in which any of the above excluded persons have or had a majority ownership interest; (ii) Molycorp (including any parent, subsidiary or corporate successor of Molycorp); and (iii) any putative member of the Class who timely and validly excludes himself, herself, or itself from the Class in accordance with the requirements set forth in the Notice of Pendency and Proposed Settlement of Class Action and Rule 23 of the Federal Rules of Civil Procedure. The foregoing exclusion in (i) shall not cover “Investment Vehicles,” which for these purposes shall mean any investment company or pooled investment fund, including, but not limited to, mutual fund families, exchange-traded funds, fund of funds, private equity funds, real estate funds, and hedge funds, in which any Underwriter Defendant or any of its affiliates or Molycorp or any Individual Defendant has or may have a direct or indirect interest or as to which any Underwriter Defendant or any of its affiliates may act as an investment advisor, general partner, managing member, or in other similar capacity, other than an investment vehicle of which the Underwriter Defendant or any of its affiliates is a majority owner or holds a majority beneficial interest and only to the extent of such Underwriter Defendant’s or affiliate’s ownership or interest.

1.5 “Class Period” means the period between February 7, 2011 and November 10, 2011, inclusive.

1.6 “Court” means the United States District Court for the District of Colorado.

1.7 “Defendants” means Mark A. Smith, James S. Allen, John F. Ashburn, Jr., Ross R. Bhappu, John L. Burba, Brian T. Dolan, Mark Kristoff, Charles R. Henry, Jack E. Thompson, Russell D. Ball, Alec Machiels, Morgan Stanley & Co. Incorporated n/k/a Morgan Stanley & Co. LLC; J.P. Morgan Securities LLC; Knight Capital Americas, L.P. n/k/a KCG Americas LLC;

Dahlman Rose & Company, LLC n/k/a Cowen and Company, LLC; Stifel, Nicolaus & Company Incorporated; BNP Paribas Securities Corp.; CIBC World Markets Corp.; Piper Jaffray & Co.; and RBS Securities Inc.

1.8 “Defendants’ Counsel” means Gibson, Dunn & Crutcher LLP (counsel for Ross R. Bhappu, Brian T. Dolan, Mark Kristoff, Charles R. Henry, Jack E. Thompson, Russell D. Ball, and Alec Machiels), Cooley LLP (counsel for Mark A. Smith, James S. Allen, John F. Ashburn, Jr., and John L. Burba), and Simpson Thacher & Bartlett LLP (counsel for the Underwriter Defendants).

1.9 “Effective Date” means the first date by which all of the events and conditions specified in ¶ 11.1 of the Stipulation have been met and have occurred.

1.10 “Escrow Account” means the account established, maintained, and controlled by the Escrow Agent into which Defendants shall deposit or cause their insurance carriers to deposit the Settlement Amount.

1.11 “Escrow Agent” means the law firms of Robbins Geller Rudman & Dowd LLP and Kessler Topaz Meltzer & Check, LLP, or their successors.

1.12 “Fee and Expense Award” means such amounts as may be awarded by the Court to Lead Counsel in connection with the Litigation from the Settlement Fund, which may include some or all of the following: (i) an award of attorneys’ fees; (ii) an award of expenses to Lead Counsel in connection with prosecuting and resolving the Litigation; and (iii) interest on such attorneys’ fees and expenses for the same time period and at the same rate as earned by the Settlement Fund, until the date such award is paid from the Settlement Fund.

1.13 “Final,” with respect to this Settlement, means when the last of the following shall occur with respect to the Judgment approving the Stipulation, substantially in the form of Exhibit B attached hereto: (i) the expiration of the time to file a motion to alter or amend the Judgment under Federal Rule of Civil Procedure 59(e) has passed without any such motion having been

filed; (ii) the expiration of the time in which to appeal the Judgment has passed without any appeal having been taken, which date shall be deemed to be thirty (30) calendar days following the entry of the Judgment, unless the date to take such an appeal shall have been extended by Court order or otherwise, or unless the thirtieth (30th) day falls on a weekend or a Court holiday, in which case the date for purposes of this Stipulation shall be deemed to be the next business day after such thirtieth (30th) day; and (iii) if a motion to alter or amend the Judgment under Federal Rule of Civil Procedure 59(e) is filed or if an appeal is taken, immediately after the determination of that motion or appeal so that it is no longer subject to any further judicial review or appeal whatsoever, whether by reason of affirmance by a court of last resort, lapse of time, voluntary dismissal of the appeal or otherwise, and in such a manner as to permit the consummation of the Settlement in accordance with the terms and conditions of this Stipulation. For purposes of this paragraph, an “appeal” shall include any petition for a writ of certiorari or other writ that may be filed in connection with approval or disapproval of this Settlement. However, the Settlement and the Finality thereof are expressly not conditioned upon the Court’s approval of a Fee and Expense Award or Incentive Award or any appeals solely related thereto or any appeal related to the order approving the Plan of Allocation.

1.14 “Final Approval Hearing” means the hearing set by the Court under Rule 23 of the Federal Rules of Civil Procedure to determine whether the proposed Settlement embodied by this Stipulation is fair, reasonable, and adequate to the Class, and whether the Court should enter a Judgment approving the proposed Settlement.

1.15 “First Amended Complaint” or “Complaint” means the First Amended Consolidated Class Action Complaint for Violations of the Federal Securities Laws, filed in the Litigation on May 29, 2015. Dkt. 153.

1.16 “Individual Defendants” means Mark A. Smith, James S. Allen, John F. Ashburn, Jr., Ross R. Bhappu, John L. Burba, Brian T. Dolan, Mark Kristoff, Charles R. Henry, Jack E. Thompson, Russell D. Ball, and Alec Machiels.

1.17 “Judgment” means the Final Judgment and Order of Dismissal with Prejudice to be rendered by the Court, substantially in the form attached hereto as Exhibit B.

1.18 “Lead Counsel” means Robbins Geller Rudman & Dowd LLP and Kessler Topaz Meltzer & Check, LLP.

1.19 “Lead Plaintiffs” means Randall Duck, Jerry W. Jewell, individually and as trustee of the Jerry W. Jewell Trust, Philip Marner, and Donald E. McAlpin, *i.e.*, the persons appointed as Lead Plaintiffs by order of the Court dated May 29, 2012. Dkt. 49.

1.20 “Liaison Counsel” means Dyer & Berens LLP.

1.21 “Molycorp” means Molycorp, Inc.

1.22 “Net Settlement Fund” means the Settlement Fund less (i) any Taxes and Tax Expenses, (ii) any Fee and Expense Award to Plaintiffs’ Counsel and/or Lead Plaintiffs approved by the Court, and (iii) the Notice and Administration Expenses.

1.23 “Notice” means the Notice of Pendency and Proposed Settlement of Class Action, substantially in the form annexed hereto as Exhibit A-1, which is to be mailed to Members of the Class, pursuant to the Preliminary Approval Order.

1.24 “Notice Date” means ten (10) calendar days from the Court’s entry of the Preliminary Approval Order.

1.25 “Notice and Administration Expenses” means all expenses that are reasonably incurred in connection with providing notice to the Class and the administration of the Settlement, including, without limitation, actual costs associated with: preparing, printing, and mailing the Notice and Proof of Claim and Release Forms to Class Members; publishing the Summary Notice; maintenance and staffing of a toll-free telephone hotline and maintaining a

case-related website; review and processing by the Claims Administrator of written communications from Class Members and others; processing Proofs of Claim; distributing the Net Settlement Fund as defined in ¶ 9.2(d) below; and paying escrow fees and costs, if any; provided however, that the Notice and Administration Expenses described herein shall not include any of the Fee and Expense Award.

1.26 “Preliminary Approval Order” means the order preliminarily approving the Settlement and directing notice thereof to the Class, to be entered by the Court, which, subject to the approval of the Court, shall be substantially in the form attached hereto as Exhibit A.

1.27 “Person” means a natural person, individual, corporation, partnership, limited partnership, association, joint stock company, estate, legal representative, trust, unincorporated association, government or any political subdivision or agency thereof, and any business or legal entity and their spouses, heirs, predecessors, successors, representatives or assignees.

1.28 “Plaintiffs’ Counsel” means Lead Counsel and Liaison Counsel.

1.29 “Plan of Allocation” means the proposed plan of allocation of the Settlement Fund whereby the Settlement Fund shall be distributed to Authorized Claimants after payment of Notice and Administration Expenses, Taxes and Tax Expenses, the Fee and Expense Award, and interest, plus any other amounts as may be authorized or awarded by the Court, or such other plan of allocation as the Court shall approve. Any Plan of Allocation is not part of the Stipulation and Defendants and the Released Parties shall have no responsibility therefore or liability with respect thereto.

1.30 “Proof of Claim” or “Proof of Claim and Release Form” means the form, substantially in the form annexed hereto as Exhibit A-2, that will be mailed to Class Members with the Notice and pursuant to which Members of the Class submit a claim by completing, signing, dating, and returning it to the Claims Administrator in accordance with the procedures set forth therein.

1.31 “Released Parties” means all the Defendants as defined in ¶ 1.7 above, as well as Craig Cogut, Pegasus Capital Advisors, L.P., RCF Management LLC, T-II Holdings, LLC, and each of their past or present subsidiaries (collectively the “Affiliate Releasees”), and each of any Defendant’s or Affiliate Releasee’s past or present directors, officers, employees, partners, insurers, co-insurers, reinsurers, principals, controlling shareholders, attorneys, accountants, auditors, underwriters, investment advisors, personal or legal representatives, predecessors, successors, parents, subsidiaries, divisions, joint ventures, assigns, spouses, heirs, estates, related or affiliated entities, any entity in which a Defendant has a controlling interest, any member of an Individual Defendant’s immediate family, any trust of which an Individual Defendant is the settlor or which is for the benefit of an Individual Defendant and/or any member of an Individual Defendant’s immediate family, and any entity in which a Defendant and/or any member of an Individual Defendant’s immediate family has or have a controlling interest (directly or indirectly).

1.32 “Released Claims” shall collectively mean all actions, claims (including Unknown Claims as defined in ¶ 1.42 hereof), duties, debts, demands, rights, disputes, suits, matters, damages, losses, obligations, proceedings, issues, judgments, liabilities and causes of action of every nature and description whatsoever (including, but not limited to, any claims for damages, whether compensatory, consequential, special, punitive, exemplary or otherwise, and any fees, costs, expenses or charges), known or unknown, contingent or absolute, mature or immature, discoverable or undiscoverable, whether concealed or hidden, suspected or unsuspected, which now exist, or heretofore have existed, asserted or that could have been asserted, in any forum or proceeding or otherwise by the Lead Plaintiffs or any Member of the Class against the Released Parties with respect to the purchase or acquisition of Molycorp common stock or preferred stock during the Class Period and the acts, facts, statements, or omissions that were or could have been alleged by the Lead Plaintiffs, or arising under federal,

state or foreign law on behalf of any Members of the Class. Released Claims do not include any and all derivative claims that have been asserted on behalf of Molycorp by its shareholders, including, but not limited to, the claims asserted derivatively on behalf of Molycorp in *Wells v. Smith, et al.*, No. 1:12-cv-00447-WJM (D. Colo.); *Swaggerty v. Smith, et al.*, No. 1:12-cv-00589 (D. Colo.); *Kayten v. Bhappu, et al.*, No. 1:13-cv-3155 (D. Colo.); *Gaines v. Smith, et al.*, C.A. No. 12-7282 (Del. Ch.); *Paskowitz v. Smith, et al.*, C.A. No. 12-7319 (Del. Ch.); *Wilson v. Smith, et al.*, C.A. No. 12-7395 (Del. Ch.); *Salzmann v. Smith, et al.*, C.A. No. 13-8744 (Del. Ch.); *VCN Resources v. Smith, et al.*, C.A. No. 14-7282 (Del. Ch.); *Clem v. Smith, et al.*, No. 12 CV 392 (Arapahoe Cnty., Colo.); and *Nationwide Consulting, Inc. v. Smith, et al.*, No. 12 CV 448 (Arapahoe Cnty., Colo.), or any claims relating to the enforcement of the Settlement.

1.33 “Settlement” means the settlement contemplated by this Stipulation.

1.34 “Settlement Amount” means Twenty Million, Five-Hundred Thousand Dollars (\$20,500,000).

1.35 “Settlement Fund” means the Settlement Amount plus any interest earned thereon after it is deposited into the Escrow Account.

1.36 “Settling Parties” means, collectively, the Defendants and the Lead Plaintiffs, on behalf of themselves and Members of the Class.

1.37 “Stipulation” means this Stipulation of Settlement, including the recitals and Exhibits hereto.

1.38 “Supplemental Agreement” means the agreement described in ¶ 11.4.

1.39 “Taxes” means all taxes due and payable (including any estimated taxes, interest or penalties) with respect to the income earned by the Settlement Fund.

1.40 “Tax Expenses” means any reasonable expenses and costs incurred in connection with the calculation and payment of Taxes or the preparation of tax returns and related documents including, without limitation, expenses of tax attorneys and/or accountants and

mailing and distribution costs and expenses relating to filing (or failing to file) the returns described in ¶ 4.1.

1.41 “Underwriter Defendants” means Morgan Stanley & Co. Incorporated n/k/a Morgan Stanley & Co. LLC; J.P. Morgan Securities LLC; Knight Capital Americas, L.P. n/k/a KCG Americas LLC; Dahlman Rose & Company, LLC n/k/a Cowen and Company, LLC; Stifel, Nicolaus & Company Incorporated; BNP Paribas Securities Corp.; CIBC World Markets Corp.; Piper Jaffray & Co.; and RBS Securities Inc.

1.42 “Unknown Claims” means collectively any and all Released Claims, of every nature and description, that the Lead Plaintiffs or any Class Member does not know or suspect to exist in his, her, or its favor at the time of the release of the Effective Date, which, if known by him, her, or it, might have affected his, her, or its settlement with and release of the Released Parties, or might have affected his, her, or its decision not to object to or opt out of this Settlement. With respect to any and all Released Claims, the Settling Parties stipulate and agree that, upon the Effective Date, Lead Plaintiffs shall expressly waive, and each Class Member shall be deemed to have waived, and by operation of the Judgment shall have waived, the provisions, rights, and benefits of California Civil Code §1542, and of any U.S. federal or state law, or principle of common law or otherwise, that is similar, comparable, or equivalent to §1542 of the California Civil Code, which provides, in relevant part:

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

Lead Plaintiffs shall expressly waive and each Class Member shall be deemed to have, and by operation of the Judgment shall have, expressly waived any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States, or principle of common law, which is similar, comparable or equivalent to California Civil Code §1542. Lead Plaintiffs and Class Members may hereafter discover facts in addition to or different from those

which he, she, or it now knows or believes to be true with respect to the subject matter of the Released Claims, but Lead Plaintiffs shall expressly, fully, finally, and forever settle and release, and each Class Member, upon the Effective Date, shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever settled and released, any and all Released Claims, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which now exist, or heretofore have existed, upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct which is negligent, intentional, with or without malice, or a breach of any duty, law or rule, without regard to the subsequent discovery or existence of such different or additional facts. Lead Plaintiffs acknowledge, and Class Members shall be deemed by operation of the Judgment to have acknowledged, that the foregoing waiver was separately bargained for and a material element of the Settlement of which this release is a part.

2. The Settlement Fund

2.1 In consideration of the terms of this Stipulation, the Individual Defendants shall pay, or cause to be paid, the total sum of \$20,000,000 and the Underwriter Defendants shall pay, or cause to be paid, the total sum of \$500,000 (collectively, \$20,500,000, the “Settlement Amount”) into the Escrow Account within twenty-five (25) calendar days following entry of the Court’s Preliminary Approval Order. Plaintiffs’ Counsel shall provide all required funding information to Defendants’ Counsel on or before the filing of the motion for preliminary approval, including payee name, payee mailing address, bank account number, name of bank, and bank address, a Sort Code or ABA Routing Number, the currency of the account receiving the funds, wire transfer instructions, the Tax Identification Number and an executed Form W-9. The Settlement Amount shall constitute the full and sole monetary contribution made by or on behalf of a Released Party or the Released Parties in connection with the resolution of the Litigation and the Settlement. If the Settlement Amount, or any portion thereof, is not deposited

into the Escrow Account by the date provided for in this paragraph, the Settling Parties agree that Defendants will not, either individually or collectively, be obligated to pay the Settlement Amount or any portion thereof. The Settling Parties agree to work in good faith to resolve the issue and get the Settlement Amount deposited into the Escrow Account. However, if the Settlement Amount is not deposited into the Escrow Account within a reasonable amount of time after the date provided for in this paragraph, Lead Plaintiffs', Lead Counsel's, and any other parties' remedy against Defendants shall be limited to: a) first seeking to mediate the issue with mediator Layn R. Phillips, and if that is not successful b) terminating the Settlement, in which case ¶ 5 below shall govern; provided, however, that under no circumstance will Defendants be required to pay the Settlement Amount. If the entire Settlement Amount is not timely paid to the Escrow Account, Lead Plaintiffs or Lead Counsel may only terminate the settlement if (i) Lead Counsel have notified Defendants' Counsel in writing of Lead Plaintiffs' or Lead Counsel's intention to terminate the settlement, and (ii) the entire Settlement Amount is not transferred to the Escrow Account within three (3) calendar days after Lead Counsel have provided such written notice. All interest, if any, accruing on these settlement payments from the time of deposit shall become part of the Settlement Fund. If the Court does not approve this Settlement, the interest and Settlement Amount will be allocated between the Individual Defendants and the Underwriter Defendants according to the ratio between the respective Settlement Amounts.

2.2 Subject to ¶¶ 5.1 and 9.2 below, the payments described in ¶ 2.1 are the only payments to be made by or on behalf of Defendants in connection with this Settlement. Subject to ¶¶ 5.1 and 9.2 below, all fees, costs, and expenses incurred by or on behalf of the Lead Plaintiffs and the Class associated with this Settlement, including, but not limited to, Taxes, Tax Expenses, any Notice and Administration Expenses, and any Fee and Expense Award shall be

paid from the Settlement Fund, and in no event shall any of the Released Parties bear any additional responsibility for any such fees, costs, or expenses.

3. Administration of the Settlement Fund

3.1 The Escrow Agent shall invest the Settlement Amount deposited pursuant to ¶ 2.1 hereof in instruments or accounts backed by the full faith and credit of the United States Government or fully insured by the United States Government or an agency thereof, including a United States Treasury Fund or a bank account that is either (a) fully insured by the Federal Deposit Insurance Corporation (“FDIC”), or (b) secured by instruments backed by the full faith and credit of the United States Government, and shall reinvest the proceeds of these instruments as they mature in similar instruments at their then-current market rates. All risks related to the investment of the Settlement Fund in accordance with the guidelines set forth in this paragraph shall be borne by the Settlement Fund.

3.2 The Escrow Agent shall not use or disburse the Settlement Fund except as provided in this Stipulation, by an order of the Court, or with the written agreement of Lead Counsel and Defendants’ Counsel.

3.3 Subject to further order and/or direction as may be made by the Court, the Escrow Agent is authorized to execute such transactions as are consistent with the terms of this Stipulation.

3.4 All funds held by the Escrow Agent shall be deemed and considered to be in *custodia legis* of the Court, and shall remain subject to the jurisdiction of the Court, until such time as such funds shall be distributed or returned to the parties who deposited such funds pursuant to this Stipulation and/or further order(s) of the Court.

3.5 Prior to the Effective Date, the Escrow Agent, without further approval of Defendants or the Court, may pay from the Settlement Fund up to \$500,000.00 in Notice and Administration Expenses actually and reasonably incurred and associated with the administration

of the Settlement. Prior to the Effective Date, payment of any Notice and Administration Expenses exceeding \$500,000.00 shall require notice to and agreement from Defendants, through Defendants' Counsel, or a Court order. Subsequent to the Effective Date, without further approval by Defendants or the Court, the Settlement Fund may be used by Lead Counsel to pay reasonable and necessary Notice and Administration Expenses in excess of \$300,000.00. Released Parties are not responsible for, and shall not be liable for, any Notice and Administration Expenses.

4. Taxes and Tax Expenses

4.1 (a) The Settling Parties and the Escrow Agent agree to treat the Settlement Fund as being at all times a "qualified settlement fund" within the meaning of Treas. Reg. §1.468B-1. In addition, the Escrow Agent shall timely make such elections as necessary or advisable to carry out the provisions of this ¶ 4.1, including the "relation-back election" (as defined in Treas. Reg. §1.468B-1) back to the earliest permitted date. Such elections shall be made in compliance with the procedures and requirements contained in such regulations. It shall be the responsibility of the Escrow Agent to timely and properly prepare and deliver the necessary documentation for signature by all necessary parties, and thereafter to cause the appropriate filing to occur.

(b) For the purpose of §1.468B of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder, the "administrator" shall be the Escrow Agent. The Escrow Agent shall timely and properly file all informational and other tax returns necessary or advisable with respect to the Settlement Fund (including, without limitation, the returns described in Treas. Reg. §1.468B-2(k)). Such returns (as well as the election described in ¶ 4.1(a) hereof) shall be consistent with this ¶ 4.1 and in all events shall reflect that all Taxes (including any estimated Taxes, interest or penalties) on the income earned by the Settlement Fund shall be paid out of the Settlement Fund as provided in ¶ 4.1(c) hereof.

(c) All (i) Taxes (including any estimated Taxes, interest or penalties) arising with respect to the income earned by the Settlement Fund, including any Taxes or tax detriments that may be imposed upon the Released Parties with respect to any income earned by the Settlement Fund for any period during which the Settlement Fund does not qualify as a “qualified settlement fund” for federal or state income tax purposes, and (ii) Tax Expenses shall be paid out of the Settlement Fund; in no event shall any of the Released Parties or their counsel have any responsibility for, or liability whatsoever with respect to, the Taxes or the Tax Expenses. Further, Taxes and Tax Expenses shall be treated as, and considered to be, a cost of administration of the Settlement Fund and shall be timely paid by the Escrow Agent out of the Settlement Fund without prior order from the Court and the Escrow Agent shall be obligated (notwithstanding anything herein to the contrary) to withhold from distribution to Authorized Claimants any funds necessary to pay such amounts, including the establishment of adequate reserves for any Taxes and Tax Expenses (as well as any amounts that may be required to be withheld under Treas. Reg. §1.468B-2(1)(2)); neither Defendants, Defendants’ Counsel, Released Parties nor their insurers are responsible therefor nor shall they have any liability with respect thereto. From the Settlement Fund, the Escrow Agent shall indemnify and hold each of the Released Parties harmless for any Taxes and Tax Expenses (including, without limitation, Taxes payable by reason of any such indemnification). The Settling Parties agree to cooperate with the Escrow Agent, each other, and their tax attorneys and accountants to the extent reasonably necessary to carry out the provisions of this paragraph.

(d) Except as required by ¶ 2.1 concerning payment of the Settlement Amount and subject to ¶¶ 5.1 and 9.2 below, Released Parties are not responsible or liable for Taxes, Tax Expenses or Notice and Administration Expenses.

5. Termination of the Settlement

5.1 In the event that the Stipulation is not approved, or is terminated, canceled, or fails to become effective for any reason, the Settlement Fund, less any Notice and Administration Expenses and/or Taxes and Tax Expenses described in ¶¶ 3.5 and 4.1 hereof incurred or due and owing/or paid shall be refunded by the Escrow Agent to such Persons that paid the Settlement Amount pursuant to written instructions from Defendants' Counsel.

6. Certification of the Class

6.1 Solely for purposes of this Settlement, and subject to approval by the Court, the Settling Parties stipulate that the Class shall be certified and Lead Plaintiffs and Lead Counsel shall be appointed as representatives of the Class pursuant to Federal Rule of Civil Procedure 23, as set forth in the Preliminary Approval Order. The certification of the Class shall be binding only with respect to the Settlement, and only if the Judgment becomes Final and the Effective Date as described in ¶ 11.1 occurs. Should the Class not be certified, or should any court attempt to amend the scope of the Class, each of the Settling Parties reserves the right to void this Stipulation in accordance with ¶ 11.5 hereof.

7. Preliminary Approval Order and Final Approval Hearing

7.1 Promptly after execution of the Stipulation, and in no event later than October 27, 2016, Lead Counsel shall submit the Stipulation together with its Exhibits to the Court and shall apply for entry of the Preliminary Approval Order, in the form of Exhibit A attached hereto, or such other substantially similar form agreed to by the Settling Parties. The Preliminary Approval Order shall, among other things, preliminary (a) approve the Settlement as set forth in this Stipulation, (b) approve the contents and method of distribution of the settlement Notice, in the form of Exhibit A-1 attached hereto, or such other substantially similar form agreed to by the Settling Parties, and publication of a summary notice ("Summary Notice"), in the form of Exhibit A-3 attached hereto, or such other substantially similar form agreed to by the Settling

Parties, (c) approve the contents of the Proof of Claim Form, in the form of Exhibit A-2, or such other substantially similar form agreed to by the Settling Parties, and (d) set a date for the Final Approval Hearing. The Notice shall include the general terms of this Settlement set forth in this Stipulation, the proposed Plan of Allocation, the general terms of the Fee and Expense Application as defined in ¶ 10.1 below, and the date of the Final Approval Hearing. Lead Counsel shall cause the Claims Administrator to mail the Notice to those Class Members who may be identified through the records maintained by or on behalf of Molycorp and to publish the Summary Notice, pursuant to the terms of the Preliminary Approval Order entered by the Court.

7.2 Lead Counsel shall request that, after Notice is given, the Court hold a Final Approval Hearing and approve the Settlement of the Litigation as set forth herein. Lead Counsel also will request that the Court approve the proposed Plan of Allocation and the Fee and Expense Application.

7.3 Any Person falling within the definition of the Class may be excluded from the Class by submitting to the Claims Administrator a request for exclusion (“Request for Exclusion”), which complies with the requirements set forth in the Preliminary Approval Order and/or Notice and is postmarked no later than the Court-ordered date. All Persons who submit valid and timely Requests for Exclusion shall have no rights under the Stipulation, shall not share in the distribution of the Net Settlement Fund, and shall not be bound by the Stipulation or the Judgment. However, a Class Member may submit a written revocation of a Request for Exclusion up until five (5) calendar days before the date of the Final Approval Hearing and receive payments pursuant to this Stipulation and Settlement, provided the Class Member also submits a valid Proof of Claim before the Bar Date.

8. Releases

8.1 Upon the Effective Date, the Lead Plaintiffs and each of the Class Members (on behalf of themselves and each of their respective present and former directors, officers,

employees, parents, subsidiaries, related or affiliated entities, shareholders, members, divisions, partners, joint ventures, family members, spouses, domestic partners, heirs, principals, agents, owners, fiduciaries, personal or legal representatives, attorneys, auditors, accountants, advisors, banks or bankers, insurers, reinsurers, trustees, trusts, estates, executors, administrators, predecessors, successors, assigns, and any other person or entity who has the right, ability, standing, or capacity to assert, prosecute, or maintain on behalf of any Class Member any of the Released Claims (or to obtain the proceeds of any recovery therefrom)) shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever released, relinquished, and discharged all Released Claims against the Released Parties, whether or not such Class Member executes and delivers a Proof of Claim and Release Form, seeks or obtains a distribution from the Net Settlement Fund, is entitled to receive a distribution under the Plan of Allocation approved by the Court, or has objected to the Settlement, the Plan of Allocation, or Lead Counsel's application for attorneys' fees and litigation expenses. The Settling Parties acknowledge, and the Class Members shall be deemed by operation of law to acknowledge, that the waiver of Unknown Claims, and of the provisions, rights, and benefits of §1542 of the California Civil Code, and of any U.S. federal or state law, or principle of common law or otherwise, that is similar, comparable, or equivalent to §1542 of the California Civil Code, was bargained for and is a material element of the Settlement of which the release in this paragraph is a part.

8.2 The Proof of Claim and Release Form ("Proof of Claim") to be executed by Class Members shall release all Released Claims against the Released Parties and shall be substantially in the form contained in Exhibit A-2 attached hereto, or such other substantially similar form agreed to by the Settling Parties.

8.3 Upon the Effective Date, the Lead Plaintiffs and all Class Members and anyone claiming through or on behalf of any of them, are forever barred and enjoined from commencing,

instituting, or continuing to prosecute any action or proceeding in any court of law or equity, arbitration tribunal, administrative forum, or other forum of any kind, asserting against any of the Released Parties, and each of them, any of the Released Claims.

8.4 Upon the Effective Date, each of the Defendants and Affiliate Releasees (as defined in ¶ 1.31, supra) shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever released, relinquished, and discharged the Lead Plaintiffs, Class Members, and their counsel, employees, successors, and assigns from all claims (including, without limitation, Unknown Claims) arising out of, relating to, or in connection with, the institution, prosecution, assertion, settlement or resolution of the Litigation or the Released Claims.

8.5 The Settlement is contingent upon entry of an appropriate bar order, consistent with the Securities Act of 1933, the Securities Exchange Act of 1934, the Private Securities Litigation Reform Act of 1995, and/or applicable common law, barring contribution claims against the Defendants, and containing a judgment reduction provision and language substantially similar to the language proposed in ¶ 8.6 below.

8.6 The proposed Judgment shall include, and the Settling Parties agree to the entry by the Court of, an order providing that, upon the Effective Date, except as provided in ¶ 8.8 below, any and all persons and entities are permanently barred and enjoined, to the fullest extent permitted by law, from commencing, prosecuting, or asserting any and all claims for contribution or indemnity (or any other claim when the alleged injury to that person or entity is their actual or threatened liability to the Class or a Class Member in the Litigation) based upon, relating to, arising out of, or in connection with the Released Claims, against each and every one of the Released Parties, whether arising under state, federal, common, statutory, administrative or foreign law, regulation, or at equity, as claims, cross-claims, counterclaims, or third-party claims, in this Litigation or a separate action, in this Court or in any other court, arbitration proceeding,

administrative proceeding, or other forum; and, except as provided in ¶ 8.8 below, the Released Parties are permanently barred and enjoined, to the fullest extent permitted by law, from commencing, prosecuting, or asserting any and all claims for contribution or indemnity (or any other claim when the alleged injury to the Released Party is their actual or threatened liability to the Class or a Class Member in the Litigation) based upon, relating to, or arising out of the Released Claims, against any person or entity, other than a person or entity whose liability to the Class has been extinguished pursuant to the Settlement and the Judgment, whether arising under state, federal, common, statutory, administrative, or foreign law, regulation, or at equity, as claims, cross-claims, counterclaims, or third-party claims, in this Litigation or a separate action, in this Court or in any other court, arbitration proceeding, administrative proceeding, or other forum. Nothing herein shall bar, release, or alter, in any way, any obligations, rights or claims among or between the Released Parties.

8.7 The proposed Judgment shall also contain a provision, substantially in the form set forth in Exhibit B hereto, requiring that any final verdict or judgment that may be obtained by or on behalf of the Class or a Class Member against any person or entity subject to the bar order as defined herein be reduced by the greater of: (i) an amount that corresponds to the percentage of responsibility of any of the Defendants for common damages; or (ii) the Settlement Amount.

8.8 Notwithstanding the bar order in ¶ 8.6 above, nothing in this Settlement shall bar any action by any of the Settling Parties to enforce or effectuate the terms of this Settlement, the Preliminary Approval Order, or the Judgment.

9. Administration and Calculation of Claims, Final Awards and Supervision and Distribution of Settlement Fund

9.1 The Claims Administrator shall administer and calculate the claims submitted by Class Members. The Claims Administrator will be subject to such supervision and direction from the Court and/or Lead Counsel as may be necessary or as circumstances may require. Within ten (10) calendar days of the date of this Stipulation, Defendants will use reasonable

efforts to cause Molycorp's transfer agent to provide the Claims Administrator, in a computer-readable format, and without any charge to the Lead Plaintiffs or the Class, the last known names and addresses of all of Molycorp's shareholders of record during the Class Period.

9.2 The deposit of the Settlement Amount into the Escrow Account represents the only payment the Defendants or their insurers shall be obligated to make with respect to this Settlement, and no other payments shall be required of the Defendants or their insurers in association with this Settlement. The Settlement Fund shall be applied as follows:

- (a) to pay all reasonable Taxes and Tax Expenses described in ¶ 4.1 hereof;
- (b) to pay all reasonable Notice and Administration Expenses;
- (c) to pay Lead Counsel's attorneys' fees and expenses and reimbursement of Lead Plaintiffs' expenses if and to the extent allowed by the Court (the "Fee and Expense Award"); and
- (d) after the Effective Date, to distribute the balance of the Net Settlement Fund to Authorized Claimants as allowed by the Stipulation, the Plan of Allocation, or the Court.

9.3 Upon the Effective Date and thereafter, and in accordance with the terms of the Stipulation, the Plan of Allocation, or such further approval and further order(s) of the Court as may be necessary or as circumstances may require, the Net Settlement Fund shall be distributed to Authorized Claimants, subject to and in accordance with the following.

9.4 Within ninety (90) calendar days after the Notice Date or such other time as may be set by the Court, each Person claiming to be an Authorized Claimant shall be required to submit to the Claims Administrator a completed Proof of Claim, in the form of Exhibit A-2 attached hereto, or such other substantially similar form agreed to by the Settling Parties, signed under penalty of perjury and supported by such documents as are specified in the Proof of Claim and as are reasonably available to the Authorized Claimant.

9.5 Except as otherwise ordered by the Court, all Class Members who fail to timely submit a Proof of Claim within such period, or such other period as may be ordered by the Court, or otherwise allowed, shall be forever barred from receiving any payments pursuant to this Stipulation and the Settlement set forth herein, but will in all other respects be subject to and bound by the provisions of the Stipulation, the releases contained herein, and the Judgment. Notwithstanding the foregoing, Lead Counsel shall have the discretion (but not the obligation) to accept late-submitted claims so long as distribution of the Net Settlement Fund is not materially delayed thereby.

9.6 By submitting a Claim, a Class Member shall be deemed to have submitted to the jurisdiction of the Court with respect to the Claim, including, but not limited to, the releases and bar order provided for in the Judgment, and, subject to Court order, the Claim may be subject to investigation and discovery under the Federal Rules of Civil Procedure, provided that such investigation and discovery shall be limited to their status as a Class Member and the validity and amount of their Claim. No discovery shall be allowed on the merits of this Litigation or this Settlement in connection with the processing of Proof of Claim Forms, nor shall any discovery be taken of the Released Parties in connection with such matters.

9.7 Payment pursuant to the Plan of Allocation shall be final and conclusive against any and all Class Members. All Class Members who did not submit a Claim or whose Claim was not approved shall be barred from participating in distributions from the Net Settlement Fund, but shall be bound by all of the terms of this Settlement, including the terms of the Judgment and the releases provided for therein, and will be permanently barred and enjoined from bringing any action, claim or proceeding of any kind against any Released Party concerning any Released Claim.

9.8 The Net Settlement Fund shall be distributed to Authorized Claimants substantially in accordance with a Plan of Allocation to be described in the Notice and approved

by the Court. Defendants shall not have a reversionary interest in the Net Settlement Fund. If there is any balance remaining in the Net Settlement Fund after a reasonable period of time, Lead Counsel shall, if feasible, reallocate such balance among Authorized Claimants who negotiated the checks or other form of payment sent to them in the initial distribution in an equitable and economic fashion. These redistributions shall be repeated until the balance remaining in the Net Settlement Fund is *de minimis*. Thereafter, any balance which still remains in the Net Settlement Fund shall be donated to an appropriate, non-profit organization selected by Lead Counsel.

9.9 This Settlement is not a claims-made settlement and, if all conditions of this Stipulation are satisfied and the Settlement becomes Final, no portion of the Settlement Fund will be returned to the Defendants, their insurers, or any other Person funding the same.

9.10 The Released Parties shall have no liability, obligation or responsibility whatsoever to any person, including, but not limited to, Class Members, the Escrow Agent, Lead Counsel, Lead Plaintiffs, or the Claims Administrator, in connection with the Plan of Allocation, the administration of the Settlement, the investment of the Settlement Fund, the processing of claims, or the disbursement of the Settlement Fund or the Net Settlement Fund. The Settlement Fund shall indemnify and hold all Released Parties harmless for any Taxes and related expenses on the Settlement Fund of any kind whatsoever (including, without limitation, taxes payable by reason of any such indemnification), as well as for any claims related to the Plan of Allocation, the administration of the Settlement, the investment of the Settlement Fund, the processing of claims, or the disbursement of the Settlement Fund or the Net Settlement Fund. Defendants shall notify the Escrow Agent promptly if Defendants receive any notice of any claim so indemnified.

9.11 No Person shall have any claim against the Lead Plaintiffs, Plaintiffs' Counsel, Defendants, Released Parties, Defendants' Counsel, the Claims Administrator or other Person designated by Lead Counsel based on distributions made substantially in accordance with this

Stipulation and the Settlement contained herein, the Plan of Allocation, or further order(s) of the Court. This does not include any claim by any party for breach of this Stipulation.

9.12 It is understood and agreed by the Settling Parties that any proposed Plan of Allocation of the Net Settlement Fund including, but not limited to, any adjustments to an Authorized Claimant's claim set forth therein, is not a part of this Stipulation and is to be considered by the Court separately from the Court's consideration of the fairness, reasonableness, and adequacy of the Settlement set forth in this Stipulation, and any order or proceeding relating to the Plan of Allocation shall not operate to terminate or cancel this Stipulation or affect or delay the finality of the Court's Judgment approving this Stipulation and the Settlement set forth herein (including the releases contained herein), or any other orders entered pursuant to this Stipulation.

9.13 All proceedings with respect to the administration, processing and determination of Claims and the determination of all controversies relating thereto, including disputed questions of law and fact with respect to the validity of Claims, shall be subject to the jurisdiction of the Court.

9.14 Any member of the Class may appear at the Final Approval Hearing and show cause why the proposed Settlement should or should not be approved as fair, reasonable, adequate and in the best interests of the Class, or why the Judgment should or should not be entered thereon, and/or to present opposition to the Plan of Allocation or to the application of Lead Counsel for attorneys' fees and expenses. However, no Class Member or any other person or entity shall be heard or entitled to contest the approval of the terms and conditions of the Settlement, or, if approved, the Judgment to be entered thereon approving the same, or the terms of the Plan of Allocation or the application by Lead Counsel for an award of attorneys' fees and expenses, unless that Class Member has served written objections pursuant to the requirements and deadlines specified in the Preliminary Approval Order and the Notice. Any Class Member

who does not make his, her or its objection in the manner provided for herein shall be deemed to have waived such objection and shall forever be foreclosed from making any objection to the fairness or adequacy of the Settlement, to the Judgment, to the Plan of Allocation or to the application by Lead Counsel for an award of attorneys' fees and expenses. By objecting to the Settlement, the Judgment, the Plan of Allocation and/or the application by Lead Counsel for an award of attorneys' fees and expenses, or otherwise requesting to be heard at the Final Approval Hearing, an objector shall be deemed to have submitted to the jurisdiction of the Court with respect to the person's or entity's objection or request to be heard and the subject matter of the Settlement, including, but not limited to, enforcement of the terms of the Settlement (including, but not limited to, the release of the Released Claims provided for in the Settlement and the Judgment).

9.15 A person or entity requesting exclusion from the Class must timely provide the information specified in the Preliminary Approval Order and Notice to the Claims Administrator. Unless otherwise ordered by the Court, any Class Member who does not timely submit a written request for exclusion as provided by this Paragraph shall be bound by the Settlement.

9.16 The Claims Administrator shall scan and electronically send copies of all requests for exclusion in PDF format (or such other format as shall be agreed upon) to Defendants' Counsel and to Lead Counsel expeditiously (and not more than five (5) calendar days) after the Claims Administrator receives such a request. Lead Counsel shall provide Defendants' Counsel, within ten (10) calendar days after the expiration of the request for exclusion deadline, copies of all requests for exclusion of any Class Members who will be identified to the Court as having validly and timely requested exclusion from the Class. Lead Counsel will submit to the Court a final list of all persons or entities who have requested exclusion from the Class, and shall verify (through email) that copies of all requests for exclusion received by the Claims Administrator

have been provided to Defendants' Counsel, at least seven (7) calendar days before the Final Approval Hearing.

10. Plaintiffs' Counsel's Attorneys' Fees and Expenses and Reimbursement of Lead Plaintiffs' Expenses

10.1 Plaintiffs' Counsel may submit an application or applications (the "Fee and Expense Application") for distributions to them from the Settlement Fund for a Fee and Expense Award consisting of: (a) an award of attorneys' fees; plus (b) payment of reasonable expenses incurred in connection with prosecuting the Litigation; plus (c) any interest on such fees and expenses at the same rate and for the same time periods as earned by the Settlement Fund (until paid), as may be awarded by the Court. The Fee and Expense Application may also include a request for reimbursement of Lead Plaintiffs' costs and expenses directly related to their representation of the Class. Lead Counsel reserve the right to make additional applications for fees and expenses incurred.

10.2 The Fee and Expense Award, as awarded by the Court, shall be paid to Lead Counsel from the Settlement Fund, as ordered, immediately after the Court executes an order awarding such fees and expenses. Lead Counsel may thereafter allocate the attorneys' fees and expenses among Plaintiffs' Counsel in a manner in which they in good faith believe reflects the contributions of such counsel to the institution, prosecution, and resolution of the Litigation. In the event that the Effective Date does not occur, or the Judgment or the order making the Fee and Expense Award is reversed or modified by final non-appealable order, or the Stipulation is canceled or terminated for any other reason, and in the event that the Fee and Expense Award has been paid to any extent, then Lead Counsel shall be obligated, jointly and severally, within fourteen (14) calendar days from receiving notice from Defendants' Counsel or from a court of appropriate jurisdiction, to refund to the Settlement Fund the fees and expenses previously paid to Lead Counsel from the Settlement Fund plus interest thereon at the same rate as earned by the Settlement Fund in an amount consistent with such reversal or modification.

10.3 Lead Plaintiffs Randall Duck, Jerry W. Jewell, individually and as trustee of the Jerry W. Jewell Trust, Philip Marner, and Donald E. McAlpin may submit an application for an award for their time and expenses in connection with the prosecution of the Litigation. However, in the event that the Effective Date does not occur, or the Judgment or the order approving Lead Plaintiffs' application is reversed or modified, or the Stipulation is cancelled or terminated for any other reason, and such reversal, modification, cancellation, or termination becomes Final and not subject to review, then Lead Plaintiffs shall within fourteen (14) calendar days from receiving notice from Defendants' Counsel or from a court of appropriate jurisdiction, refund to the Settlement Fund such amounts for time and expenses previously paid to them from the Settlement Fund plus interest thereon at the same rate as earned on the Settlement Fund in an amount consistent with such reversal or modification.

10.4 The procedure for and the allowance or disallowance by the Court of any applications by Lead Counsel for attorneys' fees and expenses and reimbursement of Lead Plaintiffs' expenses, to be paid out of the Settlement Fund, are not part of the Settlement set forth in this Stipulation, and are to be considered by the Court separately from the Court's consideration of the fairness, reasonableness, and adequacy of the Settlement set forth in this Stipulation, and any order or proceeding relating to the Fee and Expense Application, or any appeal from any order relating thereto or reversal or modification thereof, shall not operate to terminate or cancel this Stipulation, or affect or delay the finality of the Judgment approving the Stipulation and the Settlement of the Litigation set forth herein (including the releases contained herein).

10.5 Released Parties shall have no responsibility for or liability with respect to the payment of any Fee and Expense Award to Plaintiffs' Counsel, or with respect to the allocation among Plaintiffs' Counsel and/or any other Person who may assert some claim thereto.

11. Conditions of Settlement, Effect of Disapproval, Cancellation or Termination

11.1 The Effective Date of this Stipulation shall be conditioned on the occurrence of all of the following events:

(a) the Settlement Amount has been deposited or caused to be deposited by Defendants or their insurers into the Escrow Account maintained by the Escrow Agent, as required by ¶ 2.1 hereof;

(b) the Court has entered the Preliminary Approval Order, as required by ¶ 7.1 hereof;

(c) Defendants have not exercised their option to terminate the Settlement pursuant to the provisions of this Stipulation, including ¶ 11.3 hereof;

(d) Lead Plaintiffs have not exercised their option to terminate the Settlement pursuant to the provisions of this Stipulation;

(e) the Court has entered the Judgment, in the form of Exhibit B attached hereto, or such other substantially similar form agreed to by the Settling Parties; and

(f) the Judgment has become Final, as defined in ¶ 1.13 hereof.

11.2 Lead Plaintiffs, by and through Lead Counsel, with Defendants' Counsel's consent, shall request that the Court, if it approves the Settlement following the Final Approval Hearing, enter the Judgment. The Settlement is expressly conditioned upon, among other things, the entry of a Judgment substantially in the form attached hereto as Exhibit B and in all respects consistent with this Settlement.

11.3 Upon the occurrence of all of the events referenced in ¶ 11.1 hereof, any and all remaining interest or right of Defendants, their insurers, or any other Person funding the Settlement Amount in or to the Settlement Fund, if any, shall be absolutely and forever extinguished. If all of the conditions specified in ¶ 11.1 hereof are not met, then this Stipulation shall be canceled and terminated subject to ¶ 11.5 hereof unless Lead Counsel and Defendants' Counsel mutually agree in writing to proceed with this Stipulation.

11.4 Defendants shall have the right and the option to terminate the Settlement in the event that Persons who purchased or acquired more than a certain number of shares of Molycorp common and/or preferred stock during the Class Period choose to exclude themselves from the Class (“Opt-Out Threshold”), as set forth in a separate agreement (the “Supplemental Agreement”) executed between Lead Counsel and Defendants’ Counsel, which is incorporated by reference into this Stipulation. The Opt-Out Threshold may be disclosed to the Court for purposes of approval of the Settlement, as may be required by the Court, but such disclosure shall be carried out to the fullest extent possible in accordance with the practices of the Court so as to maintain the Opt-Out Threshold as confidential. In the event of a termination of this Settlement pursuant to the Supplemental Agreement, this Stipulation shall become null and void and of no further force and effect.

11.5 Unless otherwise ordered by the Court, in the event the Stipulation shall terminate, or be canceled, or shall not become effective for any reason, then within fourteen (14) calendar days after written notification of such event is provided by Defendants’ Counsel or Lead Counsel, the Settlement Fund (including accrued interest), less any Notice and Administration Expenses incurred and/or pursuant to ¶ 3.5 and any Taxes and Tax Expenses that have been incurred and/or paid pursuant to ¶ 4.1 hereof, shall be refunded by the Escrow Agent to such Persons that paid the Settlement Amount in proportion to each Person’s contribution to the Settlement Amount pursuant to written instructions from counsel for Defendants. At the request of Defendants’ Counsel, the Escrow Agent or its designee shall apply for any tax refund owed on the Settlement Fund and pay the proceeds, after deduction of any fees or expenses incurred in connection with such application(s) for refund, pursuant to written direction from Defendants’ Counsel.

11.6 In the event that the Stipulation is not approved by the Court or the Settlement set forth in the Stipulation is terminated or fails to become effective in accordance with its terms, the

Settling Parties shall be restored to their respective positions in the Litigation as of July 14, 2016. In such event, the terms and provisions of the Stipulation, with the exception of ¶¶ 1.1-1.41, 3.1-4.1, 11.3-11.5 hereof, shall be null and void and have no further force and effect with respect to the Settling Parties and shall not be used in this Litigation or in any other proceeding for any purpose, and any judgment or order entered by the Court in accordance with the terms of the Stipulation shall be treated as vacated, *nunc pro tunc*. No order of the Court or modification or reversal on appeal of any order of the Court concerning the Plan of Allocation or any Fee and Expense Award shall constitute grounds for cancellation or termination of the Stipulation.

11.7 If the Effective Date does not occur, or if the Stipulation is terminated pursuant to its terms, neither the Lead Plaintiffs nor Lead Counsel shall have any obligation to repay any amounts actually and properly disbursed for reasonable Notice and Administration Expenses and Taxes and Tax Expenses pursuant to ¶¶ 3.5 and 4.1 hereof. In addition, any expenses already incurred and properly chargeable pursuant to ¶ 3.5 or ¶ 4.1 hereof at the time of such termination or cancellation, but which have not been paid, shall be paid by the Escrow Agent in accordance with the terms of the Stipulation prior to the balance being refunded in accordance with ¶¶ 5.1 and 11.4 hereof.

11.8 If a case is commenced in respect to any Defendant under Title 11 of the United States Code (Bankruptcy), or a trustee, receiver, or conservator is appointed under any similar law, and in the event of the entry of a final order of a court of competent jurisdiction determining the transfer of the Settlement Fund, or any portion thereof, by or on behalf of such Defendant to be a preference, voidable transfer, fraudulent transfer, or similar transaction, then, at Lead Plaintiffs' option, as to such Defendant, the releases given and Judgment entered in favor of such Defendant pursuant to this Stipulation shall be null and void.

12. Miscellaneous Provisions

12.1 The Settling Parties (a) acknowledge that it is their intent to consummate this Settlement; and (b) agree to cooperate to the extent reasonably necessary to effectuate and implement all terms and conditions of the Stipulation and to exercise their reasonable best efforts to accomplish the foregoing terms and conditions of the Stipulation.

12.2 The Settling Parties intend this Settlement to be a final and complete resolution of all disputes between them with respect to the Litigation.

12.3 Whether or not the Settlement is approved by the Court, and whether or not the Settlement is consummated, the fact and terms of this Settlement, including its exhibits, all negotiations, discussions, drafts and proceedings in connection with the Settlement, and any act performed or document signed in connection with the Settlement:

(a) shall not be offered by a Settling Party or a Released Party against the Released Parties, Lead Plaintiff or the other Class Members as evidence of, or be deemed to be evidence of, any presumption, concession or admission by any of the Released Parties or by Lead Plaintiff or the other Class Members with respect to the truth of any fact alleged by Lead Plaintiff or the validity, or lack thereof, of any claim that has been or could have been asserted in the Litigation or in any litigation, or the deficiency of any defense that has been or could have been asserted in the Litigation or in any litigation, or of any liability, negligence, fault or wrongdoing of the Released Parties;

(b) shall not be offered by a Settling Party or a Released Party against the Released Parties as evidence of a presumption, concession or admission of any fault, misrepresentation or omission with respect to any statement or written document approved or made by any Released Party, or against Lead Plaintiff or any of the other Class Members as evidence of any infirmity in the claims of Lead Plaintiff and the other Class Members;

(c) shall not be offered by a Settling Party or a Released Party against the Released Parties, Lead Plaintiff or the other Class Members as evidence of a presumption, concession or admission with respect to any liability, negligence, fault or wrongdoing, or in any way referred to for any other reason as against any of the Released Parties, Lead Plaintiff or the other Class Members, in any arbitration proceeding or other civil, criminal or administrative action or proceeding, other than such proceedings as may be necessary to effectuate the provisions of this Settlement; provided, however, that if this Settlement is approved by the Court, the Released Parties may refer to the Settlement and the Judgment in any action that may be brought against them to effectuate the liability protection granted them hereunder, including, without limitation, to support a defense or claim based on principles of *res judicata*, collateral estoppel, release, good faith settlement, judgment bar or reduction, or any other theory of claim preclusion or issue preclusion or similar defense or claim under U.S. federal or state law or foreign law;

(d) shall not be construed against the Released Parties, Defendants' Counsel, Lead Counsel or Lead Plaintiff or the other Class Members as an admission or concession that the consideration to be paid hereunder represents the amount which could be or would have been recovered after trial or that any damages potentially recoverable in the Litigation would have exceeded or would have been less than the Settlement Amount;

(e) shall not be construed as or received in evidence as an admission, concession or presumption against Lead Plaintiff or the other Class Members, or any of them, that any of their claims are without merit; and

(f) shall not be construed as or received in evidence as an admission, concession or presumption against the Released Parties that class certification is appropriate in this Litigation, except for purposes of this Settlement.

12.4 Defendants have denied, and continue to deny, each and every claim and contention alleged in the Litigation and affirm that they have acted properly and lawfully at all

times. Further, Defendants have denied expressly, and continue to deny, all allegations of wrongdoing, fault, liability, or damage against them arising out of any of the conduct, statements, acts or omissions alleged, or that could have been alleged, in the Litigation and deny that they ever engaged in or committed any fraud, wrongdoing, improper conduct, violation of law, or breach of duty whatsoever. Defendants also have denied, and continue to deny, *inter alia*, that there were any materially false or misleading statements or material omissions in any of Defendants' public statements, including their filings with the SEC, and that Lead Plaintiff or any Class Member has suffered damage or harm of any kind. Had the terms of this Settlement not been reached, Defendants would have continued to contest vigorously Lead Plaintiff's allegations, and Defendants maintain that they had and have meritorious defenses to all claims alleged in the Litigation.

12.5 Defendants agree that the Litigation is being settled voluntarily after consultation with competent legal counsel. The Settling Parties, Defendants' Counsel, Lead Counsel and any other counsel for Lead Plaintiffs agree that they will not seek any award of fees or other sanction pursuant to Federal Rule of Civil Procedure 11 or any similar provision of law and will not assert or argue in this Litigation that any party or their counsel failed to comply with the provisions of Fed. R. Civ. P. 11. The Judgment will contain a statement that, throughout this Litigation, the Settling Parties and their counsel each complied with the provisions of Fed. R. Civ. P. 11. Based upon their investigation and prosecution of the case, Lead Counsel have concluded that the terms of the Stipulation are fair, reasonable, and adequate to Lead Plaintiffs and Members of the Class, and in their best interests. Based on Lead Plaintiffs' oversight of the prosecution of the Litigation and with the advice of their counsel, Lead Plaintiffs have agreed to settle the claims raised in the Litigation pursuant to the terms and provisions of this Stipulation, after considering (a) the substantial financial benefit that Lead Plaintiffs and Members of the Class will receive under the proposed Settlement, (b) the significant risks of continued litigation and trial, and (c)

the desirability of permitting the Settlement to be consummated as provided by the terms of this Stipulation. The Settling Parties reserve their right to rebut, in a manner that such party determines to be appropriate, any contention made in any public forum that the Litigation was brought or defended in bad faith or without a reasonable basis.

12.6 Each Defendant warrants and represents as to himself, herself or itself only, that he, she, or it is not “insolvent” within the meaning of 11 U.S.C. § 101(32) as of the time this Stipulation is executed and as of the time the payments of the Settlement Amount are actually transferred or made as reflected in this Stipulation.

12.7 While maintaining their positions that the claims and defenses asserted in the Litigation are meritorious, Lead Plaintiffs and Lead Counsel, on the one hand, and Defendants and Defendants’ Counsel, on the other, shall not make any public statements or statements to the media (whether or not for attribution) that disparage the other’s business, conduct, or reputation or that of their counsel based on the subject matter of the Litigation.

12.8 Pursuant to the Class Action Fairness Act, 28 U.S.C. 1715, no later than ten (10) calendar days after the Settlement is filed with the Court, Defendants will serve proper notice of the proposed Settlement upon the appropriate representatives and, within three (3) calendar days thereafter, will provide written notification to Lead Counsel that they have done so. Defendants shall be responsible for all costs and expenses related to such notification.

12.9 Lead Plaintiffs, Lead Counsel, and the attorneys, staff, experts, and consultants assisting them in this Litigation agree that they will not discuss any confidential matters related to this Litigation or the Settlement with anyone and all agreements made and orders entered during the course of the Litigation relating to the confidentiality of information shall survive this Stipulation, pursuant to their terms.

12.10 Sufficient discovery having been completed in this action in order for the Settling Parties to properly assess the strengths and weaknesses of their respective cases, the Settlement

contemplated herein is not subject to or contingent upon confirmatory discovery or any further discovery.

12.11 All of the Exhibits to the Stipulation are material and integral parts hereof and are fully incorporated herein by this reference.

12.12 This Stipulation shall not be construed more strictly against one Settling Party than another merely by virtue of the fact that it, or any part of it, may have been prepared by counsel for one of the Settling Parties, it being recognized that it is the result of arm's-length negotiations between the Settling Parties and that all Settling Parties have contributed substantially and materially to the preparation of this Stipulation.

12.13 The headings used herein are used for the purpose of convenience only and are not meant to have legal effect.

12.14 The waiver by one party of any breach of this Stipulation by any other party shall not be deemed as a waiver of any other prior or subsequent breaches of this Stipulation.

12.15 The Stipulation may be amended or modified only by a written instrument signed by or on behalf of all Settling Parties or their respective successors-in-interest.

12.16 The Stipulation and the Exhibits attached hereto and the Supplemental Agreement constitute the entire agreement among the Settling Parties hereto and no representations, warranties or inducements have been made to any Settling Party concerning the Stipulation or its Exhibits or the Supplemental Agreement other than the representations, warranties, and covenants contained and memorialized in such documents. Except as otherwise provided herein, each Settling Party shall bear its own costs.

12.17 Lead Counsel, on behalf of the Class, are expressly authorized by the Lead Plaintiffs to take all appropriate action required or permitted to be taken by the Class pursuant to the Stipulation to effectuate its terms and also are expressly authorized to enter into any

modifications or amendments to this Stipulation on behalf of the Class which they deem appropriate.

12.18 To the extent there are disputes regarding the interpretation of any term of this Settlement, the Settling Parties will attempt to resolve any such disputes in good faith, including, if necessary, through further mediation discussions with the Hon. Layn R. Phillips (Ret.); provided, however, the Settling Parties shall request that this Court retain jurisdiction over this action pursuant to ¶12.24 such that if the Settling Parties fail to resolve their disputes, or in the event of a breach of the terms of the Settlement, any non-breaching Settling Party shall be entitled to enforcement of those provisions before this Court. The prevailing Settling Party in any such action to enforce these provisions of the Settlement shall be entitled to recover their reasonable attorneys' fees and expenses incurred in connection with remedying the breach.

12.19 Nothing in this Settlement, or the negotiations or proceedings relating to the Settlement, is intended to or shall be deemed to constitute a waiver of any applicable privilege or immunity, including, without limitation, the attorney-client privilege, the joint defense privilege, the accountants' privilege, or work product immunity; further, all information and documents transmitted between Plaintiffs' Counsel and Defendants' Counsel in connection with this Settlement shall be kept confidential and shall be inadmissible in any proceeding in any U.S. federal or state court or other tribunal or otherwise, in accordance with Rule 408 of the Federal Rules of Evidence as if such Rule applied in all respects in any such proceeding or forum.

12.20 Each counsel or other Person executing the Stipulation or any of its Exhibits on behalf of any Settling Party hereto hereby warrants that such Person has the full authority to do so.

12.21 The Stipulation may be executed in one or more counterparts, including by signature transmitted by email in pdf format. All executed counterparts and each of them shall

be deemed to be one and the same instrument. A complete set of executed counterparts shall be filed with the Court.

12.22 The Stipulation shall be binding upon, and inure to the benefit of, the successors and assigns of the Settling Parties.

12.23 The Court shall retain jurisdiction with respect to implementation and enforcement of the terms of the Stipulation, and all Settling Parties submit to the jurisdiction of the Court for purposes of implementing and enforcing the Settlement embodied in the Stipulation.

12.24 The Stipulation and the Exhibits hereto shall be considered to have been negotiated, executed and delivered, and to be wholly performed, in the State of Colorado, and the rights and obligations of the parties to the Stipulation shall be construed and enforced in accordance with, and governed by, the internal, substantive laws of the State of Colorado without giving effect to that State's choice-of-law principles.

12.25 Whenever this Stipulation requires or contemplates that a Settling Party shall or may give notice to the other, notice shall be provided by electronic mail, or next-day (excluding Saturday and Sunday) express delivery service as follows and shall be deemed effective upon such transmission or delivery to the address set forth below:

If to Plaintiffs, then to:

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Co-Lead Counsel for Plaintiffs

If to Defendants, then to:

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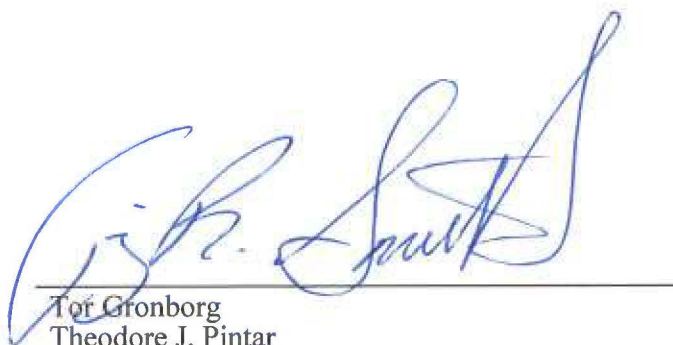
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12.26 The Settling Parties reserve the right, subject to the Court's approval, to make any reasonable extensions of time that might be necessary to carry out any of the provisions of this Stipulation.

IN WITNESS WHEREOF, the parties hereto have caused the Stipulation to be executed, by their duly authorized attorneys dated as of October 27, 2016.

DATED: October 27, 2016



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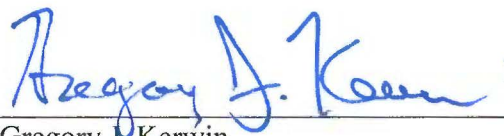
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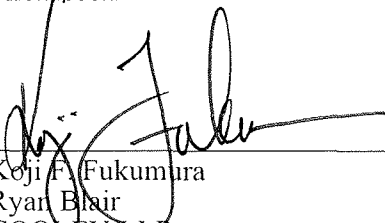
Liaison Counsel for Lead Plaintiffs Randall Duck,
Jerry W. Jewell, Philip Marner and Donald E.
McAlpin, and representative Plaintiffs Iron
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DATED: October 27, 2016

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and Company, LLC; Stifel, Nicolaus & Company
Incorporated; BNP Paribas Securities Corp.;
CIBC World Markets Corp.; Piper Jaffray & Co.;
and RBS Securities Inc.

CERTIFICATE OF SERVICE

I hereby certify that on October 27, 2016, I authorized the electronic filing of the foregoing with the Clerk of the Court using the CM/ECF system which will send notification of such filing to the e-mail addresses denoted on the attached Electronic Mail Notice List, and I hereby certify that I caused to be mailed the foregoing document or paper via the United States Postal Service to the non-CM/ECF participants indicated on the attached Manual Notice List.

I certify under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed on October 27, 2016.

s/ Trig R. Smith
TRIG R. SMITH

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Mailing Information for a Case 1:12-cv-00292-RM-KMT Molycorp Shareholder Group et al v. Molycorp, Inc. et al

Electronic Mail Notice List

The following are those who are currently on the list to receive e-mail notices for this case.

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- **Jonathan D.K. Youngwood**
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Manual Notice List

The following is the list of attorneys who are **not** on the list to receive e-mail notices for this case (who therefore require manual noticing). You may wish to use your mouse to select and copy this list into your word processing program in order to create notices or labels for these recipients.

- (No manual recipients)

EXHIBIT A

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLORADO**

Civil Action No. 1:12-cv-00292-RM-KMT

In re MOLYCORP, INC. SECURITIES LITIGATION

**[PROPOSED] ORDER PRELIMINARILY APPROVING SETTLEMENT,
APPROVING NOTICE TO THE CLASS, AND SCHEDULING A
FINAL APPROVAL HEARING**

EXHIBIT A

WHEREAS, an action is pending before this Court entitled *In re Molycorp, Inc. Securities Litigation*, Civil Action No. 1:12-cv-00292-RM-KMT (the “Litigation”);

WHEREAS, Randall Duck, Jerry W. Jewell, individually and as trustee of the Jerry W. Jewell Trust, Philip Marner, and Donald E. McAlpin (the “Lead Plaintiffs”) having made application, pursuant to Federal Rule of Civil Procedure 23(e), for an order preliminarily approving the Settlement of this Litigation, in accordance with a Stipulation of Settlement dated as of October ___, 2016 (the “Stipulation”), which, together with the Exhibits annexed thereto, set forth the terms and conditions for a proposed Settlement of the Litigation and for dismissal of the Litigation with prejudice;

WHEREAS, the Court is familiar with the record in the Litigation and has reviewed the Stipulation, including the Exhibits attached to the Stipulation, and found good cause for entering the following Preliminary Approval Order;

NOW, THEREFORE, IT IS HEREBY ORDERED:

1. The Court preliminarily approves the Stipulation and the Settlement set forth therein, subject to further consideration at the Final Approval Hearing described below.
2. This Preliminary Approval Order hereby incorporates by reference the definitions in the Stipulation, and all capitalized terms used herein, unless otherwise defined, shall have the same meanings as set forth in the Stipulation.
3. Pursuant to Rules 23(a) and 23(b)(3) of the Federal Rules of Civil Procedure, the Court preliminarily certifies, for settlement purposes only, a Class defined as follows:

All persons who purchased or otherwise acquired Molycorp securities from February 7, 2011 through November 10, 2011, inclusive, including all persons who purchased or acquired Molycorp common stock and/or Molycorp 5.50% Series A Mandatory Convertible Preferred Stock (“Preferred Stock”) pursuant to the February 2011 offering, and all persons who purchased or acquired Molycorp common stock pursuant to the June 2011 offering, and who were damaged thereby. Excluded from the Class are: (i) Defendants and their families, the officers and directors of the Company, at all relevant times, members of their immediate families and their legal representatives, heirs, successors or assigns, and any entity in which any of the above excluded persons have or had a majority ownership interest; (ii)

Molycorp (including any parent, subsidiary or corporate successor of Molycorp); and (iii) any putative member of the Class who timely and validly excludes himself, herself, or itself from the Class in accordance with the requirements set forth in the Notice of Pendency and Proposed Settlement of Class Action and Rule 23 of the Federal Rules of Civil Procedure. The foregoing exclusion in (i) shall not cover “Investment Vehicles,” which for these purposes shall mean any investment company or pooled investment fund, including, but not limited to, mutual fund families, exchange-traded funds, fund of funds, private equity funds, real estate funds, and hedge funds, in which any Underwriter Defendant or any of its affiliates or Molycorp or any Individual Defendant has or may have a direct or indirect interest or as to which any Underwriter Defendant or any of its affiliates may act as an investment advisor, general partner, managing member, or in other similar capacity, other than an investment vehicle of which the Underwriter Defendant or any of its affiliates is a majority owner or holds a majority beneficial interest and only to the extent of such Underwriter Defendant’s or affiliate’s ownership or interest.

I. NOTICE

4. The Court approves, as to form and content, the Notice of Pendency and Proposed Settlement of Class Action (the “Notice”), the Proof of Claim and Release form (the “Proof of Claim”), and Summary Notice annexed as Exhibits A-1, A-2, and A-3 hereto, and finds that the mailing and distribution of the Notice and publishing of the Summary Notice substantially in the manner and form set forth in ¶¶5-6 of this Order meet the requirements of Federal Rule of Civil Procedure 23; Section 21D(a)(7) of the Securities Exchange Act of 1934, 15 U.S.C. §78u-4(a)(7), Section 27(a)(7) of the Securities Act of 1933, 15 U.S.C. §77z-1(a)(7), as amended by the Private Securities Litigation Reform Act of 1995 (the “PSLRA”); the Constitution of the United States (including the Due Process clause); and any other applicable law, and is the best notice practicable under the circumstances and shall constitute due and sufficient notice to all Persons entitled thereto.

5. The firm of Gilardi & Co. LLC (“Claims Administrator”) is hereby appointed to supervise and administer the notice procedure as well as the processing of claims as more fully set forth below:

(a) Defendants have already provided to the Claims Administrator, without any charge to Lead Plaintiffs or the Class, Molycorp’s shareholder lists in a computer readable format. Commencing not later than _____, 2016 [ten (10) calendar days from the date of this Order] (the

“Notice Date”), the Claims Administrator shall cause a copy of the Notice and the Proof of Claim, substantially in the forms annexed as Exhibits A-1 and A-2 hereto, to be mailed by First-Class Mail to all Class Members who can be identified with reasonable effort;

(b) Not later than fourteen (14) calendar days from the Notice Date, the Claims Administrator shall cause the Summary Notice to be published once in *The Wall Street Journal* and once over a national newswire service; and

(c) At least seven (7) calendar days prior to the Final Approval Hearing, Lead Counsel shall cause to be served on Defendants’ Counsel and filed with the Court proof, by affidavit or declaration, of such mailing and publishing.

6. Nominees who purchased or acquired Molycorp common stock and/or Preferred Stock for the beneficial ownership of Class Members during the Class Period shall: (i) send the Notice and the Proof of Claim to all such beneficial owners of Molycorp common stock and/or Preferred Stock within ten (10) calendar days after receipt of the Notice and Proof of Claim from the Claims Administrator; or (ii) send a list of the names and addresses of such beneficial owners to the Claims Administrator within ten (10) calendar days of receipt of the Notice and Proof of Claim from the Claims Administrator, in which event the Claims Administrator shall promptly mail the Notice and Proof of Claim to such beneficial owners. Lead Counsel shall, if requested and provided with proper supporting documentation, reimburse banks, brokerage houses or other nominees solely for their reasonable out-of-pocket expenses actually incurred in providing notice to beneficial owners who are Class Members out of the Settlement Fund, which expenses would not have been incurred except for the sending of such notice, subject to further order of this Court with respect to any dispute concerning such compensation.

II. HEARING: RIGHT TO BE HEARD

7. A hearing (the “Final Approval Hearing”) shall be held before this Court on _____, 2017, at _____.m. [a date that is at least 100 calendar days from the date of this

Preliminary Approval Order], at the United States District Court for the District of Colorado, Alfred A. Arraj United States Courthouse, 901 19th Street, Courtroom A601, Denver, CO 80294, to determine: (i) whether the proposed Settlement of the Litigation on the terms and conditions provided for in the Stipulation is fair, reasonable, and adequate to the Class and should be approved by the Court; (ii) whether a Judgment, as provided in ¶1.17 of the Stipulation, should be entered; (iii) whether the proposed Plan of Allocation is fair and reasonable and should be approved; (iv) the amount of fees and expenses that should be awarded to Lead Counsel; and (v) the amount of expenses to be awarded to Lead Plaintiffs. The Court may adjourn the Final Approval Hearing without further notice to the Members of the Class.

8. All opening briefs and supporting documents in support of the Settlement, the Plan of Allocation, and any application by Lead Counsel for attorneys' fees and expenses or by Lead Plaintiffs for their expenses shall be filed and served by _____, 2016 [fifty (50) calendar days after the Notice Date]. Replies to any objections or in further support of the Settlement, the Plan of Allocation, and the applications for attorneys' fees and expenses shall be filed and served seven (7) calendar days prior to the Final Approval Hearing.

9. Any Member of the Class may appear and show cause why the proposed Settlement of the Litigation should or should not be approved as fair, reasonable, and adequate, why a judgment should or should not be entered thereon, why the Plan of Allocation should or should not be approved, why attorneys' fees and expenses should or should not be awarded to Lead Counsel, or why the expenses of Lead Plaintiffs should or should not be awarded; provided, however, that no Class Member or any other Person shall be heard or entitled to contest such matters, unless that Person has delivered by hand or sent by First-Class Mail written objections and copies of any papers and briefs such that they are received, not simply postmarked, on or before _____, 2017 [sixty-five (65) calendar days after the Notice Date], by:

Lead Counsel for the Class

Robbins Geller Rudman & Dowd LLP, Trig R. Smith, 655 West Broadway, Suite 1900, San Diego, CA 92101;

Kessler Topaz Meltzer & Check, LLP, Matthew Mustokoff, 280 King of Prussia Road, Radnor, PA 19087;

Counsel for Defendants

Cooley LLP, Koji F. Fukumura, 4401 Eastgate Mall, San Diego, CA 92121 (counsel for Mark A. Smith, James S. Allen, John F. Ashburn, Jr., and John L. Burba);

Gibson, Dunn & Crutcher LLP, Gregory J. Kerwin, 1801 California Street, Suite 4200, Denver, CO 80202 (counsel for Russell D. Ball, Ross R. Bhappu, Brian T. Dolan, Mark Kristoff, Alec Machiels, Charles R. Henry and Jack E. Thompson); and

Simpson Thacher & Bartlett LLP, Jonathan K. Youngwood, 425 Lexington Avenue, New York, NY 10017 (counsel for the Underwriter Defendants);

and filed said objections, papers, and briefs with the Clerk of the United States District Court for the District of Colorado, Alfred A. Arraj United States Courthouse, 901 19th Street, Room A105, Denver, CO 80294, on or before _____, 2017 [sixty-five (65) calendar days after the Notice Date]. Any Member of the Class who does not make his, her, or its objection in the manner provided herein shall be deemed to have waived such objection and shall forever be foreclosed from making any objection to the fairness or adequacy of the proposed Settlement as set forth in the Stipulation, to the Plan of Allocation, or to the award of attorneys' fees and expenses to Lead Counsel or expenses of Lead Plaintiffs, unless otherwise ordered by the Court. By objecting to the proposed Settlement as set forth in the Stipulation, the Judgment, the Plan of Allocation, and/or the award of attorneys' fees and expenses, or otherwise requesting to be heard at the Final Approval Hearing, an objector shall be deemed to have submitted to the jurisdiction of the Court with respect to the Person's objection or request to be heard and the subject matter of the Settlement, including, but not limited to, enforcement of the terms of the Settlement (including the release of the Released Claims provided for in the Settlement and Judgment).

10. Any Member of the Class may hire their own attorney, at their own expense, to represent them in making written objections or in appearing at the Final Approval Hearing. If any Class Member chooses to hire an attorney at their own expense, that attorney must file a notice of appearance with the Court and serve it on Lead Counsel and Defendants' Counsel so that the notice is received fourteen (14) days prior to the Final Approval Hearing.

11. All Members of the Class shall be bound by all determinations and judgments in the Litigation concerning the Settlement, whether favorable or unfavorable to the Class. If the Settlement is approved, all Class Members will be bound by the Settlement, including, but not limited to, the release of the Released Claims provided for in the Settlement, and by any judgment or determination of the Court affecting the Class Members, regardless of whether or not a Class Member submits a Proof of Claim.

12. At or after the Final Approval Hearing, the Court shall determine whether the Plan of Allocation proposed by Lead Counsel and any application for attorneys' fees or payment of expenses shall be approved.

13. The Court reserves the right to adjourn the date of the Final Approval Hearing without further notice to the Members of the Class, and retains jurisdiction to consider all further applications arising out of or connected with the proposed Settlement. The Court may approve the Settlement, with such modifications as may be agreed to by the Settling Parties, if appropriate, without further notice to the Class.

III. CLAIMS PROCESS

14. Class Members who wish to participate in the Settlement shall complete and submit Proofs of Claim in accordance with the instructions contained therein. Unless the Court orders otherwise, all Proofs of Claim must be postmarked or submitted electronically no later than ninety (90) days from the Notice Date.

15. Any Class Member who does not timely submit a Proof of Claim within the time provided for shall be barred from sharing in the distribution of the proceeds of the Settlement Fund, unless otherwise ordered by the Court, but nonetheless will be bound by all of the terms of the Settlement, including the releases provided therein, and shall be barred and enjoined from bringing any action, claim or other proceeding of any kind against any Released Party concerning any Released Claim, and shall be bound by any judgment or determination of the Court affecting the Class Members. Notwithstanding the foregoing, Lead Counsel may, in their discretion, accept late-submitted claims for processing by the Claims Administrator so long as distribution of the Net Settlement Fund to Authorized Claimants is not materially delayed thereby.

16. Any Member of the Class may enter an appearance in the Litigation, at their own expense, individually or through counsel of their own choice. If they do not enter an appearance, they will be represented by Lead Counsel.

IV. REQUEST FOR EXCLUSION FROM THE CLASS

17. Any Person falling within the definition of the Class may, upon request, be excluded from the Class. Any such Person must submit to the Claims Administrator a signed request for exclusion (“Request for Exclusion”) such that it is postmarked no later than _____, 2017 [sixty-five (65) calendar days after the Notice Date]. To be valid, a Request for Exclusion must state all of the information requested by §XII of the Notice. All Persons who submit valid and timely Requests for Exclusion in the manner set forth in this paragraph shall have no rights under the Stipulation, shall not share in the distribution of the Net Settlement Fund, and shall not be bound by the Stipulation or the Judgment entered in the Litigation.

V. MISCELLANEOUS

18. All funds held by the Escrow Agent shall be deemed and considered to be in *custodia legis* of the Court, and shall remain subject to the jurisdiction of the Court, until such time as such funds shall be distributed pursuant to the Stipulation and/or further order(s) of the Court.

19. Neither the Defendants, Released Parties, nor Defendants' Counsel shall have any responsibility for the Plan of Allocation or any application for attorneys' fees or expenses submitted by Lead Counsel or expenses of Lead Plaintiffs, and such matters will be considered separately from the fairness, reasonableness, and adequacy of the Settlement.

20. All Taxes, Tax Expenses, and Notice and Administration Expenses shall be paid from the Settlement Fund. In the event the Settlement is not approved by the Court, or otherwise fails to become effective, neither Lead Plaintiffs nor any of their counsel shall have any obligation to repay any amounts incurred and/or properly disbursed pursuant to ¶¶3.5 or 4.1 of the Stipulation.

21. Neither the Stipulation, nor any of its terms or provisions, nor any of the negotiations or proceedings connected with it, shall be construed as an admission or concession by the Defendants of the truth of any of the allegations in the Litigation, or of any liability, fault, or wrongdoing of any kind.

22. Unless the Settlement is terminated or not finally approved, only Class Members and Lead Counsel shall have any right to any portion of, or any rights in the distribution of, the Settlement Fund, unless otherwise ordered by the Court or otherwise provided in the Settlement.

23. Unless otherwise provided in the Settlement, there shall be no distribution of any of the Net Settlement Fund to any Class Member until the Plan of Allocation is finally approved and is affirmed on appeal or certiorari or is no longer subject to review by appeal or certiorari and the time for any petition for rehearing, appeal or review, whether by certiorari or otherwise, has expired.

24. If the Stipulation and the Settlement set forth therein fails to become effective in accordance with its terms, or if the Judgment is not entered or is reversed, vacated, or materially modified on appeal (and, in the event of material modification, if any party elects to terminate the Settlement), this Preliminary Approval Order (except ¶¶22-25) shall be null and void, the Settlement shall be deemed terminated, and the Settling Parties shall return to their positions as of July 14, 2016, without prejudice to the rights of the Settling Parties *status quo ante*.

25. The Court hereby orders a continuation of the stay of this Litigation first entered on July 28, 2016 (Dkt. 228), and Lead Plaintiffs, all Class Members, and anyone who acts or purports to act on their behalf, shall not commence or prosecute against any of the Released Parties, any action or proceeding in any court or tribunal asserting any of the Released Claims.

IT IS SO ORDERED.

DATED: _____

RAYMOND P. MOORE
UNITED STATES DISTRICT JUDGE

EXHIBIT A-1

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLORADO**

Civil Action No. 1:12-cv-00292-RM-KMT

In re MOLYCORP, INC. SECURITIES LITIGATION

NOTICE OF PENDENCY AND PROPOSED SETTLEMENT OF CLASS ACTION

EXHIBIT A-1

TO: ALL PERSONS WHO PURCHASED OR OTHERWISE ACQUIRED MOLYCORP, INC. (“MOLYCORP” OR THE “COMPANY”) SECURITIES FROM FEBRUARY 7, 2011 THROUGH NOVEMBER 10, 2011, INCLUSIVE, INCLUDING ALL PERSONS WHO PURCHASED OR ACQUIRED MOLYCORP COMMON STOCK AND/OR MOLYCORP 5.50% SERIES A MANDATORY CONVERTIBLE PREFERRED STOCK (“PREFERRED STOCK”) PURSUANT TO THE FEBRUARY 2011 OFFERING, AND ALL PERSONS WHO PURCHASED OR ACQUIRED MOLYCORP COMMON STOCK PURSUANT TO THE JUNE 2011 OFFERING, AND WHO WERE DAMAGED THEREBY.

PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. YOUR RIGHTS MAY BE AFFECTED BY PROCEEDINGS IN THIS LITIGATION. PLEASE NOTE THAT IF YOU ARE A CLASS MEMBER, YOU MAY BE ENTITLED TO SHARE IN THE PROCEEDS OF THE SETTLEMENT DESCRIBED IN THIS NOTICE. TO CLAIM YOUR SHARE OF THIS FUND, YOU MUST SUBMIT A VALID PROOF OF CLAIM AND RELEASE FORM (“PROOF OF CLAIM”) **POSTMARKED OR SUBMITTED ONLINE ON OR BEFORE _____, 2017.**

This Notice of Pendency and Proposed Settlement of Class Action (“Notice”) has been sent to you pursuant to Rule 23 of the Federal Rules of Civil Procedure and an Order of the United States District Court for the District of Colorado (the “Court”) because you or someone in your family or an investment account for which you serve as a custodian may have purchased or otherwise acquired Molycorp securities during the Class Period. The purpose of this Notice is to inform you of the proposed settlement of the case entitled *In re Molycorp, Inc. Securities Litigation*, Civil Action No. 1:12-cv-00292-RM-KMT (the “Litigation”) and of the hearing (the “Final Approval Hearing”) to be held by the Court to consider the fairness, reasonableness, and adequacy of the settlement (the “Settlement”) as set forth in the Stipulation of Settlement between Lead Plaintiffs and Defendants, dated as of October 27, 2016 (the “Stipulation”) on file with the Court.

Please Note: Receipt of this Notice does not mean you are a Class Member or that you will be entitled to receive a payment from the Settlement. As described below in Section XV, if you are a Class Member and wish to be eligible for a payment, you are required to submit the Proof of Claim that is being distributed with this Notice and supporting documents, as explained in the Proof of Claim.

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

I. DESCRIPTION OF THE LITIGATION AND THE CLASS

The Settlement resolves class action litigation over allegations that Molycorp, Inc. (“Molycorp”), certain of Molycorp’s current and former officers and directors, and certain underwriters for public offerings in 2011 made or were otherwise liable for material misrepresentations and omissions during the Class Period concerning Molycorp’s Mountain Pass mine. Randall Duck, Jerry W. Jewell, individually and as trustee of the Jerry W. Jewell Trust, Philip Marner, and Donald E. McAlpin were appointed by the Court to represent all Class Members and were designated as the Lead Plaintiffs and Class representatives for this case. Robbins Geller Rudman & Dowd LLP and Kessler Topaz Meltzer & Check, LLP were appointed by the Court to serve as Lead Counsel. The “Class” consists of:

all persons who purchased or otherwise acquired Molycorp securities from February 7, 2011 through November 10, 2011, inclusive, including all persons who purchased or acquired Molycorp common stock and/or Molycorp 5.50% Series A Mandatory Convertible Preferred Stock (“Preferred Stock”) pursuant to the February 2011 offering, and all persons who purchased or acquired Molycorp common stock pursuant to the June 2011 offering, and who were damaged thereby. Excluded from the Class are: (i) Defendants and their families, the officers and directors of the Company, at all relevant times, members of their immediate families and their legal representatives, heirs, successors or assigns, and any entity in which any of the above excluded persons have or had a majority ownership interest; (ii) Molycorp (including any parent, subsidiary or corporate successor of Molycorp); and (iii) any putative member of the Class who timely and validly excludes himself,

herself, or itself from the Class in accordance with the requirements set forth in the Notice of Pendency and Proposed Settlement of Class Action and Rule 23 of the Federal Rules of Civil Procedure. The foregoing exclusion in (i) shall not cover “Investment Vehicles,” which for these purposes shall mean any investment company or pooled investment fund, including, but not limited to, mutual fund families, exchange-traded funds, fund of funds, private equity funds, real estate funds, and hedge funds, in which any Underwriter Defendant or any of its affiliates or Molycorp or any Individual Defendant has or may have a direct or indirect interest or as to which any Underwriter Defendant or any of its affiliates may act as an investment advisor, general partner, managing member, or in other similar capacity, other than an investment vehicle of which the Underwriter Defendant or any of its affiliates is a majority owner or holds a majority beneficial interest and only to the extent of such Underwriter Defendant’s or affiliate’s ownership or interest.

Lead Plaintiffs and Defendants do not agree on the average amount of damages per share of Molycorp common or Preferred Stock, if any, that would have been recoverable by the Class if Lead Plaintiffs were to have prevailed on each claim alleged. Defendants deny that they are liable to Lead Plaintiffs or the Class or that Lead Plaintiffs or the Class suffered any injury. The issues on which the Settling Parties disagree are many, but at least include: (1) whether Defendants engaged in any conduct that would give rise to any liability to the Class under the federal securities laws, or any other laws; (2) whether Defendants have valid defenses to any such claims of liability; (3) the appropriate economic model for determining the amount by which the prices of Molycorp securities were allegedly artificially inflated (if at all) during the Class Period; (4) the amount by which the prices of Molycorp securities were allegedly artificially inflated (if at all) during the Class Period; (5) the effect of various market forces on the prices of Molycorp securities at various times during the Class Period; (6) the extent to which external factors influenced the prices of Molycorp securities at various times during the Class Period; (7) the extent to which the various matters that Lead Plaintiffs alleged were materially false or misleading influenced (if at all) the prices of Molycorp securities at various times during the Class Period; and (8) the extent to which the various allegedly adverse material facts that Lead Plaintiffs alleged were omitted influenced (if at all) the prices of Molycorp securities at various times during the Class Period.

II. STATEMENT OF CLASS RECOVERY

The proposed Settlement will result in the creation of a cash settlement fund in the amount of Twenty Million, Five-Hundred Thousand Dollars (\$20,500,000.00) (the “Settlement Amount”), plus any interest earned thereon after it is deposited into the Escrow Account (the “Settlement Fund”).

The Settlement Fund – subject to deduction for, among other things, costs of class notice and administration and certain taxes and tax related expenses and for attorneys’ fees and expenses as approved by the Court – will be available for distribution to Class Members. Your recovery from this fund will depend on a number of variables, including the number and type of Molycorp securities you purchased or otherwise acquired from February 7, 2011 through November 10, 2011, inclusive, and the timing of your purchases, acquisitions, and any sales. In the unlikely event that 100% of the eligible securities of Molycorp purchased or acquired by Class Members and entitled to a distribution under the Plan of Allocation described below participate in the Settlement, the estimated average distribution per share of Molycorp common stock and Preferred Stock will be approximately \$0.49 and \$0.17, respectively, before deduction of Court-approved fees and expenses. Historically, actual claim rates are lower than 100%, resulting in higher per share distributions.

III. THE REASONS FOR SETTLEMENT

Lead Plaintiffs believe that the proposed Settlement is a good recovery and is in the best interests of the Class. Because of the risks associated with continuing to litigate and proceeding to trial, there was a danger that the Class would not have prevailed on any of its claims, in which case the Class would receive nothing. Also, the amount of damages recoverable by the Class was and is challenged by Defendants. Recoverable damages in this case are limited to losses caused by conduct actionable under applicable law and, had the Litigation gone to trial, Defendants would have asserted that any losses of Class Members were caused by non-actionable market, industry, or general economic factors. Defendants also would have asserted that throughout the Class Period the uncertainties and risks associated with the purchase of Molycorp securities were fully and adequately

disclosed. The Underwriter Defendants also would have asserted that they properly relied on expert statements, which may preclude liability under applicable law. The proposed Settlement provides a certain benefit to Class Members, and will avoid the years of delay that would likely occur in the event of a contested trial and appeals.

IV. STATEMENT OF ATTORNEYS' FEES AND EXPENSES SOUGHT

Lead Counsel have not received any payment for their services in conducting this Litigation on behalf of Lead Plaintiffs and the Class, nor have they been paid for their litigation expenses. If the Settlement is approved by the Court, Lead Counsel will apply to the Court for attorneys' fees of 30% of the Settlement Amount and expenses not to exceed \$600,000, plus interest thereon, to be paid from the Settlement Fund. If the amounts requested are approved by the Court, the average cost per share of Molycorp common stock and Preferred Stock will be approximately \$0.16 and \$0.05, respectively. In addition, Lead Plaintiffs may seek up to \$28,000 in the aggregate for their costs and expenses incurred in representing the Class. The Court's approval or modification of the fee and expense application will not affect Lead Plaintiffs and Defendants agreement to the other terms of the Settlement.

V. IDENTIFICATION OF ATTORNEYS' REPRESENTATIVES

For further information regarding this Settlement, you may contact a representative of Lead Counsel: Rick Nelson, Shareholder Relations, Robbins Geller Rudman & Dowd LLP, 655 West Broadway, Suite 1900, San Diego, CA 92101, Telephone: 800/449-4900; Matthew Mustokoff, Kessler Topaz Meltzer & Check, LLP, 280 King of Prussia Road, Radnor, PA 19087, Telephone: 610/667-7706.

VI. NOTICE OF HEARING ON PROPOSED SETTLEMENT

A hearing (the "Final Approval Hearing") will be held on _____, 2017, at _____.m., before the Honorable Raymond P. Moore, United States District Judge, at the United States District Court for the District of Colorado, Alfred A. Arraj United States Courthouse, 901 19th Street,

Courtroom A601, Denver, CO 80294. The purpose of the Final Approval Hearing will be to determine: (1) whether the proposed Settlement, as set forth in the Stipulation, consisting of Twenty Million, Five-Hundred Thousand Dollars (\$20,500,000.00) in cash, should be approved as fair, reasonable, and adequate to the Members of the Class; (2) whether the proposed plan to distribute the Settlement proceeds (the “Plan of Allocation”) is fair and reasonable; (3) whether the application by Lead Counsel for an award of attorneys’ fees and expenses and the expenses of Lead Plaintiffs should be approved; and (4) whether the Judgment, in the form attached to the Stipulation, should be entered. The Court may adjourn the Final Approval Hearing from time to time and without further notice to the Class.

VII. DEFINITIONS IN THIS NOTICE

As used in this Notice, the following terms have the meanings specified below. Any capitalized terms not specifically defined in this Notice shall have the meanings set forth in the Stipulation. In the event of any inconsistency between any definition set forth below or elsewhere in this Notice and any definition set forth in the Stipulation, the definition set forth in the Stipulation shall control.

1. “Authorized Claimant” means any Class Member who timely submits a valid Proof of Claim and Release Form to the Claims Administrator in accordance with the requirements established by the Court, and that is approved for payment from the Net Settlement Fund.

2. “Claims Administrator” means the firm of Gilardi & Co. LLC.

3. “Class” means, for the purposes of this Settlement, and to be certified pursuant to Federal Rule of Civil Procedure 23 for purposes of effectuating this Settlement only, all persons who purchased or otherwise acquired Molycorp securities from February 7, 2011 through November 10, 2011, inclusive, including all persons who purchased or acquired Molycorp common stock and/or Molycorp 5.50% Series A Mandatory Convertible Preferred Stock (“Preferred Stock”) pursuant to the February 2011 offering, and all persons who purchased or acquired Molycorp common stock

pursuant to the June 2011 offering, and who were damaged thereby. Excluded from the Class are:

(i) Defendants and their families, the officers and directors of the Company, at all relevant times, members of their immediate families and their legal representatives, heirs, successors or assigns, and any entity in which any of the above excluded persons have or had a majority ownership interest;

(ii) Molycorp (including any parent, subsidiary or corporate successor of Molycorp); and (iii) any putative member of the Class who timely and validly excludes himself, herself, or itself from the Class in accordance with the requirements set forth in this Notice and Rule 23 of the Federal Rules of Civil Procedure. The foregoing exclusion in (i) shall not cover “Investment Vehicles,” which for these purposes shall mean any investment company or pooled investment fund, including, but not limited to, mutual fund families, exchange-traded funds, fund of funds, private equity funds, real estate funds, and hedge funds, in which any Underwriter Defendant or any of its affiliates or Molycorp or any Individual Defendant has or may have a direct or indirect interest or as to which any Underwriter Defendant or any of its affiliates may act as an investment advisor, general partner, managing member, or in other similar capacity, other than an investment vehicle of which the Underwriter Defendant or any of its affiliates is a majority owner or holds a majority beneficial interest and only to the extent of such Underwriter Defendant’s or affiliate’s ownership or interest.

4. “Class Member” or “Member of the Class” mean a Person who falls within the definition of the Class as set forth in ¶3 above.

5. “Class Period” means the period between February 7, 2011 and November 10, 2011, inclusive.

6. “Court” means the United States District Court for the District of Colorado.

7. “Defendants” means Mark A. Smith, James S. Allen, John F. Ashburn, Jr., Ross R. Bhappu, John L. Burba, Brian T. Dolan, Mark Kristoff, Charles R. Henry, Jack E. Thompson, Russell D. Ball, Alec Machiels, Morgan Stanley & Co. Incorporated n/k/a Morgan Stanley & Co. LLC; J.P. Morgan Securities LLC; Knight Capital Americas, L.P. n/k/a KCG Americas LLC;

Dahlman Rose & Company, LLC n/k/a Cowen and Company, LLC; Stifel, Nicolaus & Company Incorporated; BNP Paribas Securities Corp.; CIBC World Markets Corp.; Piper Jaffray & Co.; and RBS Securities Inc.

8. “Judgment” means the Final Judgment and Order of Dismissal with Prejudice to be rendered by the Court, substantially in the form attached to the Stipulation as Exhibit B.

9. “Lead Counsel” means Robbins Geller Rudman & Dowd LLP and Kessler Topaz Meltzer & Check, LLP.

10. “Lead Plaintiffs” means Randall Duck, Jerry W. Jewell, individually and as trustee of the Jerry W. Jewell Trust, Philip Marner, and Donald E. McAlpin, *i.e.*, the persons appointed as Lead Plaintiffs by order of the Court dated May 29, 2012.

11. “Litigation” means the action captioned *In re Molycorp, Inc. Securities Litigation*, Civil Action No. 1:12-cv-00292-RM-KMT, filed in the United States District Court for the District of Colorado.

12. “Net Settlement Fund” means the Settlement Fund less (i) any Taxes and Tax Expenses, (ii) any Fee and Expense Award to Plaintiffs’ Counsel and/or Lead Plaintiffs approved by the Court, and (iii) the Notice and Administration Expenses.

13. “Notice Date” means ten (10) calendar days from the Court’s entry of the Preliminary Approval Order.

14. “Person” means a natural person, individual, corporation, partnership, limited partnership, association, joint stock company, estate, legal representative, trust, unincorporated association, government or any political subdivision or agency thereof, and any business or legal entity and their spouses, heirs, predecessors, successors, representatives or assignees.

15. “Plan of Allocation” means the proposed plan of allocation of the Settlement Fund whereby the Settlement Fund shall be distributed to Authorized Claimants after payment of Notice and Administration Expenses, Taxes and Tax Expenses, the Fee and Expense Award, and interest,

plus any other amounts as may be authorized or awarded by the Court, or such other plan of allocation as the Court shall approve. Any Plan of Allocation is not part of the Stipulation and Defendants and the Released Parties shall have no responsibility therefore or liability with respect thereto.

16. “Preliminary Approval Order” means the order preliminarily approving the Settlement and directing notice thereof to the Class, entered by the Court.

17. “Released Claims” shall collectively mean all actions, claims (including Unknown Claims as defined in ¶25), duties, debts, demands, rights, disputes, suits, matters, damages, losses, obligations, proceedings, issues, judgments, liabilities and causes of action of every nature and description whatsoever (including, but not limited to, any claims for damages, whether compensatory, consequential, special, punitive, exemplary or otherwise, and any fees, costs, expenses or charges), known or unknown, contingent or absolute, mature or immature, discoverable or undiscoverable, whether concealed or hidden, suspected or unsuspected, which now exist, or heretofore have existed, asserted or that could have been asserted, in any forum or proceeding or otherwise by the Lead Plaintiffs or any Member of the Class against the Released Parties with respect to the purchase or acquisition of Molycorp common stock or preferred stock during the Class Period and the acts, facts, statements, or omissions that were or could have been alleged by the Lead Plaintiffs, or arising under federal, state or foreign law on behalf of any Members of the Class. Released Claims do not include any and all derivative claims that have been asserted on behalf of Molycorp by its shareholders, including, but not limited to, the claims asserted derivatively on behalf of Molycorp in *Wells v. Smith, et al.*, No. 1:12-cv-00447-WJM (D. Colo.); *Swaggerty v. Smith, et al.*, No. 1:12-cv-00589 (D. Colo.); *Kayten v. Bhappu, et al.*, No. 1:13-cv-3155 (D. Colo.); *Gaines v. Smith, et al.*, C.A. No. 12-7282 (Del. Ch.); *Paskowitz v. Smith, et al.*, C.A. No. 12-7319 (Del. Ch.); *Wilson v. Smith, et al.*, C.A. No. 12-7395 (Del. Ch.); *Salzmann v. Smith, et al.*, C.A. No. 13-8744 (Del. Ch.); *VCN Resources v. Smith, et al.*, C.A. No. 14-7282 (Del. Ch.); *Clem v. Smith, et al.*, No.

12 CV 392 (Arapahoe Cnty., Colo.); and *Nationwide Consulting, Inc. v. Smith, et al.*, No. 12 CV 448 (Arapahoe Cnty., Colo.), or any claims relating to the enforcement of the Settlement.

18. “Released Parties” means all the Defendants as defined in ¶7 above, as well as Craig Cogut, Pegasus Capital Advisors, L.P., RCF Management LLC, T-II Holdings, LLC, and each of their past or present subsidiaries (collectively the “Affiliate Releasees”), and each of any Defendant’s or Affiliate Releasee’s past or present directors, officers, employees, partners, insurers, co-insurers, reinsurers, principals, controlling shareholders, attorneys, accountants, auditors, underwriters, investment advisors, personal or legal representatives, predecessors, successors, parents, subsidiaries, divisions, joint ventures, assigns, spouses, heirs, estates, related or affiliated entities, any entity in which a Defendant has a controlling interest, any member of an Individual Defendant’s immediate family, any trust of which an Individual Defendant is the settlor or which is for the benefit of an Individual Defendant and/or any member of an Individual Defendant’s immediate family, and any entity in which a Defendant and/or any member of an Individual Defendant’s immediate family has or have a controlling interest (directly or indirectly).

19. “Settlement” means the settlement contemplated by the Stipulation.

20. “Settlement Amount” means Twenty Million, Five-Hundred Thousand Dollars (\$20,500,000).

21. “Settlement Fund” means the Settlement Amount plus any interest earned thereon after it is deposited into the Escrow Account.

22. “Settling Parties” means, collectively, the Defendants and the Lead Plaintiffs, on behalf of themselves and Members of the Class.

23. “Stipulation” means the Stipulation of Settlement, including the recitals and Exhibits thereto.

24. “Tax” or “Taxes” means all taxes due and payable (including any estimated taxes, interest or penalties) with respect to the income earned by the Settlement Fund.

25. “Unknown Claims” means collectively any and all Released Claims, of every nature and description, that the Lead Plaintiffs or any Class Member does not know or suspect to exist in his, her, or its favor at the time of the release of the Effective Date, which, if known by him, her, or it, might have affected his, her, or its settlement with and release of the Released Parties, or might have affected his, her, or its decision not to object to or opt out of this Settlement. With respect to any and all Released Claims, the Settling Parties stipulate and agree that, upon the Effective Date, Lead Plaintiffs shall expressly waive, and each Class Member shall be deemed to have waived, and by operation of the Judgment shall have waived, the provisions, rights, and benefits of California Civil Code §1542, and of any U.S. federal or state law, or principle of common law or otherwise, that is similar, comparable, or equivalent to §1542 of the California Civil Code, which provides, in relevant part:

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

Lead Plaintiffs shall expressly waive and each Class Member shall be deemed to have, and by operation of the Judgment shall have, expressly waived any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States, or principle of common law, which is similar, comparable or equivalent to California Civil Code §1542. Lead Plaintiffs and Class Members may hereafter discover facts in addition to or different from those which he, she, or it now knows or believes to be true with respect to the subject matter of the Released Claims, but Lead Plaintiffs shall expressly, fully, finally, and forever settle and release, and each Class Member, upon the Effective Date, shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever settled and released, any and all Released Claims, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which now exist, or heretofore have existed, upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct which is negligent, intentional, with or without

malice, or a breach of any duty, law or rule, without regard to the subsequent discovery or existence of such different or additional facts. Lead Plaintiffs acknowledge, and Class Members shall be deemed by operation of the Judgment to have acknowledged, that the foregoing waiver was separately bargained for and a material element of the Settlement of which this release is a part.

VIII. THE LITIGATION

On February 3, 2012, a class action complaint was filed in the Court as a securities fraud class action on behalf of investors in Molycorp common stock. The complaint alleged violations of §§10(b) and 20(a) of the Securities Exchange Act of 1934 (the “Exchange Act”) on behalf of a class of all persons and entities who purchased or otherwise acquired the publicly traded common stock of Molycorp between March 9, 2011 and November 10, 2011, inclusive.

On May 29, 2012, the Court appointed Randall Duck, Jerry W. Jewell, individually and as trustee of the Jerry W. Jewell Trust, Philip Marner, and Donald E. McAlpin as Lead Plaintiffs pursuant to §21D(a)(3)(B) of the Exchange Act, as amended by the Private Securities Litigation Reform Act of 1995, and approved their selection of Robbins Geller Rudman & Dowd LLP and Kessler Topaz Meltzer & Check, LLP as Lead Counsel and Dyer & Berens LLP as Liaison Counsel for the class.

On July 31, 2012, Lead Plaintiffs filed the Consolidated Class Action Complaint for Violations of Federal Securities Laws (the “Consolidated Complaint”). The Consolidated Complaint alleged violations of §§10(b), 20(a) and 20A of the Exchange Act on behalf of a class of persons who purchased or acquired the publicly traded securities of Molycorp from February 11, 2011 through November 10, 2011. The Consolidated Complaint also alleged violations of §§11, 12(a)(2) and 15 of the Securities Act of 1933 (the “Securities Act”) on behalf of all persons who purchased or acquired Molycorp 5.50% Series A Mandatory Convertible Preferred Stock (hereinafter “Preferred Stock”) pursuant to the Company’s February 2011 offering and all persons who purchased or acquired Molycorp common stock pursuant to the June 2011 offering. On October 22, 2012,

Defendants moved to dismiss the Consolidated Complaint, which the Court granted without prejudice in an Order dated March 31, 2015.

On May 29, 2015, Lead Plaintiffs filed their First Amended Consolidated Class Action Complaint for Violations of the Federal Securities Laws (the “First Amended Complaint”).¹ The First Amended Complaint alleges violations of §§10(b) and 20(a) of the Exchange Act on behalf of all persons who purchased or acquired the publicly traded securities – *i.e.*, the Company’s common stock and/or Preferred Stock – from February 7, 2011 through November 10, 2011. The First Amended Complaint also alleges violations of §§11, 12(a)(2) and 15 of the Securities Act on behalf of all persons who purchased or acquired Molycorp common stock and/or Preferred Stock pursuant to the Company’s February 2011 offering and all persons who purchased or acquired Molycorp common stock traceable and/or pursuant to the Company’s June 2011 offering. On June 24, 2015, Defendants moved to dismiss the First Amended Complaint, which the Court granted in part and denied in part in an Order dated January 20, 2016.

On February 11, 2016, the Court conducted a scheduling conference pursuant to Fed. R. Civ. P. 16 and, the same day, issued the operative Scheduling Order for the Litigation. Discovery in the Litigation commenced immediately thereafter. On March 17, 2016, the Individual Defendants filed a motion for summary judgment. On May 25, 2016, the Court denied that motion without prejudice to renewing the motion at the conclusion of discovery.

On June 29, 2016, the Settling Parties participated in a mediation session facilitated by Judge Phillips. In connection with the mediation process, Lead Plaintiffs and Defendants conducted arm’s-length negotiations with respect to a potential compromise and settlement of the Litigation. Following the mediation session, the Settling Parties continued discussions through Judge Phillips and ultimately reached an agreement to settle the Litigation for a total settlement payment of

¹ On June 25, 2015, Molycorp, Inc. and its affiliates filed a voluntary Chapter 11 bankruptcy petition with the United States Bankruptcy Court for the District of Delaware, Case No. 15-11357, and, on the same day, Lead Plaintiffs voluntarily dismissed Molycorp from the Litigation.

\$20,500,000. On July 27, 2016, the Settling Parties advised the Court that a tentative settlement had been reached subject to formal approval of the Court.

IX. LEAD PLAINTIFFS' CLAIMS AND THE BENEFITS OF SETTLEMENT

Lead Plaintiffs believe that the claims asserted in the Litigation have merit and that the evidence developed to date supports the claims. However, Lead Plaintiffs and their counsel recognize and acknowledge the expense and length of continued proceedings necessary to prosecute the Litigation against Defendants through trial and through appeals. Lead Plaintiffs and their counsel also have taken into account the uncertain outcome and the risk of any litigation, especially in complex actions such as the Litigation, as well as the difficulties and delays inherent in such litigation. Lead Plaintiffs and their counsel also are mindful of the inherent problems of proof under and possible defenses to the securities law violations asserted in the Litigation. Lead Plaintiffs and their counsel believe that the Settlement set forth in the Stipulation confers substantial benefits upon the Class. Based on their evaluation, Lead Plaintiffs and their counsel have determined that the Settlement set forth in the Stipulation is in the best interests of Lead Plaintiffs and the Class.

X. DEFENDANTS' DENIAL OF WRONGDOING AND LIABILITY

Defendants, individually and collectively, have denied and continue to deny that they engaged in any wrongdoing of any kind, or that they violated or breached any law, regulation, or duty owed to Plaintiffs. Defendants have vigorously denied and continue to deny all charges of wrongdoing or liability against them arising out of any of the conduct, statements, acts or omissions alleged, or that could have been alleged, in the Litigation. Defendants deny that the Lead Plaintiffs or any Member of the Class have suffered damages, that the prices of Molycorp common and Preferred Stock were artificially inflated during the Class Period as the result of any alleged misrepresentations, omissions, non-disclosures or otherwise by Defendants, and that the Lead Plaintiffs or the Class were harmed by the conduct alleged in the First Amended Complaint.

Defendants further deny that Molycorp's publicly filed documents contained any alleged material misrepresentation and/or omission.

Nonetheless, Defendants have concluded that further defense of the Litigation would be protracted and expensive, and that it is desirable that the Litigation be fully and finally settled in the manner and upon the terms and conditions set forth in the Stipulation. Defendants also considered the uncertainty and risks inherent in the Litigation. Defendants have, therefore, determined that it is desirable to settle the Litigation in the manner and upon the terms and conditions set forth in the Stipulation.

XI. TERMS OF THE PROPOSED SETTLEMENT

A settlement has been reached in the Litigation between Lead Plaintiffs and Defendants, the terms and conditions of which are set forth in the Stipulation and the Exhibits thereto. The following description of the proposed Settlement is only a summary, and reference is made to the text of the Stipulation, on file with the Court for a full statement of its provisions.

The Settlement Fund consists of Twenty Million, Five-Hundred Thousand Dollars (\$20,500,000.00), plus any interest earned thereon after it is deposited into the Escrow Account.

Subject to Court approval, a portion of the Settlement Fund will be used to pay attorneys' fees and expenses to Lead Counsel and Lead Plaintiffs' expenses, to pay for this Notice and the processing of claims submitted by Class Members, and to pay Taxes and Tax Expenses. The balance of the Settlement Fund (the "Net Settlement Fund") will be distributed, in accordance with the Plan of Allocation described below, to Class Members who submit valid and timely Proofs of Claim.

The effectiveness of the Settlement is subject to a number of conditions and reference to the Stipulation is made for further particulars regarding these conditions.

XII. REQUESTING EXCLUSION FROM THE CLASS

If you do not wish to be included in the Class and you do not wish to participate in the proposed Settlement described in this Notice you may request to be excluded.

If you wish to be excluded, you must mail a written request stating that you wish to be excluded from the Class to:

Molycorp Securities Litigation
EXCLUSIONS
Claims Administrator
c/o Gilardi & Co. LLC
3301 Kerner Blvd.
San Rafael, CA 94901

The request for exclusion must: (1) include your name, address, and telephone number; (2) state that you “request exclusion from the Class”; (3) state the date(s), price(s), and amount(s) of Molycorp securities that you purchased, sold, or otherwise acquired or disposed of during the period February 7, 2011 through November 10, 2011, inclusive; and (4) be signed by you or your representative. ***YOUR EXCLUSION REQUEST MUST BE POSTMARKED NO LATER THAN _____, 2017.*** No request for exclusion will be considered valid unless all of the information described above is included in any such request. No further opportunity to request exclusion will be given in this Litigation. If you choose to be excluded from the Class, (a) you are not entitled to share in the proceeds of the Settlement described herein; (b) you are not bound by any judgment entered in the Litigation; and (c) you are not precluded by the Settlement from otherwise prosecuting an individual claim against Defendants, if timely, based on the matters complained of in the Litigation.

XIII. RIGHTS OF CLASS MEMBERS

If you are a Class Member and have not elected to request exclusion, you may receive the benefit of, and you will be bound by the terms of, the proposed Settlement described in this Notice, upon approval of the proposed Settlement by the Court.

If you are a Class Member, you have the following options:

1. You may submit a Proof of Claim as described below. If you choose this option, you will share in the proceeds of the proposed Settlement if your claim is timely, valid, and entitled to a distribution under the Plan of Allocation described below and if the proposed Settlement is finally approved by the Court; and you will be bound by the Judgment and release to be entered by the Court as described below.

2. You may do nothing at all. If you choose this option, you will not share in the proceeds of the Settlement, but you will be bound by any judgment entered by the Court, and you shall be deemed to have, and by operation of the Judgment shall have, fully released all of the Released Claims against the Released Parties.

3. You may object to the Settlement, the Plan of Allocation, Lead Counsel's application for attorneys' fees and expenses, and/or Lead Plaintiffs' request for expenses in the manner described in Section XIX below.

4. If you are a Class Member, you may, but are not required to, enter an appearance through counsel of your own choosing and at your own expense, provided that such counsel files an appearance on your behalf on *or before* _____, 2017 (fourteen (14) days prior to the Final Approval Hearing), and serves copies of such appearance on the attorneys listed in Section XIX below. If you do not enter an appearance through counsel of your own choosing, you will be represented by Lead Counsel: Robbins Geller Rudman & Dowd LLP and Kessler Topaz Meltzer & Check, LLP.

XIV. PLAN OF ALLOCATION

As discussed in this Notice, Lead Plaintiffs have recovered \$20,500,000 for the benefit of the Class. The Settlement Amount and the interest earned thereon, after deduction of Court-approved attorneys' fees and expenses, Notice and Administration Expenses, and Taxes and Tax Expenses, is the "Net Settlement Fund." The Net Settlement Fund will not be distributed until the Court has approved the Plan of Allocation, and the time for any petition for rehearing, appeal or review,

whether by certiorari or otherwise, has expired. Approval of the Settlement is independent from approval of the Plan of Allocation. Any determination with respect to the Plan of Allocation will not affect the Settlement.

The Plan of Allocation set forth below is the proposed plan submitted by Lead Plaintiffs and Lead Counsel for the Court's approval. The Court may approve this plan as proposed or may modify it without further notice to the Class.

Subject to Court approval, the Net Settlement Fund will be distributed to Class Members who, in accordance with the terms of the Stipulation, are entitled to a distribution from the Net Settlement Fund pursuant to any Plan of Allocation or any order of the Court and who submit a valid and timely Proof of Claim under the Plan of Allocation described below. The Plan of Allocation provides that you will be eligible to participate in the distribution of the Net Settlement Fund only if you have an overall net loss on all of your transactions in Molycorp securities during the Class Period. Persons and entities that are excluded from the Class by definition, or that exclude themselves from the Class, will not be eligible to receive a distribution from the Net Settlement Fund and should not submit a Proof of Claim.

For purposes of determining the amount an Authorized Claimant may recover under the Plan of Allocation, Lead Counsel have conferred with their economics and damages consultants and expert and the Plan of Allocation reflects an assessment of the damages that they believe could have been recovered by Class Members had Lead Plaintiffs prevailed at trial and reflects the risks of proving violation of the federal securities laws, including loss causation and damages.

In the unlikely event there are sufficient funds in the Net Settlement Fund, each Authorized Claimant will receive an amount equal to the Authorized Claimant's claim, as defined below. If, however, and as is more likely, the amount in the Net Settlement Fund is not sufficient to permit payment of the total claim of each Authorized Claimant, then each Authorized Claimant shall be paid the percentage of the Net Settlement Fund that each Authorized Claimant's claim bears to the

total of the claims of all Authorized Claimants. Payment in this manner shall be deemed conclusive against all Authorized Claimants.

A claim will be calculated as follows:

The calculation of claims below is not an estimate of the amount you will receive. It is a formula for allocating the Net Settlement Fund among all Authorized Claimants. Furthermore, if any of the formulas set forth below yield an amount less than \$0.00 the claim per share is \$0.00.

Common Stock
CUSIP: 608753109
February 7, 2011 – November 10, 2011

The allocation below is based on a potential maximum claim per share equal to \$2.03. This value represents the estimated inflation attributable to the Company's November 11, 2011 price decline.

For shares of MolyCorp common stock *purchased or acquired on or between February 7, 2011 through November 10, 2011*, the claim per share shall be as follows:

- (a) If sold prior to November 11, 2011, the claim per share is zero.
- (b) If retained at the end of November 10, 2011, whether or not sold thereafter, the recovery per share is \$2.03.

Preferred Stock
CUSIP: 608753208
February 10, 2011 – November 10, 2011

The allocation below is based on a potential maximum claim per preferred share equal to \$0.68. This value represents the estimated inflation attributable to the Company's November 11, 2011 price decline.

For shares of MolyCorp Preferred Stock *purchased or acquired on or between February 10, 2011 through November 10, 2011*, the claim per share shall be as follows:

- (a) If sold prior to November 11, 2011, the claim per preferred share is zero.
- (b) If retained at the end of November 10, 2011, whether or not sold thereafter, the recovery per preferred share is \$0.68.

The date of purchase or acquisition or sale is the “contract” or “trade” date as distinguished from the “settlement” date.

For Class Members who held Molycorp securities at the beginning of the Class Period or made multiple purchases, acquisitions, or sales during the Class Period, the First-In, First-Out (“FIFO”) method will be applied to such holdings, purchases, acquisitions, and sales for purposes of calculating a claim. Under the FIFO method, sales of Molycorp securities during the Class Period will be matched, in chronological order, first against the same type of Molycorp securities (*i.e.*, common stock or Preferred Stock) held at the beginning of the Class Period. The remaining sales of the same type of Molycorp securities during the Class Period will then be matched, in chronological order, against the same type of Molycorp securities purchased during the Class Period.

A Class Member will be eligible to receive a distribution from the Net Settlement Fund only if a Class Member had a net overall loss, after all profits from transactions in all Molycorp securities described above during the Class Period are subtracted from all losses. However, the proceeds from sales of a security which have been matched against the same type of security held at the beginning of the Class Period will not be used in the calculation of such net loss. No distributions will be made to Authorized Claimants who would otherwise receive a distribution of less than \$10.00.

The Court has reserved jurisdiction to allow, disallow, or adjust the claim of any Class Member on equitable grounds.

Payment pursuant to the Plan of Allocation set forth above shall be conclusive against all Authorized Claimants. No Person shall have any claim against the Lead Plaintiffs, Lead Counsel, any claims administrator, or other Person designated by Lead Counsel, or Defendants, Defendants’ Counsel, or any of the Released Parties based on distributions made substantially in accordance with the Stipulation and the Settlement contained therein, the Plan of Allocation, or further orders of the Court. All Class Members who fail to complete and file a valid and timely Proof of Claim shall be barred from participating in distributions from the Net Settlement Fund (unless otherwise ordered by

the Court), but otherwise shall be bound by all of the terms of the Stipulation, including the releases provided therein, and shall be barred and enjoined from bringing any action, claim or other proceeding of any kind against any of the Released Parties concerning any Released Claim, and shall be bound by any judgment or determination of the Court affecting the Class Members.

XV. PARTICIPATION IN THE SETTLEMENT

TO PARTICIPATE IN THE DISTRIBUTION OF THE NET SETTLEMENT FUND, YOU MUST TIMELY SUBMIT A PROOF OF CLAIM. A Proof of Claim is enclosed with this Notice or it may be downloaded at www.molycorpsecuritieslitigation.com. Read the instructions carefully, fill out the Proof of Claim, include all the documents the form asks for, sign it, and mail or submit it online so that it is *postmarked (if mailed) or received (if filed electronically) no later than _____, 2017* (ninety (90) days from the Notice Date). The claim form may be submitted online at www.molycorpsecuritieslitigation.com. Unless the Court orders otherwise, if you do not timely submit a valid Proof of Claim, you will be barred from receiving any payments from the Net Settlement Fund, but will in all other respects be bound by the provisions of the Stipulation and the Judgment.

XVI. DISMISSAL AND RELEASE

If the Settlement is approved, the Court will enter a Final Judgment and Order of Dismissal with Prejudice (the “Judgment”) that will dismiss with prejudice the claims in the Litigation. In addition, upon the Effective Date, Lead Plaintiffs and each of the Class Members (on behalf of themselves and each of their respective present and former directors, officers, employees, parents, subsidiaries, related or affiliated entities, shareholders, members, divisions, partners, joint ventures, family members, spouses, domestic partners, heirs, principals, agents, owners, fiduciaries, personal or legal representatives, attorneys, auditors, accountants, advisors, banks or bankers, insurers, reinsurers, trustees, trusts, estates, executors, administrators, predecessors, successors, assigns, and any other person or entity who has the right, ability, standing, or capacity to assert, prosecute, or

maintain on behalf of any Class Member any of the Released Claims (or to obtain the proceeds of any recovery therefrom)), and regardless of whether any such Lead Plaintiff or Class Member ever seeks or obtains by any means, including, without limitation, by submitting a Proof of Claim, any distribution from the Settlement Fund, shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever released, relinquished, and discharged all Released Claims against the Released Parties, and shall be permanently barred and enjoined from instituting, commencing, or prosecuting any such Released Claim against the Released Parties except to enforce the releases and other terms and conditions contained in the Stipulation or the Judgment entered pursuant thereto.

Notwithstanding the above, nothing in the Judgment shall bar any action by any of the Settling Parties to enforce or effectuate the terms of the Settlement, the Preliminary Approval Order, or the Judgment.

XVII. APPLICATION FOR FEES AND EXPENSES

At the Final Approval Hearing, Lead Counsel will request the Court to award attorneys' fees of 30% of the Settlement Amount, plus expenses not to exceed \$600,000, plus interest thereon. In addition, Lead Plaintiffs may seek up to \$28,000 in the aggregate for expenses (including lost wages) they incurred in representing the Class. Such sums as may be approved by the Court will be paid from the Settlement Fund. Class Members are not personally liable for any such fees or expenses. Approval of fees and expenses to Lead Counsel and Lead Plaintiffs is independent from approval of the Settlement and will not affect the Settlement whether approved or denied.

To date, Lead Counsel have not received any payment for their services in conducting this Litigation on behalf of the Lead Plaintiffs and the Class, nor have counsel been paid their expenses. The fee requested by Lead Counsel will compensate counsel for their efforts in achieving the Settlement for the benefit of the Class, and for their risk in undertaking this representation on a wholly contingent basis. Lead Counsel believe that the fee requested is well within the range of fees

awarded to plaintiffs' counsel under similar circumstances in other litigation of this type. The fee to be requested has been approved by each of the Lead Plaintiffs.

XVIII. CONDITIONS FOR SETTLEMENT

The Settlement is conditioned upon the occurrence of certain events described in the Stipulation. Those events include, among other things: (1) entry of the Judgment by the Court, as provided for in the Stipulation; and (2) expiration of the time to appeal from the Judgment or to move to alter or amend the Judgment, or the determination of any such appeal or motion in a manner to permit the consummation of the Settlement substantially as provided for in the Stipulation. If, for any reason, any one of the conditions described in the Stipulation is not met, the Stipulation might be terminated and, if terminated, will become null and void, and the parties to the Stipulation will be restored to their respective positions as of July 14, 2016. In that event, the Settlement will not proceed and no payments will be made to Class Members.

XIX. THE RIGHT TO BE HEARD AT THE FINAL APPROVAL HEARING

Any Class Member who objects to any aspect of the Settlement, the Plan of Allocation, Lead Counsel's application for attorneys' fees and expenses, and/or Lead Plaintiffs' request for expenses, may appear and be heard at the Final Approval Hearing. However, any such person must submit a written notice of objection, such that it is *received on or before* _____, 2017 (sixty-five (65) calendar days after the Notice Date), by each of the following:

To the Court:

CLERK OF THE COURT
UNITED STATES DISTRICT COURT
DISTRICT OF COLORADO
ALFRED A. ARRAJ UNITED STATES COURTHOUSE
901 19th Street, Room A105
Denver, CO 80294

To Counsel for Lead Plaintiffs:

ROBBINS GELLER RUDMAN
& DOWD LLP
TRIG R. SMITH
655 West Broadway, Suite 1900
San Diego, CA 92101

KESSLER TOPAZ MELTZER
& CHECK, LLP
MATTHEW MUSTOKOFF
280 King of Prussia Road
Radnor, PA 19087

To Counsel for Defendants:

COOLEY LLP
KOJI F. FUKUMURA
4401 Eastgate Mall
San Diego, CA 92121

GIBSON, DUNN & CRUTCHER LLP
GREGORY J. KERWIN
1801 California Street, Suite 4200
Denver, CO 80202

SIMPSON THACHER & BARTLETT LLP
JONATHAN K. YOUNGWOOD
425 Lexington Avenue
New York, NY 10017

The notice of objection must demonstrate the objecting person's membership in the Class, including the number and type of Molycorp securities purchased or acquired and sold during the Class Period and contain a statement of the reasons for objection. Only Members of the Class who have submitted written notices of objection in this manner will be entitled to be heard at the Final Approval Hearing, unless the Court orders otherwise.

XX. SPECIAL NOTICE TO NOMINEES

Nominees who purchased or otherwise acquired the Molycorp securities for the beneficial interest of other persons during the Class Period shall, within ten (10) calendar days after receipt of this Notice: (1) provide the Claims Administrator with the names and addresses of such beneficial owners; or (2) forward a copy of this Notice and the Proof of Claim by First-Class Mail to each such

beneficial owner and provide Lead Counsel with written confirmation that the Notice and Proof of Claim have been so forwarded. Upon submission of appropriate documentation, Lead Counsel shall reimburse your reasonable costs and expenses of complying with this provision. Additional copies of this Notice may be obtained from the Claims Administrator by writing to:

Molycorp Securities Litigation
Claims Administrator
c/o Gilardi & Co. LLC
P.O. Box 40007
College Station, TX 77842-4007

or downloaded from the internet at www.molycorpsecuritieslitigation.com.

XXI. EXAMINATION OF PAPERS

This Notice contains only a summary of the terms of the proposed Settlement and does not describe all of the details of the Stipulation. For a more detailed statement of the matters involved in the Litigation, reference is made to the pleadings, to the Stipulation, and to other papers filed in the Litigation, which may be inspected at the office of the Clerk of the Court, United States District Court for the District of Colorado, Alfred A. Arraj United States Courthouse, 901 19th Street, Room A105, Denver, CO 80294. In addition, certain settlement related documents including the Stipulation of Settlement may be viewed at www.molycorpsecuritieslitigation.com.

If you have any questions about the settlement of the Litigation, you may contact Lead Counsel by writing to:

ROBBINS GELLER RUDMAN
& DOWD LLP
TRIG R. SMITH
655 West Broadway, Suite 1900
San Diego, CA 92101

or

KESSLER TOPAZ MELTZER
& CHECK, LLP
MATTHEW MUSTOKOFF
280 King of Prussia Road
Radnor, PA 19087

DO NOT TELEPHONE THE COURT REGARDING THIS NOTICE.

DATED: _____, 2016

BY ORDER OF THE COURT
UNITED STATES DISTRICT COURT
DISTRICT OF COLORADO

EXHIBIT A-2

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLORADO**

Civil Action No. 1:12-cv-00292-RM-KMT

In re MOLYCORP, INC. SECURITIES LITIGATION

PROOF OF CLAIM AND RELEASE

EXHIBIT A-2

I. GENERAL INSTRUCTIONS

1. To be eligible to recover as a Member of the Class based on your claims in the action entitled *In re Molycorp, Inc. Securities Litigation*, Civil Action No. 1:12-cv-00292-RM-KMT (the “Litigation”), you must complete and, on page ___ hereof, sign this Proof of Claim and Release form (“Proof of Claim”). If you fail to submit a timely and properly addressed (as set forth in paragraph 3 below) Proof of Claim, your claim may be rejected and you may not receive any recovery from the Net Settlement Fund created in connection with the proposed Settlement.

2. Submission of this Proof of Claim, however, does not assure that you will share in the proceeds of the Settlement of the Litigation.

3. ***YOU MUST MAIL OR SUBMIT ONLINE YOUR COMPLETED AND SIGNED PROOF OF CLAIM, ACCOMPANIED BY COPIES OF THE DOCUMENTS REQUESTED HEREIN, ON OR BEFORE _____, 2017, ADDRESSED AS FOLLOWS:***

Molycorp Securities Litigation
Claims Administrator
c/o Gilardi & Co. LLC
P.O. Box 40007
College Station, TX 77842-4007

Online submissions: www.molycorpsecuritieslitigation.com

If you are NOT a Member of the Class, as defined in the Notice of Pendency and Proposed Settlement of Class Action (“Notice”), DO NOT submit a Proof of Claim.

4. If you are a Class Member and do not timely request exclusion in connection with the proposed Settlement, you will be bound by the terms of any judgment entered in the Litigation, including the releases provided therein, **WHETHER OR NOT YOU SUBMIT A PROOF OF CLAIM OR RECEIVE A PAYMENT.**

II. CLAIMANT IDENTIFICATION

If you purchased or otherwise acquired Molycorp securities and held the certificate(s) in your name, you are the beneficial purchaser or acquirer as well as the record purchaser or acquirer. If,

however, you purchased or otherwise acquired Molycorp securities and the certificate(s) were registered in the name of a third party, such as a nominee or brokerage firm, you are the beneficial purchaser or acquirer and the third party is the record purchaser or acquirer.

Use Part I of this form entitled “Claimant Identification” to identify each beneficial purchaser or acquirer of the Molycorp securities that form the basis of this claim. **THIS CLAIM MUST BE FILED BY THE ACTUAL BENEFICIAL PURCHASER(S) OR ACQUIRER(S) OR THE LEGAL REPRESENTATIVE OF SUCH PURCHASER(S) OR ACQUIRER(S) OF THE MOLYCORP SECURITIES UPON WHICH THIS CLAIM IS BASED.**

All joint purchasers or acquirers must sign this claim. Executors, administrators, guardians, conservators, and trustees must complete and sign this claim on behalf of persons represented by them and their authority must accompany this claim and their titles or capacities must be stated. The Social Security (or taxpayer identification) number and telephone number of the beneficial owner may be used in verifying the claim. Failure to provide the foregoing information could delay verification of your claim or result in rejection of the claim.

III. CLAIM FORM

Use Part II of this form entitled “Schedule of Transactions in Molycorp Securities” to supply all required details of your transaction(s) in Molycorp securities listed in Part II. If you need more space or additional schedules, attach separate sheets giving all of the required information in substantially the same form. Sign and print or type your name on each additional sheet.

On the schedules, provide all of the requested information with respect to **all** of your purchases or acquisitions of Molycorp common stock that took place during the period February 7, 2011 through and including November 10, 2011, and **all** of your purchases or acquisitions of Molycorp 5.50% Series A Mandatory Convertible Preferred Stock (“Preferred Stock”) that took place during the period February 10, 2011 through and including November 10, 2011, whether such transactions resulted in a profit or a loss. You must also provide all of the requested information

with respect to *all* of the Molycorp common and Preferred Stock you held at the closing positions on the dates requested in Part II.

List each transaction separately and in chronological order, by trade date, beginning with the earliest. You must accurately provide the month, day, and year of each transaction you list.

The date of covering a “short sale” is deemed to be the date of purchase of Molycorp common or Preferred Stock. The date of a “short sale” is deemed to be the date of sale of Molycorp common or Preferred Stock.

Copies of broker confirmations or other documentation of your transactions in Molycorp securities should be attached to your claim. The Settling Parties and the Claims Administrator do not independently have information about your investments in Molycorp common or Preferred Stock. If such documents are not in your possession, please obtain copies or equivalent documents from your broker. Failure to provide this documentation could delay verification of your claim or result in rejection of your claim.

NOTICE REGARDING ELECTRONIC FILES: Certain claimants with large numbers of transactions may request, or may be requested, to submit information regarding their transactions in electronic files. All claimants **MUST** submit a manually signed paper Proof of Claim whether or not they also submit electronic copies. If you wish to file your claim electronically, you must contact the Claims Administrator at edata@gilardi.com to obtain the required file layout. No electronic files will be considered to have been properly submitted unless the Claims Administrator issues to the claimant a written acknowledgment of receipt and acceptance of electronically submitted data.

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLORADO

In re Molycorp, Inc. Securities Litigation
Civil Action No. 1:12-cv-00292-RM-KMT

PROOF OF CLAIM AND RELEASE

Must Be Postmarked (if Mailed) or Received (if Submitted Online) No Later Than:

_____, 2017

Please Type or Print

PART I: CLAIMANT IDENTIFICATION

Beneficial Owner's Name (First, Middle, Last)

Street Address

City

State or Province

Zip Code or Postal Code

Country

Social Security Number or
Taxpayer Identification Number

Individual
Corporation/Other

Area Code

Telephone Number (work)

Area Code

Telephone Number (home)

PART II: SCHEDULE OF TRANSACTIONS IN MOLYCORP SECURITIES

A. MOLYCORP COMMON STOCK

1. Number of shares of Molycorp common stock held at the close of trading on February 6, 2011: _____
2. Purchases or acquisitions of Molycorp common stock (February 7, 2011- November 10, 2011, inclusive):

Trade Date Month Day Year	Number of Shares Purchased or Acquired	Total Purchase or Acquisition Price (excluding taxes, commissions and fees)
1. _____	1. _____	1. _____
2. _____	2. _____	2. _____
3. _____	3. _____	3. _____

3. Number of shares of Molycorp common stock held at the close of trading on November 10, 2011: _____

B. MOLYCORP PREFERRED STOCK

1. Number of shares of Molycorp Preferred Stock held at the close of trading on February 9, 2011: _____
2. Purchases or acquisitions of Molycorp Preferred Stock (February 10, 2011- November 10, 2011, inclusive):

Trade Date Month Day Year	Number of Shares Purchased or Acquired	Total Purchase or Acquisition Price (excluding taxes, commissions and fees)
1. _____	1. _____	1. _____
2. _____	2. _____	2. _____
3. _____	3. _____	3. _____

3. Number of shares of Molycorp Preferred Stock held at the close of trading on November 10, 2011: _____

If you require additional space, attach extra schedules in the same format as above. Sign and print your name on each additional page.

YOU MUST READ AND SIGN THE RELEASE ON PAGE ____ . FAILURE TO SIGN THE RELEASE MAY RESULT IN A DELAY IN PROCESSING OR THE REJECTION OF YOUR CLAIM.

IV. SUBMISSION TO JURISDICTION OF THE COURT AND ACKNOWLEDGMENTS

I (We) submit this Proof of Claim under the terms of the Stipulation of Settlement described in the Notice. I (We) also submit to the jurisdiction of the United States District Court for the District of Colorado with respect to my (our) claim as a Class Member and for purposes of enforcing the release set forth herein. I (We) further acknowledge that I am (we are) bound by and subject to the terms of any judgment that may be entered in the Litigation. I (We) agree to furnish additional information to the Claims Administrator to support this claim (including transactions in other Molycorp securities) if requested to do so. I (We) have not submitted any other claim covering the same purchases or acquisitions of Molycorp securities during the Class Period and know of no other person having done so on my (our) behalf.

V. RELEASE

1. I (We) hereby acknowledge full and complete satisfaction of, and do hereby fully, finally, and forever settle, release, and discharge from the Released Claims each and all of the “Released Parties,” defined as each and all of the Defendants, Craig Cogut, Pegasus Capital Advisors, L.P., RCF Management LLC, T-II Holdings, LLC, and each of their past or present subsidiaries (collectively, the “Affiliate Releasees”), and each of any Defendant’s or Affiliate Releasee’s past or present directors, officers, employees, partners, insurers, co-insurers, reinsurers, principals, controlling shareholders, attorneys, accountants, auditors, underwriters, investment advisors, personal or legal representatives, predecessors, successors, parents, subsidiaries, divisions, joint ventures, assigns, spouses, heirs, estates, related or affiliated entities, any entity in which a

Defendant has a controlling interest, any member of an Individual Defendant's immediate family, any trust of which an Individual Defendant is the settlor or which is for the benefit of an Individual Defendant and/or any member of an Individual Defendant's immediate family, and any entity in which a Defendant and/or any member of an Individual Defendant's immediate family has or have a controlling interest (directly or indirectly).

2. "Released Claims" shall collectively mean all actions, claims (including Unknown Claims as defined in ¶3 hereof), duties, debts, demands, rights, disputes, suits, matters, damages, losses, obligations, proceedings, issues, judgments, liabilities and causes of action of every nature and description whatsoever (including, but not limited to, any claims for damages, whether compensatory, consequential, special, punitive, exemplary or otherwise, and any fees, costs, expenses or charges), known or unknown, contingent or absolute, mature or immature, discoverable or undiscoverable, whether concealed or hidden, suspected or unsuspected, which now exist, or heretofore have existed, asserted or that could have been asserted, in any forum or proceeding or otherwise by the Lead Plaintiffs or any Member of the Class against the Released Parties with respect to the purchase or acquisition of Molycorp common stock or Preferred Stock during the Class Period and the acts, facts, statements, or omissions that were or could have been alleged by the Lead Plaintiffs, or arising under federal, state or foreign law on behalf of any Members of the Class. Released Claims do not include any and all derivative claims that have been asserted on behalf of Molycorp by its shareholders, including, but not limited to, the claims asserted derivatively on behalf of Molycorp in *Wells v. Smith, et al.*, No. 1:12-cv-00447-WJM (D. Colo.); *Swaggerty v. Smith, et al.*, No. 1:12-cv-00589 (D. Colo.); *Kayten v. Bhappu, et al.*, No. 1:13-cv-3155 (D. Colo.); *Gaines v. Smith, et al.*, C.A. No. 12-7282 (Del. Ch.); *Paskowitz v. Smith, et al.*, C.A. No. 12-7319 (Del. Ch.); *Wilson v. Smith, et al.*, C.A. No. 12-7395 (Del. Ch.); *Salzmann v. Smith, et al.*, C.A. No. 13-8744 (Del. Ch.); *VCN Resources v. Smith, et al.*, C.A. No. 14-7282 (Del. Ch.); *Clem v. Smith, et al.*, No.

12 CV 392 (Arapahoe Cnty., Colo.); and *Nationwide Consulting, Inc. v. Smith, et al.*, No. 12 CV 448 (Arapahoe Cnty., Colo.), or any claims relating to the enforcement of the Settlement.

3. “Unknown Claims” means collectively any and all Released Claims, of every nature and description, that the Lead Plaintiffs or any Class Member does not know or suspect to exist in his, her, or its favor at the time of the release of the Effective Date, which, if known by him, her, or it, might have affected his, her, or its settlement with and release of the Released Parties, or might have affected his, her, or its decision not to object to or opt out of this Settlement. With respect to any and all Released Claims, the Settling Parties stipulate and agree that, upon the Effective Date, Lead Plaintiffs shall expressly waive, and each Class Member shall be deemed to have waived, and by operation of the Judgment shall have waived, the provisions, rights, and benefits of California Civil Code §1542, and of any U.S. federal or state law, or principle of common law or otherwise, that is similar, comparable, or equivalent to §1542 of the California Civil Code, which provides, in relevant part:

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

Lead Plaintiffs shall expressly waive and each Class Member shall be deemed to have, and by operation of the Judgment shall have, expressly waived any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States, or principle of common law, which is similar, comparable or equivalent to California Civil Code §1542. Lead Plaintiffs and Class Members may hereafter discover facts in addition to or different from those which he, she, or it now knows or believes to be true with respect to the subject matter of the Released Claims, but Lead Plaintiffs shall expressly, fully, finally, and forever settle and release, and each Class Member, upon the Effective Date, shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever settled and released, any and all Released Claims, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which now exist,

or heretofore have existed, upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct which is negligent, intentional, with or without malice, or a breach of any duty, law or rule, without regard to the subsequent discovery or existence of such different or additional facts. Lead Plaintiffs acknowledge, and Class Members shall be deemed by operation of the Judgment to have acknowledged, that the foregoing waiver was separately bargained for and a material element of the Settlement of which this release is a part.

This release shall be of no force or effect unless and until the Court approves the Stipulation of Settlement and Settlement becomes effective on the Effective Date (as defined in the Stipulation).

4. I (We) hereby warrant and represent that I (we) have not assigned or transferred or purported to assign or transfer, voluntarily or involuntarily, any matter released pursuant to this release or any other part or portion thereof.

5. I (We) hereby warrant and represent that I (we) have included the information requested about all of my (our) transactions in Molycorp securities which are the subject of this claim, which occurred during the Class Period as well as the closing positions in such securities held by me (us) on the dates requested in this Proof of Claim form.

I declare under penalty of perjury under the laws of the United States of America that all of the foregoing information supplied on this Proof of Claim form by the undersigned is true and correct.

Executed this _____ day of _____
(Month/Year)
in _____
(City) (State/Country)

(Sign your name here)

(Type or print your name here)

(Capacity of person(s) signing,
e.g., Beneficial Purchaser or Acquirer,
Executor or Administrator)

**ACCURATE CLAIMS PROCESSING TAKES A
SIGNIFICANT AMOUNT OF TIME.
THANK YOU FOR YOUR PATIENCE.**

Reminder Checklist:

1. Please sign the above release and declaration.
2. Remember to attach copies of supporting documentation.
3. Do not send originals of certificates or other documentation as they will not be returned.
4. Keep a copy of your claim form and all supporting documentation for your records.
5. If you desire an acknowledgment of receipt of your claim form, please send it Certified Mail, Return Receipt Requested.
6. If you move, please send your new address to the address below.
7. Do not use red pen or highlighter on the Proof of Claim or supporting documentation.

**THIS PROOF OF CLAIM MUST BE SUBMITTED ONLINE BY _____, 2017 OR, IF
MAILED, POSTMARKED NO LATER THAN _____, 2017 ADDRESSED AS**

FOLLOWS:

Molycorp Securities Litigation
Claims Administrator
c/o Gilardi & Co. LLC
P.O. Box 40007
College Station, TX 77842-4007
www.molycorpsecuritieslitigation.com

EXHIBIT A-3

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLORADO**

Civil Action No. 1:12-cv-00292-RM-KMT

In re MOLYCORP, INC. SECURITIES LITIGATION

SUMMARY NOTICE

EXHIBIT A-3

TO: ALL PERSONS WHO PURCHASED OR OTHERWISE ACQUIRED MOLYCORP, INC. (“MOLYCORP” OR THE “COMPANY”) SECURITIES FROM FEBRUARY 7, 2011 THROUGH NOVEMBER 10, 2011, INCLUSIVE, INCLUDING ALL PERSONS WHO PURCHASED OR ACQUIRED MOLYCORP COMMON STOCK AND/OR MOLYCORP 5.50% SERIES A MANDATORY CONVERTIBLE PREFERRED STOCK (“PREFERRED STOCK”) PURSUANT TO THE FEBRUARY 2011 OFFERING, AND ALL PERSONS WHO PURCHASED OR ACQUIRED MOLYCORP COMMON STOCK PURSUANT TO THE JUNE 2011 OFFERING, AND WHO WERE DAMAGED THEREBY

YOU ARE HEREBY NOTIFIED, pursuant to Rule 23 of the Federal Rules of Civil Procedure and an Order of the United States District Court for the District of Colorado, that a hearing will be held on _____, 2017, at _____ .m., before the Honorable Raymond P. Moore, at the United States District Court for the District of Colorado, Alfred A. Arraj United States Courthouse, 901 19th Street, Courtroom A601, Denver, CO 80294, for the purpose of determining: (1) whether the proposed Settlement of the claims in the above-referenced Litigation for the principal amount of \$20,500,000.00, plus interest, should be approved by the Court as fair, just, reasonable, and adequate; (2) whether a Final Judgment and Order of Dismissal with Prejudice should be entered by the Court dismissing the Litigation with prejudice; (3) whether the Plan of Allocation of the Settlement proceeds is fair and reasonable and should be approved; and (4) whether the application of Lead Counsel for the payment of attorneys’ fees and expenses and Lead Plaintiffs’ expenses in connection with this Litigation should be approved.

IF YOU PURCHASED OR ACQUIRED SHARES OF THE COMMON STOCK OR PREFERRED STOCK OF MOLYCORP DURING THE PERIOD FEBRUARY 7, 2011 THROUGH AND INCLUDING NOVEMBER 10, 2011, YOUR RIGHTS MAY BE AFFECTED BY THE SETTLEMENT OF THIS LITIGATION. If you have not received a detailed Notice of Pendency and Proposed Settlement of Class Action (“Notice”) and a copy of the Proof of Claim and Release form, you may obtain copies by writing to *Molycorp Securities Litigation*, Claims Administrator, c/o Gilardi & Co. LLC, P.O. Box 40007, College Station, TX 77842-4007, or on the internet at www.molycorpsecuritieslitigation.com. If you are a Class Member, in order to share in the distribution of the Net Settlement Fund, you must submit a Proof of Claim and Release by mail

(postmarked no later than _____, 2017), or online at www.molycorpsecuritieslitigation.com *no later than _____, 2017*, establishing that you are entitled to recovery.

If you are a Class Member, you will be bound by any judgment rendered in the Litigation, including the releases provided for in the Settlement, unless you request to be excluded from the Class. If you desire to be excluded from the Class, you must submit a request for exclusion such that it is *postmarked no later than _____, 2017*, in the manner and form explained in the detailed Notice, referred to above.

Any objection to the Settlement, the Plan of Allocation, or the fee and expense application must be *received, not simply postmarked*, by each of the following recipients *no later than _____, 2017*:

CLERK OF THE COURT
UNITED STATES DISTRICT COURT
DISTRICT OF COLORADO
ALFRED A. ARRAJ UNITED STATES COURTHOUSE
901 19th Street, Room A105
Denver, CO 80294

Lead Counsel:

ROBBINS GELLER RUDMAN
& DOWD LLP
TRIG R. SMITH
655 West Broadway, Suite 1900
San Diego, CA 92101

KESSLER TOPAZ MELTZER
& CHECK, LLP
MATTHEW MUSTOKOFF
280 King of Prussia Road
Radnor, PA 19087

Counsel for Defendants:

COOLEY LLP
KOJI F. FUKUMURA
4401 Eastgate Mall
San Diego, CA 92121

GIBSON, DUNN & CRUTCHER LLP
GREGORY J. KERWIN
1801 California Street, Suite 4200
Denver, CO 80202

SIMPSON THACHER & BARTLETT LLP
JONATHAN K. YOUNGWOOD
425 Lexington Avenue
New York, NY 10017

**PLEASE DO NOT CONTACT THE COURT OR THE CLERK'S OFFICE
REGARDING THIS NOTICE.** If you have any questions about the Settlement, you may contact
Lead Counsel at the addresses listed above.

DATED: _____, 2016

BY ORDER OF THE COURT
UNITED STATES DISTRICT COURT
DISTRICT OF COLORADO

EXHIBIT B

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLORADO**

Civil Action No. 1:12-cv-00292-RM-KMT

In re MOLYCORP, INC. SECURITIES LITIGATION

[PROPOSED] FINAL JUDGMENT AND ORDER OF DISMISSAL WITH PREJUDICE

EXHIBIT B

This matter came before the Court pursuant to the Order Preliminarily Approving Settlement, Approving Notice to the Class, and Scheduling a Final Approval Hearing (“Order”) dated _____, 2016, on the application of the parties for approval of the Settlement set forth in the Stipulation of Settlement dated as of _____, 2016 (the “Stipulation”). Due and adequate notice having been given to the Class as required in said Order, and the Court having considered all papers filed and proceedings had herein and otherwise being fully informed in the premises and good cause appearing therefore, IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that:

1. This Judgment incorporates by reference the definitions in the Stipulation, and all capitalized terms used herein shall have the same meanings as set forth in the Stipulation, unless otherwise set forth herein.

2. This Court has jurisdiction over the subject matter of the Litigation and over all parties to the Litigation, including all Members of the Class.

3. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, and for purposes of this Settlement only, this Court finally certifies this Litigation as a class action with a Class defined as all persons who purchased or otherwise acquired Molycorp securities from February 7, 2011 through November 10, 2011, inclusive, including all persons who purchased or acquired Molycorp common stock and/or Molycorp 5.50% Series A Mandatory Convertible Preferred Stock pursuant to the February 2011 offering, and all persons who purchased or acquired Molycorp common stock pursuant to the June 2011 offering, and who were damaged thereby. Excluded from the Class are: (i) Defendants and their families, the officers and directors of the Company, at all relevant times, members of their immediate families and their legal representatives, heirs, successors or assigns, and any entity in which any of the above excluded persons have or had a majority ownership interest; (ii) Molycorp (including any parent, subsidiary or corporate successor of Molycorp); and (iii) any putative member of the Class who timely and validly excluded himself, herself, or itself from the Class in accordance with the requirements set forth in the Notice of Pendency and Proposed

Settlement of Class Action and Rule 23 of the Federal Rules of Civil Procedure. The foregoing exclusion in (i) shall not cover “Investment Vehicles,” which for these purposes shall mean any investment company or pooled investment fund, including, but not limited to, mutual fund families, exchange-traded funds, fund of funds, private equity funds, real estate funds, and hedge funds, in which any Underwriter Defendant or any of its affiliates or Molycorp or any Individual Defendant has or may have a direct or indirect interest or as to which any Underwriter Defendant or any of its affiliates may act as an investment advisor, general partner, managing member, or in other similar capacity, other than an investment vehicle of which the Underwriter Defendant or any of its affiliates is a majority owner or holds a majority beneficial interest and only to the extent of such Underwriter Defendant’s or affiliate’s ownership or interest.

4. With respect to the Class, and for purposes of this Settlement only, the Court finds and concludes that the requirements of Federal Rules of Civil Procedure 23(a) and 23(b)(3) are satisfied as: (a) the Members of the Class are so numerous that joinder of all Class Members in the Litigation is impracticable; (b) there are questions of law and fact common to the Class that predominate over any individual questions; (c) the claims of the Lead Plaintiffs are typical of the claims of the Class; (d) the Lead Plaintiffs and Lead Counsel have fairly and adequately represented and protected the interests of all the Class Members; and (e) a class action is superior to other available methods for the fair and efficient adjudication of the controversy, considering: (i) the interests of the Members of the Class in individually controlling the prosecution of the separate actions, (ii) the extent and nature of any litigation concerning the controversy already commenced by Members of the Class, (iii) the desirability or undesirability of continuing the litigation of these claims in this particular forum, and (iv) the difficulties likely to be encountered in the management of the Litigation. Accordingly, for settlement purposes only, the Class is certified, Lead Plaintiffs are appointed Class Representatives, and Lead Counsel are appointed Class Counsel.

5. The Notice of Pendency and Proposed Settlement of Class Action was given to all Class Members who could be identified with reasonable effort and was in accordance with the terms of the Stipulation and the Court's Preliminary Approval Order. The form and method of notifying the Class of the pendency of the Litigation as a class action and the terms and conditions of the proposed Settlement met the requirements of Federal Rule of Civil Procedure 23; Section 21D(a)(7) of the Securities Exchange Act of 1934, 15 U.S.C. § 78u-4(a)(7), Section 27(a)(7) of the Securities Act of 1933, 15 U.S.C. §77z-1(a)(7), as amended by the Private Securities Litigation Reform Act of 1995; the Constitution of the United States (including the Due Process Clause); and any other applicable law, constituted the best notice practicable under the circumstances, and constituted due and sufficient notice to all persons and entities entitled thereto.

6. Pursuant to Federal Rule of Civil Procedure 23, the Court hereby approves the Settlement set forth in the Stipulation and finds that:

- (a) the Stipulation and the Settlement contained therein, are, in all respects, fair, reasonable, and adequate and in the best interest of the Class;
- (b) there was no collusion in connection with the Stipulation;
- (c) the Stipulation was the product of informed, arm's-length negotiations among competent, able counsel representing the interests of the Settling Parties and undertaken with the assistance of an experienced mediator; and
- (d) the record is sufficiently developed and complete to have enabled the Lead Plaintiffs and the Defendants to have adequately evaluated and considered their positions.

7. Accordingly, the Court authorizes and directs implementation and performance of all the terms and provisions of the Stipulation, as well as the terms and provisions hereof. Except as to any individual claim of those Persons (identified in Exhibit 1 attached hereto) who have validly and timely requested exclusion from the Class, the Court hereby dismisses the Litigation and all

Released Claims of the Class with prejudice. The Settling Parties are to bear their own costs, except as and to the extent provided in the Stipulation and herein.

8. Pursuant to and in compliance with Federal Rule of Civil Procedure 23, the Court hereby finds that due and adequate notices of these proceedings was directed to all persons and entities who are Members of the Class, advising them of the Settlement, and of their right to object thereto, and a full and fair opportunity was accorded to all persons and entities that are Members of the Class to be heard with respect to the Settlement. Thus, it is hereby determined that all Members of the Class, other than those persons and entities that are listed in Exhibit 1 hereto, are bound by this Judgment.

9. Upon the Effective Date, the Lead Plaintiffs and each of the Class Members (on behalf of themselves and each of their respective present and former directors, officers, employees, parents, subsidiaries, related or affiliated entities, shareholders, members, divisions, partners, joint ventures, family members, spouses, domestic partners, heirs, principals, agents, owners, fiduciaries, personal or legal representatives, attorneys, auditors, accountants, advisors, banks or bankers, insurers, reinsurers, trustees, trusts, estates, executors, administrators, predecessors, successors, assigns, and any other person or entity who has the right, ability, standing, or capacity to assert, prosecute, or maintain on behalf of any Class Member any of the Released Claims (or to obtain the proceeds of any recovery therefrom)) shall be deemed to have, and by operation of this Judgment shall have, fully, finally, and forever waived, released, relinquished, discharged, and dismissed all Released Claims against the Released Parties, whether or not such Class Member executes and delivers a Proof of Claim and Release Form, seeks or obtains a distribution from the Net Settlement Fund, is entitled to receive a distribution under the Plan of Allocation, or has objected to the Settlement, the Plan of Allocation, Lead Counsel's application for attorneys' fees and litigation expenses, or Lead Plaintiffs' application for expenses.

10. Upon the Effective Date, except as provided in ¶¶12, 17 below, any and all persons and entities are permanently barred and enjoined, to the fullest extent permitted by law, from commencing, prosecuting, or asserting any and all claims for contribution or indemnity (or any other claim when the alleged injury to that person or entity is their actual or threatened liability to the Class or a Class Member in the Litigation) based upon, relating to, arising out of, or in connection with the Released Claims, against each and every one of the Released Parties, whether arising under state, federal, common, statutory, administrative, or foreign law, regulation, or at equity, as claims, cross-claims, counterclaims, or third-party claims, in this Litigation or a separate action, in this Court or in any other court, arbitration proceeding, administrative proceeding, or other forum; and, except as provided in ¶¶12, 17 below, the Released Parties are permanently barred and enjoined, to the fullest extent permitted by law, from commencing, prosecuting or asserting any and all claims for contribution or indemnity (or any other claim when the alleged injury to any of the Released Parties is their actual or threatened liability to the Class or a Class Member in the Litigation) based upon, relating to, or arising out of the Released Claims, against any person or entity, other than a person or entity whose liability to the Class has been extinguished pursuant to the Settlement and the Judgment, whether arising under state, federal, common, statutory, administrative, or foreign law, regulation, or at equity, as claims, cross-claims, counterclaims, or third-party claims, in this Litigation or a separate action, in this Court or in any other court, arbitration proceedings, administrative proceeding, or other forum. Nothing herein shall bar, release or alter in any way, any obligations, rights or claims among or between the Released Parties.

11. Upon the Effective Date, any final verdict or judgment that may be obtained by or on behalf of the Class or a Class Member against any person or entity subject to the bar order described in ¶9 above, shall be reduced by the greater of: (a) an amount that corresponds to the percentage of responsibility of any of the Defendants for common damages; or (b) the Settlement Amount.

12. Upon the Effective Date, each of the Defendants and Affiliate Releasees shall be deemed to have, and by operation of this Judgment shall have, fully, finally, and forever released, relinquished, and discharged Lead Plaintiffs, Class Members, and their counsel, employees, successors, and assigns from all claims (including Unknown Claims) arising out of, relating to, or in connection with the institution, prosecution, assertion, settlement, or resolution of the Litigation or the Released Claims.

13. Notwithstanding any of the releases or the bar order above, nothing in this Judgment shall bar any action by any of the Settling Parties to enforce or effectuate the Stipulation.

14. Neither the Stipulation nor the Settlement contained therein, nor any act performed or document executed pursuant to or in furtherance of the Stipulation or the Settlement:

(a) shall be offered by a Settling Party or a Released Party against the Released Parties, Lead Plaintiffs, or other Class Members as evidence of, or deemed to be evidence of, any presumption, concession, or admission by any of the Released Parties, or by Lead Plaintiffs or any other Class Members, with respect to the truth of any fact alleged by Lead Plaintiffs or the validity, or lack thereof, of any claim that has or could have been asserted in the Litigation or in any litigation, or the deficiency of any defense that has been or could have been asserted in the Litigation or in any litigation, or of any liability, negligence, fault or wrongdoing of the Released Parties;

(b) shall be offered by a Settling Party or a Released Party against the Released Parties in any civil, criminal, or administrative proceeding in any court, administrative agency, or other tribunal as evidence of a presumption, concession, or admission of any fault, misrepresentation, or omission with respect to any statement or written document approved or made by any of the Released Parties, or against Lead Plaintiffs or any of the other Class Members as evidence of any infirmity in the claims of Lead Plaintiffs and the other Class Members;

(c) is or may be deemed to be or may be used as an admission of, or evidence of, any presumption, concession, or admission by Lead Plaintiffs that any of their claims are without merit or that any of the Defendants had meritorious defenses;

(d) shall be construed against the Released Parties, Defendants' Counsel, Lead Counsel or Lead Plaintiffs or the other Class Members as an admission or concession that the consideration to be paid under the Stipulation represented the amount which could be or would have been recovered after trial or that any damages potentially recoverable in the Litigation would have exceeded or would have been less than the Settlement Amount; or

(e) shall be constructed as or received in evidence as an admission, concession or presumption against the Released Parties that class certification is appropriate in this Litigation, except for the purposes of this Settlement.

Defendants and/or any Released Parties may file the Stipulation and/or this Judgment in any action that may be brought against them in order to support a defense or counterclaim based on principles of *res judicata*, collateral estoppel, release, good faith settlement, judgment bar or reduction, or any theory of, without limitation, claim preclusion or issue preclusion or similar defense or counterclaim.

15. Any Plan of Allocation submitted by Lead Counsel or any order entered regarding any attorneys' fee and expense application or Lead Plaintiffs' expense application shall in no way disturb or affect this Judgment and shall be considered separate from this Judgment.

16. Without affecting the finality of this Judgment in any way, this Court hereby retains continuing jurisdiction over: (a) implementation of this Settlement and any award or distribution of the Settlement Fund, including interest earned thereon; (b) disposition of the Settlement Fund; (c) hearing and determining applications for attorneys' fees, expenses, and interest in the Litigation; and (d) all parties herein for the purpose of construing, enforcing, and administering the Stipulation, including any releases and bar orders executed in connection therewith.

17. The Court finds and concludes that during the course of the Litigation, the Settling Parties and their respective counsel at all times and in all respects have complied with the requirements of Federal Rule of Civil Procedure 11.

18. In the event that the Settlement does not become effective in accordance with the terms of the Stipulation, or the Effective Date does not occur, or in the event that the Settlement Fund, or any portion thereof, is returned to the Defendants or any entity who paid such Settlement Amount on behalf of the Defendants, then this Judgment shall be rendered null and void to the extent provided by and in accordance with the Stipulation and shall be vacated to the extent provided by the Stipulation and, in such event, (a) all orders entered and releases delivered in connection herewith shall be null and void to the extent provided by and in accordance with the Stipulation; and (b) the Stipulation shall not be admissible in any trial of the Litigation and Lead Plaintiffs and Defendants reserve their rights to proceed in all respects as if the Stipulation had not been entered into, without any prejudice in any way from the negotiation, fact, or terms of the Stipulation.

19. Without further order of the Court, the Settling Parties may agree to reasonable extensions of time or other reasonable modifications necessary to carry out any of the provisions of the Stipulation.

20. There is no just reason for delay in the entry of this Judgment and immediate entry by the Clerk of the Court is expressly directed.

IT IS SO ORDERED.

DATED: _____

RAYMOND P. MOORE
UNITED STATES DISTRICT JUDGE