



**THE FOUNDATION
FOR SECURE
MARKETS**

#47571

DATE: SEPTEMBER 11, 2020

**SUBJECT: DENBURY RESOURCES INC. – ANTICIPATED ADJUSTMENT
OPTION SYMBOL: DNRCQ
NEW OPTION SYMBOL: DNRQ1
DATE: ???**

On September 2, 2020, the United States Bankruptcy Court for the Southern District of Texas Houston Division confirmed the Joint Chapter 11 Plan of Reorganization of Denbury Resources Inc. and Its Debtor Affiliates (“Plan”). If and when the Plan becomes effective, all existing DNRCQ shares will be canceled and shareholders will be entitled to receive a Pro Rata portion of the Existing Equity Warrant Package consisting of Series B Warrants, if any. Fractional Warrants of 0.5 or greater will be rounded up to the next whole number, and fractions of less than 0.5 will be rounded down to the next whole number.

POSSIBLE SETTLEMENT PROCEDURES

An OTC or OTCBB (Bulletin Board) market may develop in the U.S. for the Warrants, although there is no assurance this will happen. OCC anticipates that if an OTC or OTCBB market develops, NSCC will accept transactions in the Warrants which arise as a result of option exercise and assignment activity. In that event, DNRQ1 option exercise and assignment activity will settle in the normal fashion through NSCC. However, if a market does not develop or NSCC does not accept transactions in the Warrants, OCC anticipates requiring broker to broker settlement for DNRQ1 options after the final distributions are determined.

Pursuant to customary OCC broker to broker settlement procedures, inability to effect delivery may subsequently occasion cash settlement as determined by OCC.

CONTRACT ADJUSTMENT

DATE: Effective the opening of the business day after the plan becomes effective.

OPTION SYMBOL: DNRCQ becomes DNRQ1

STRIKE DIVISOR: 1

CONTRACTS MULTIPLIER: 1

NEW MULTIPLIER: 100 (e.g., a premium of 1.50 yields \$150; a strike of 2.50 yields \$250.00)

NEW DELIVERABLE PER CONTRACT: 100 x the Pro Rata portion of the Existing Equity Warrant Package, if any

CUSIP:

Series B Warrants: 24790A127

DELAYED SETTLEMENT

OCC will delay settlement of the DNRQ1 option deliverable until the Warrants' distribution ratio, trading symbol, and trading status are determined. Upon determination of the distribution ratio, trading symbol, and trading status, OCC will require Put exercisers and Call assignees to deliver the appropriate number of Warrants, if any.

DISCLAIMER

This Information Memo provides an unofficial summary of the terms of corporate events affecting listed options or futures prepared for the convenience of market participants. OCC accepts no responsibility for the accuracy or completeness of the summary, particularly for information which may be relevant to investment decisions. Option or futures investors should independently ascertain and evaluate all information concerning this corporate event(s).

The determination to adjust options and the nature of any adjustment is made by OCC pursuant to OCC By-Laws, Article VI, Sections 11 and 11A. The determination to adjust futures and the nature of any adjustment is made by OCC pursuant to OCC By-Laws, Article XII, Sections 3, 4, or 4A, as applicable. For both options and futures, each adjustment decision is made on a case by case basis. Adjustment decisions are based on information available at the time and are subject to change as additional information becomes available or if there are material changes to the terms of the corporate event(s) occasioning the adjustment.

ALL CLEARING MEMBERS ARE REQUESTED TO IMMEDIATELY ADVISE ALL BRANCH OFFICES AND CORRESPONDENTS ON THE ABOVE.

For questions regarding this memo, call Investor Services at 1-888-678-4667 or email investorservices@theocc.com. Clearing Members may contact Member Services at 1-800-544-6091 or, within Canada, at 1-800-424-7320, or email memberservices@theocc.com.