

IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF OKLAHOMA

NORTHUMBERLAND COUNTY)	
RETIREMENT SYSTEM and OKLAHOMA)	
LAW ENFORCEMENT RETIREMENT SYSTEM,)	
Individually and On Behalf of All Others Similarly Situated,)	
<i>Plaintiffs,</i>)	Case No. CIV-11-520-D
v.)	
GMX RESOURCES INC., et al.,)	
<i>Defendants.</i>)	

**NOTICE OF PENDENCY AND PROPOSED SETTLEMENT OF CLASS ACTION,
MOTION FOR ATTORNEYS' FEES AND EXPENSES AND FINAL APPROVAL HEARING**

A Federal Court authorized this Notice. This is not a solicitation from a lawyer.

NOTICE OF PENDENCY OF CLASS ACTION: Please be advised that your rights may be affected by a class action lawsuit (the "Litigation") pending in the United States District Court for the Western District of Oklahoma (the "Court") if you purchased or otherwise acquired GMX Resources Inc. ("GMX" or the "Company") common stock pursuant or traceable to the Company's common stock offerings on or about May 13, 2009 (the "May 2009 Offering") or October 22, 2009 (the "October 2009 Offering") (together, the "Offerings").

NOTICE OF PENDENCY OF SETTLEMENT: Please also be advised that the Court-appointed Lead Plaintiffs, Northumberland County Retirement System and Oklahoma Law Enforcement Retirement System ("Lead Plaintiffs"), on behalf of themselves and the proposed Settlement Class (as defined in ¶ 1 below), have reached a proposed settlement of the Litigation for a total of \$2.7 million in cash that, if approved, will resolve all claims in the Litigation.¹

PLEASE READ THIS NOTICE CAREFULLY. This Notice explains important rights you may have, including the possible receipt of cash from the Settlement. If you are a Settlement Class Member, your legal rights will be affected whether or not you act.

1. Description of the Litigation and Settlement Class: This Notice relates to a proposed Settlement of claims in a pending class action lawsuit brought by investors alleging that the price of GMX common stock issued in the Company's May 2009 and October 2009 Offerings was artificially inflated as a result of materially untrue statements contained in the offering materials for each of the Offerings concerning the accuracy and integrity of GMX's financial statements, as well as the adequacy of the Company's internal controls over financial reporting. The proposed Settlement, if approved by the Court, will settle claims of all persons and entities who purchased or otherwise acquired GMX common stock pursuant or traceable to the May 2009 Offering or October 2009 Offering (the "Settlement Class"), except for certain persons and entities who are excluded from the Settlement Class by definition (*see* ¶ 21 below) or who validly elect to exclude themselves from the Settlement Class (*see* ¶¶ 38-40 below).

2. Statement of the Settlement Class's Recovery: Subject to Court approval, and as described more fully below, Lead Plaintiffs, on behalf of themselves and the Settlement Class, have agreed to settle all claims based on the purchase or acquisition of GMX common stock pursuant or traceable to the Offerings that were or could have been asserted against Defendants in the Litigation in exchange for a payment of \$2.7 million in cash (the "Settlement Amount") to be deposited into an escrow account (the "Settlement Fund"). The Net Settlement Fund (*i.e.*, the Settlement Fund less Taxes, Notice and Administration Expenses, and any attorneys' fees and expenses (including costs and expenses to Lead Plaintiffs) awarded by the Court) will be distributed in accordance with a plan of allocation that is approved by the Court. The proposed plan of allocation (the "Plan of Allocation") is attached hereto as Appendix A. The proposed Plan of Allocation may be modified by the Court without further notice.

¹ All capitalized terms used in this Notice that are not otherwise defined herein shall have the meanings provided in the Stipulation and Agreement of Settlement dated as of March 25, 2014 (the "Stipulation"), which is available on the website www.strategicclaims.net.

3. Statement of Average Amount of Recovery Per Share: Lead Plaintiffs' damages consultant estimates that approximately 8.6 million shares of GMX common stock purchased or otherwise acquired pursuant or traceable to the May 2009 Offering or October 2009 Offering may have been damaged by the conduct alleged in the Litigation. If all Settlement Class Members elect to participate in the Settlement, the estimated average recovery per damaged share of GMX common stock would be approximately \$0.31 before deduction of Court-awarded attorneys' fees and expenses (including costs and expenses to Lead Plaintiffs) and the costs of providing notice and administering the Settlement. **Settlement Class Members should note, however, that this is only an estimate based on the overall number of potentially damaged shares.** Some Settlement Class Members may recover more or less than the estimated amount per share. A Settlement Class Member's actual recovery will depend on: (i) the number of claims submitted; (ii) whether the Settlement Class Member sold his, her or its shares of eligible GMX common stock and, if so, when; (iii) administrative costs, including the costs of notice; (iv) the amount awarded by the Court to Lead Counsel for attorneys' fees and expenses; and (v) the amount awarded by the Court to Lead Plaintiffs as reimbursement for costs and expenses directly related to their representation of the Settlement Class.

4. Statement of Settling Parties' Position on Damages: The Settling Defendants deny all claims of wrongdoing that they are liable to Lead Plaintiffs and/or the Settlement Class or that Lead Plaintiffs or other members of the Settlement Class suffered any injury. Moreover, the Settling Parties do not agree on the amount of recoverable damages or on the average amount of damages per share of GMX common stock that would be recoverable if Lead Plaintiffs were to prevail on each of their claims. The issues on which the Settling Parties disagree include, but are not limited to: (1) whether Defendants omitted and/or made untrue statements of material fact; (2) whether the offering materials for the Offerings omitted material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; and (3) whether the Securities Act of 1933 (the "Securities Act") was violated by Defendants.

5. Statement of Attorneys' Fees and Expenses Sought: Court-appointed Lead Counsel, Kessler Topaz Meltzer & Check, LLP and Nix Patterson & Roach, LLP, have litigated this case on a wholly contingent basis since its inception and have conducted this case and advanced the expenses of litigation with the expectation that if they were successful in recovering money for the Settlement Class, they would receive fees and be reimbursed for their expenses from the Settlement Fund, as is customary in this type of litigation. Lead Counsel, on behalf of Plaintiffs' Counsel, will apply to the Court for an award of attorneys' fees from the Settlement Fund in an amount not to exceed 30% of the Settlement Fund. In addition, Lead Counsel also will apply for reimbursement of expenses paid or incurred by Plaintiffs' Counsel in connection with the prosecution and resolution of the Litigation, in an amount not to exceed \$125,000 plus interest earned thereon at the same rate as the Settlement Fund. In addition, Lead Plaintiffs may seek reimbursement from the Settlement Fund in an amount not to exceed \$7,500 for reasonable costs and expenses (including lost wages) incurred by Lead Plaintiffs in connection with their representation of the Settlement Class. If the Court approves Lead Counsel's application for attorneys' fees and expenses (including reimbursement of costs and expenses to Lead Plaintiffs), Lead Counsel estimate that the average cost will be approximately \$0.11 per damaged share of GMX common stock.

6. Identification of Attorneys' Representatives: Lead Plaintiffs and the Settlement Class are represented by: Michael K. Yarnoff, Esq., Kessler Topaz Meltzer & Check, LLP, 280 King of Prussia Road, Radnor, PA 19087, (610) 667-7706, www.ktmc.com, and Bradley E. Beckworth, Esq., Nix Patterson & Roach, LLP, 205 Linda Drive, Daingerfield, TX 75638, (903) 645-7333, www.nixlawfirm.com.

7. Reasons for the Settlement: Lead Plaintiffs' principal reason for entering into the Settlement is the immediate cash benefit to the Settlement Class, without further risk or the delays inherent in continued litigation. The cash benefit under the Settlement must be considered against the significant risk that a smaller recovery—or, indeed, no recovery at all—might be achieved after contested motions, trial and likely appeals, a process that could last several years into the future. Furthermore, the alleged corporate wrongdoer, GMX, filed for Chapter 11 bankruptcy in April 2013 and is no longer a defendant in this Litigation and thus, not a viable source of recovery for the Settlement Class. Therefore, Lead Counsel have recommended the Settlement to Lead Plaintiffs. For the Settling Defendants, who deny all allegations of wrongdoing or liability whatsoever, the principal reason for entering into the Settlement is to eliminate the expense, risks, and uncertainty of further litigation.

YOUR LEGAL RIGHTS AND OPTIONS IN THE SETTLEMENT:

<p>SUBMIT A PROOF OF CLAIM POSTMARKED NO LATER THAN SEPTEMBER 8, 2014.</p>	<p>This is the only way to be eligible to receive a payment from the Settlement. If you are a Settlement Class Member and you remain in the Settlement Class, you will be bound by the Settlement as approved by the Court and you will give up any Released Claims (as defined in ¶ 30 below) that you have against the Settling Defendants and the other Defendants' Released Persons (as defined in ¶ 31 below). If you remain in the Settlement Class, it is in your interest to submit a Proof of Claim.</p>
<p>EXCLUDE YOURSELF FROM THE SETTLEMENT CLASS BY SUBMITTING A WRITTEN REQUEST FOR EXCLUSION SO THAT IT IS RECEIVED NO LATER THAN JULY 10, 2014.</p>	<p>If you exclude yourself from the Settlement Class, you will not be eligible to get any payment from the Settlement Fund. This is the only option that <i>potentially</i> allows you to ever be part of any other proceeding against any of the Settling Defendants or the other Defendants' Released Persons concerning the Released Claims.</p>
<p>OBJECT TO THE SETTLEMENT BY SUBMITTING A WRITTEN OBJECTION SO THAT IT IS RECEIVED NO LATER THAN JULY 10, 2014.</p>	<p>If you do not like the proposed Settlement, the proposed Plan of Allocation, the request for an award of attorneys' fees and expenses to Lead Counsel and/or the request for reimbursement to Lead Plaintiffs, you may write to the Court and explain why you do not like them. You cannot object to the Settlement, the Plan of Allocation or the fee and expense requests unless you are a Settlement Class Member and do not exclude yourself.</p>
<p>GO TO THE HEARING ON JULY 31, 2014 AT 9:30 A.M., AND FILE A NOTICE OF INTENTION TO APPEAR SO THAT IT IS RECEIVED NO LATER THAN JULY 10, 2014.</p>	<p>Filing a written objection and notice of intention to appear allows you to speak in Court about the fairness of the proposed Settlement, the proposed Plan of Allocation, the request for an award of attorneys' fees and expenses to Lead Counsel and/or the request for reimbursement to Lead Plaintiffs. If you submit a written objection, you may (but do not have to) attend the hearing and speak to the Court about your objection.</p>
<p>DO NOTHING</p>	<p>If you are a member of the Settlement Class and you do not submit a Proof of Claim, you will not be eligible to receive any payment from the Settlement Fund. You will, however, remain a member of the Settlement Class, which means that you give up your right to sue regarding the claims that are resolved by the Settlement and you will be bound by any judgments or orders entered by the Court in the Litigation.</p>

- These rights and options—and the deadlines to exercise them—are explained in this Notice. Please note: the date of the Final Approval Hearing—currently scheduled for July 31, 2014—is subject to change without further notice. If you plan to attend the hearing, you should check with Lead Counsel as set forth above, or with the Court, to be sure that no change to the date and time of the hearing has been made.
- The Court in charge of this Litigation still has to decide whether to finally approve the Settlement. Payments will be made to Settlement Class Members if the Court finally approves the Settlement and that approval is upheld after any appeals are filed. Please be patient.

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WHY DID I GET THIS NOTICE?

8. This Notice is being sent to you pursuant to an order of the United States District Court for the Western District of Oklahoma because you or someone in your family or an investment account for which you serve as custodian may have purchased or otherwise acquired GMX common stock pursuant or traceable to the Company's May 2009 Offering or October 2009 Offering. The Court has directed us to send you this Notice because, as a potential Settlement Class Member, you have a right to know about your options before the Court decides whether to finally approve the proposed Settlement of this Litigation. Additionally, you have the right to understand how a class action lawsuit may generally affect your legal rights. If the Court finally approves the Settlement, the claims administrator selected by Lead Plaintiffs and approved by the Court will make payments pursuant to the Settlement after any objections and appeals are resolved.

9. In a class action lawsuit, the Court selects one or more people, known as class representatives, to sue on behalf of all people with similar claims, commonly known as the class or the class members. In this Litigation, the Court has appointed Northumberland County Retirement System and Oklahoma Law Enforcement Retirement System to serve as "Lead Plaintiffs" under a federal law governing lawsuits such as this one, and has appointed the law firms of Kessler Topaz Meltzer & Check, LLP and Nix Patterson & Roach, LLP to serve as Lead Counsel in the Litigation and the law firm of Nelson, Terry, Morton, Dewitt, Paruolo & Wood to serve as liaison counsel. A class action is a type of lawsuit in which the claims of a number of individuals are resolved together, thus providing the class members with both consistency and efficiency. Once the class is certified, the Court must resolve all issues on behalf of the class members, except for any persons or entities who choose to exclude themselves from the class. (For more information on excluding yourself from the Settlement Class, please read "What If I Do Not Want To Participate In The Settlement? How Do I Exclude Myself?," on page 8 below.)

10. The Court in charge of this case is the United States District Court for the Western District of Oklahoma, and the case is known as *Northumberland County Retirement System and Oklahoma Law Enforcement Retirement System v. GMX Resources Inc., et al.*, 11-cv-00520-D. The judge presiding over this case is the Honorable Timothy D. DeGiusti, United States District Judge. The people who are suing are called plaintiffs, and those who are being sued are called defendants. In this case, named plaintiffs are referred to as the Lead Plaintiffs and they are suing on behalf of themselves and the Settlement Class, and the Settling Defendants are: (i) defendants Ken L. Kenworthy, Jr. and James A. Merrill (collectively, the "Individual Defendants"); (ii) defendants BBVA Securities, Inc., Capital One Southcoast, Inc., Credit Suisse Securities (USA) LLC, Fortis Securities LLC, Howard Weil Incorporated (n/k/a Scotia Capital USA Inc.), Jefferies & Company, Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated, Pritchard Capital Partners, LLC, and Wedbush Morgan Securities Inc. (collectively, the "Underwriter Defendants"); and (iii) defendant Smith Carney & Co. ("Smith Carney" and, together with the Individual Defendants, and the Underwriter Defendants, the "Settling Defendants"). If the Settlement is approved, it will resolve all claims asserted in the Litigation by Lead Plaintiffs on behalf of themselves and the Settlement Class Members against the Settling Defendants and will bring the Litigation to an end.

11. This Notice explains the lawsuit, the Settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them. The purpose of this Notice is to inform you of this case, that it is a class action, how you might be affected, and how to exclude yourself from the Settlement Class if you wish to do so. It also is being sent to inform you of the terms of the proposed Settlement, and of a hearing to be held by the Court to consider the fairness, reasonableness, and adequacy of the proposed Settlement, the proposed Plan of Allocation, the application by Lead Counsel for an award of attorneys' fees and expenses and the request by Lead Plaintiffs for reimbursement of costs and expenses directly related to their representation of the Settlement Class (the "Final Approval Hearing").

12. The Final Approval Hearing will be held on **July 31, 2014 at 9:30 a.m.**, before the Honorable Timothy D. DeGiusti, in the United States District Court for the Western District of Oklahoma, U.S. Courthouse, 200 N.W. Fourth St., Oklahoma City, OK 73102, to determine:

- (a) whether the proposed Settlement is fair, reasonable, and adequate and should be approved by the Court;
- (b) whether the Released Claims against the Settling Defendants and the other Defendants' Released Persons should be dismissed with prejudice as set forth in the Stipulation;
- (c) whether the Court should finally certify the Settlement Class for purposes of effectuating the Settlement only;
- (d) whether the proposed Plan of Allocation is fair and reasonable and should be approved by the Court;
- (e) whether Lead Counsel's request for an award of attorneys' fees and expenses should be approved by the Court; and
- (f) whether Lead Plaintiffs' request for reimbursement of costs and expenses directly related to their representation of the Settlement Class should be approved by the Court.

13. This Notice does not express any opinion by the Court concerning the merits of any claim in the Litigation, and the Court still has to decide whether to finally approve the Settlement. If the Court finally approves the Settlement, payments to eligible Settlement Class Members will be made after any appeals are resolved, and after the completion of all claims processing. Please be patient.

WHAT IS THIS CASE ABOUT?

14. The case concerns claims brought by investors alleging that the price of GMX common stock issued in the Company's May 2009 and October 2009 Offerings was artificially inflated as a result of materially untrue statements contained in the offering materials for each of the Offerings concerning the accuracy and integrity of GMX's financial statements, as well as the adequacy of the Company's internal controls over financial reporting.

15. On March 10, 2011 a putative class action was filed by Lead Plaintiffs in the District Court of Oklahoma County, State of Oklahoma, asserting claims for alleged violation of federal securities laws against GMX and the Settling Defendants, among others. Lead Plaintiffs asserted claims in connection with secondary offerings of common stock commenced by GMX on or about July 18, 2008, May 13, 2009, and October 22, 2009. On May 12, 2011, Defendants removed the lawsuit to the United States District Court for the Western District of Oklahoma. On June 10, 2011, Lead Plaintiffs moved to remand the litigation back to the District Court of Oklahoma County. On November 16, 2011, the Court denied Lead Plaintiffs' motion to remand. On July 3, 2012, the Court appointed Northumberland County Retirement System and Oklahoma Law Enforcement Retirement System as Lead Plaintiffs. The Court further appointed Kessler Topaz Meltzer & Check, LLP and Nix Patterson & Roach, LLP as Lead Counsel and Nelson, Roselius, Terry & Morton (n/k/a Nelson, Terry, Morton, DeWitt, Paruolo & Wood) as Liaison Counsel.

16. On August 17, 2012, Lead Plaintiffs filed the operative complaint, the Amended Class Action Complaint (the "Complaint"). The Complaint asserted claims against GMX and the Settling Defendants on behalf of purchasers or acquirers of GMX common stock pursuant or traceable to the May 2009 Offering or the October 2009 Offering.² In particular, the Complaint asserted claims for violations of Sections 11, 12, and 15 of the Securities Act of 1933 (15 U.S.C. §§ 77k, 77l, and 77o) based on allegations that GMX and the Settling Defendants made untrue statements, material misrepresentations and/or omissions in the offering materials for the May 2009 Offering and October 2009 Offering, including without limitation, the prospectus GMX filed with the U.S. Securities and Exchange Commission (the "SEC") on June 25, 2008, prospectus supplements GMX filed with the SEC on May 14, 2009 and October 26, 2009, and the GMX financial statements and SEC filings incorporated by reference into the prospectus and prospectus supplements.

17. On October 1, 2012, GMX and the Settling Defendants filed motions to dismiss. On April 1, 2013, GMX filed for Chapter 11 bankruptcy in the United States Bankruptcy Court for the Western District of Oklahoma. On July 17, 2013, as a result of GMX's bankruptcy filing, the parties filed a stipulation dismissing Lead Plaintiffs' claims against GMX with prejudice. On September 16, 2013, the Court entered an order denying the Settling Defendants' motions to dismiss.

18. Thereafter, the Settling Parties agreed to begin discussing a potential settlement of the Litigation, and on November 4, 2013, the Settling Parties engaged in mediation with the Honorable Layn R. Phillips, United States District Judge for the Western District of Oklahoma (Ret.). Following the mediation, with the continued assistance of Judge Phillips, the Settling Parties continued to negotiate a resolution, which culminated in the Settling Parties reaching an agreement in principle to settle the Litigation on November 25, 2013.

19. Based upon their investigation of the facts underlying the Litigation and the negotiations leading to the Settlement, Lead Plaintiffs and Lead Counsel have concluded that the terms and conditions of the Stipulation are fair, reasonable and adequate to Lead Plaintiffs and the other members of the Settlement Class, and in their best interests. Lead Plaintiffs have agreed to settle the claims raised in the Litigation pursuant to the terms and provisions of the Stipulation, after considering: (a) the benefits that Lead Plaintiffs and the other members of the Settlement Class will receive from the resolution of the Litigation, (b) the attendant risks of litigation, and (c) the desirability of permitting the Settlement to be consummated pursuant to the terms of the Stipulation. The fact that Lead Plaintiffs have agreed to settle the Litigation shall not be construed or deemed to be a concession by Lead Plaintiffs of any infirmity in the claims asserted in the Litigation. Each of the Settling Defendants denies any wrongdoing, and the fact that the Settling Defendants have agreed to settle the Litigation shall not be construed as or deemed to be evidence of or an admission or concession on the part of any of the Settling Defendants with respect to any claim or of any fault or liability or wrongdoing or damages whatsoever, or any infirmity in the defenses that the Settling Defendants asserted, or could have asserted.

20. On April 21, 2014, the Court preliminarily approved the Settlement, authorized this Notice to be sent to potential Settlement Class Members, and scheduled the Final Approval Hearing to consider whether to grant final approval of the Settlement.

² Lead Plaintiffs did not assert any claims based on the offering commenced on or around July 18, 2008 in the Complaint.

HOW DO I KNOW IF I AM AFFECTED BY THE SETTLEMENT?

21. If you are a member of the Settlement Class, you are subject to the Settlement unless you timely request to be excluded from the Settlement Class. The Settlement Class consists of:

All Persons who purchased or otherwise acquired GMX common stock pursuant or traceable to the Company's May 2009 Offering or October 2009 Offering.

Excluded from the Settlement Class are: (a) any putative members of the Settlement Class who submit valid and timely requests for exclusion from the Settlement Class in accordance with the requirements set forth in the Notice and Rule 23 of the Federal Rules of Civil Procedure (*see* "What If I Do Not Want To Participate In The Settlement? How Do I Exclude Myself?," on page 8 below); and (b) the Settling Defendants; GMX; members of the immediate family of any such Settling Defendant; any parent or subsidiary of any such Settling Defendant; any person, firm, trust, corporation, officer, director, or other individual or entity in which any Settling Defendant or GMX has or had a controlling interest; the partners, officers and directors of any Settling Defendant or GMX; and the legal representatives, agents, executors, heirs, successors, or assigns of any such excluded Person. The Settling Defendants or any entity in which any of the Settling Defendants has or had a controlling interest (for purposes of this paragraph, together a "Defendant-Controlled Entity") are excluded from the Settlement Class only to the extent that such Defendant-Controlled Entity itself purchased a proprietary (*i.e.*, for its own account) interest in GMX's common stock. To the extent that a Defendant-Controlled Entity purchased any GMX common stock in a fiduciary capacity or otherwise on behalf of any third-party client, account, fund, trust, or employee benefit plan that otherwise falls within the Settlement Class, neither such Defendant-Controlled Entity nor the third-party client, account, fund, trust, or employee benefit plan shall be excluded from the Settlement Class with respect to such fiduciary purchases.

PLEASE NOTE: RECEIPT OF THIS NOTICE DOES NOT MEAN THAT YOU ARE A SETTLEMENT CLASS MEMBER OR THAT YOU WILL BE ENTITLED TO RECEIVE PROCEEDS FROM THE SETTLEMENT. IF YOU ARE A SETTLEMENT CLASS MEMBER AND YOU WISH TO BE ELIGIBLE TO PARTICIPATE IN THE DISTRIBUTION OF PROCEEDS FROM THE SETTLEMENT, YOU ARE REQUIRED TO SUBMIT THE PROOF OF CLAIM AND RELEASE FORM THAT IS BEING DISTRIBUTED WITH THIS NOTICE AND THE REQUIRED SUPPORTING DOCUMENTATION AS SET FORTH THEREIN POSTMARKED NO LATER THAN SEPTEMBER 8, 2014.

WHAT ARE LEAD PLAINTIFFS' REASONS FOR THE SETTLEMENT?

22. The principle reason for Lead Plaintiffs' consent to the Settlement is that it provides an immediate benefit to the Settlement Class. The benefit of the present Settlement must be compared to the risk that no recovery might be achieved after contested motions, a contested trial and likely appeals, possibly years into the future.

23. The claims advanced by the Settlement Class in this Litigation involve numerous complex legal and factual issues, which would require substantial merits and expert discovery, adding considerably to the expense and duration of the litigation. If the Litigation were to proceed, Lead Plaintiffs would have to overcome significant defenses. Among other things, the Settling Parties disagree about: (i) whether Lead Plaintiffs or the Settlement Class have suffered any damages, (ii) whether the price of GMX common stock issued in the Offerings was artificially inflated by reason of the alleged misrepresentations and omissions in the offering materials, or otherwise, and (iii) whether Lead Plaintiffs or the Settlement Class were harmed by the conduct alleged in the Litigation. Questions remain regarding the extent of the Settling Defendants' liability and the extent to which a jury might find them liable, if at all. This Settlement affords the Settlement Class a recovery without incurring any additional risk or costs.

24. The Settling Defendants have expressly denied and continue to deny all assertions 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. The Settling Defendants also continue to believe that the claims asserted against them in the Litigation are without merit. The Settling Defendants have agreed to enter into the Settlement, as embodied in the Stipulation, solely to avoid the expense, distraction, time and uncertainty associated with continuing the litigation.

25. In light of the risks associated with a trial of this Litigation, the amount of the Settlement and the immediacy of recovery to the Settlement Class, Lead Plaintiffs and Lead Counsel believe that the proposed Settlement is fair, reasonable and adequate, and in the best interests of the Settlement Class. Lead Plaintiffs and Lead Counsel believe that the Settlement provides a substantial benefit to the Settlement Class, namely \$2.7 million in cash (less the various deductions described in this Notice), as compared to the risk that the claims in the Litigation would produce a smaller, or no, recovery after summary judgment, trial and appeals, possibly years in the future.

WHAT MIGHT HAPPEN IF THERE WERE NO SETTLEMENT?

26. If there were no Settlement and Lead Plaintiffs failed to establish any essential legal or factual element of their claims, neither Lead Plaintiffs nor the other members of the Settlement Class would recover anything from the Settling Defendants. Also, if the Settling Defendants were successful in proving any of their defenses, the Settlement Class likely would recover substantially less than the amount provided in the Settlement, or nothing at all.

HOW MUCH WILL MY PAYMENT BE?

27. At this time, it is not possible to make any determination as to how much any individual Settlement Class Member may receive from the Settlement.

28. Appendix A to this Notice explains the plan for allocating the Net Settlement Fund among Authorized Claimants (the “Plan of Allocation”), as proposed by Lead Plaintiffs. The Court may modify the Plan of Allocation, or enter a different plan of allocation, without further notice to the Settlement Class.

WHAT RIGHTS AM I GIVING UP BY REMAINING IN THE SETTLEMENT CLASS?

29. If you remain in the Settlement Class, you will be bound by any orders issued by the Court. If the Settlement is approved, the Court will enter a judgment (the “Judgment”). The Judgment will dismiss with prejudice the claims against the Settling Defendants and will provide that, upon the Effective Date of the Settlement, Lead Plaintiffs and all other Settlement Class Members, will fully and finally release, to the fullest extent that the law permits their release in this Litigation, as against the Settling Defendants and the other Defendants’ Released Persons (as defined in ¶ 31 below) all Released Claims (as defined in ¶ 30 below).

30. “Released Claims” means any and all claims, demands, losses, rights, causes of action, liabilities, obligations, judgments, suits, matters and issues of any kind or nature whatsoever, whether known or Unknown Claims (as defined below), contingent or absolute, suspected or unsuspected, disclosed or undisclosed, that have been or could have been asserted against any and/or all Settling Defendants and any and/or all of Defendants’ Released Persons in the Litigation or in any court, tribunal, forum or proceeding (including, but not limited to, any claims arising under federal, state or foreign law, common law, statute, rule or regulation relating to alleged fraud, breach of any duty, negligence, violations of the federal securities laws, or otherwise), whether individual or class, which arise out of, are based on, or relate in any way, directly or indirectly to (1) the purchase or acquisition of GMX common stock pursuant or traceable to the May 2009 Offering or the October 2009 Offering and (2) the acts, facts, statements, or omissions that were or could have been alleged by Lead Plaintiffs in the Litigation. “Released Claims” excludes any claims asserted in any derivative action or ERISA action based on similar allegations or any claims to enforce the Settlement.

31. “Defendants’ Released Persons” means each and all of the Settling Defendants, each and all of their Related Persons and GMX. With respect to the Settling Defendants, “Related Persons” means each and all of their respective present and former parents, subsidiaries, divisions, joint ventures, and affiliates, and each of their respective present and former employees, members, general and limited partners and their partnerships, principals, officers, directors, attorneys, advisors, accountants, auditors, financial advisors, commercial bank lenders, insurers, underwriters, investment bankers, representatives, and insurers; and the predecessors, successors, spouses, estates, heirs, executors, trusts, trustees, administrators, agents, fiduciaries, consultants, representatives and assigns of each of them, in their capacity as such; and any trust of which any Person described in this subparagraph is the settlor or which is for the benefit of any Person described in this subparagraph and/or member(s) of his or her family; and any entity in which any Person described in this subparagraph has a controlling interest.

32. “Unknown Claims” means any Released Claims that Lead Plaintiffs or any Settlement Class Members do not know or suspect to exist—as well as any Released Defendants’ Claims that Settling Defendants or any of their Related Persons do not know or suspect to exist—in his, her, or its respective favor at the time of the release, regardless of whether such Released Claim or Released Defendants’ Claim, if known by him, her, or it, might have affected his, her, or its decision with respect to the Settlement and/or release of the claim. With respect to any and all Unknown Claims, the Settling Parties stipulate and agree that, upon the Effective Date, they shall expressly waive, and each of the Settlement Class Members and each of the Settling Defendants’ Related Persons shall be deemed to have waived (by operation of the Final Judgment), to the fullest extent permitted by law the provisions, rights, and benefits of California Civil Code § 1542, which provides:

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

The Settling Parties shall expressly waive, and each of the Settlement Class Members and each of the Settling Defendants’ Related Persons shall be deemed to have waived (by operation of the Final Judgment), 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. The Settling Parties, Settlement Class Members and/or the Settling Defendants' Related Persons 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 and Released Defendants' Claims, but the Settling Parties shall expressly, and each Settlement Class Member and Settling Defendants' Related Persons, upon the Effective Date, shall be deemed to have, and by operation of the Final Judgment shall have, fully, finally, and forever settled and released any and all Released Claims and Released Defendants' 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 that 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. The Settling Parties acknowledge, and the Settlement Class Members and Settling Defendants' Related Persons shall be deemed by operation of the Final Judgment to have acknowledged, that the foregoing waiver was separately bargained for and a key element of the Settlement of which this release is a part.

**WHAT PAYMENT ARE THE ATTORNEYS FOR THE SETTLEMENT CLASS SEEKING?
HOW WILL THE LAWYERS BE PAID?**

33. Lead Counsel have not received any payment for their services in pursuing claims against the Defendants on behalf of the Settlement Class, nor have Lead Counsel been reimbursed for their out-of-pocket expenses. Before final approval of the Settlement, Lead Counsel, on behalf of Plaintiffs' Counsel, will apply to the Court for an award of attorneys' fees from the Settlement Fund in an amount not to exceed 30% of the Settlement Fund. At the same time, Lead Counsel also intend to apply for reimbursement of expenses not to exceed \$125,000, plus interest earned thereon at the same rate as the Settlement Fund. Lead Plaintiffs may also make an application to the Court for reimbursement in an amount not to exceed \$7,500 for their reasonable costs and expenses (including lost wages) directly relating to their representation of the Settlement Class pursuant to 15 U.S.C. §77z-1(a)(4) of the Private Securities Litigation Reform Act of 1995. The Court will determine the amount of any award of attorneys' fees and expenses. Such sums as may be approved by the Court will be paid from the Settlement Fund. Settlement Class Members are not personally liable for any such fees or expenses.

**HOW DO I PARTICIPATE IN THE SETTLEMENT?
WHAT DO I NEED TO DO?**

34. To be eligible for a payment from the proceeds of the Settlement, you must be a member of the Settlement Class and you must timely complete and return the Proof of Claim with adequate supporting documentation **post-marked no later than September 8, 2014**. A Proof of Claim is included with this Notice, or you may obtain one from the website maintained by the Claims Administrator, www.strategicclaims.net, or you may request that a Proof of Claim be mailed to you by calling the Claims Administrator toll free at (866) 274-4004. If you request exclusion from the Settlement Class or do not submit a timely and valid Proof of Claim, you will not be eligible to share in the Net Settlement Fund. Please retain all records of your ownership of and transactions in GMX common stock, as they may be needed to document your claim.

35. As a Settlement Class Member, you are represented by Lead Plaintiffs and Lead Counsel, unless you enter an appearance through counsel of your own choice at your own expense. You are not required to retain your own counsel, but if you choose to do so, such counsel must file a notice of appearance on your behalf and must serve copies of his or her notice of appearance on the attorneys listed in the section entitled, "When and Where Will the Court Decide Whether to Approve the Settlement? Do I Have to Come to the Hearing? May I Speak at the Hearing If I Do Not Like the Settlement?," below.

36. If you are a Settlement Class Member and do not wish to remain a Settlement Class Member, you may exclude yourself from the Settlement Class by following the instructions in the section entitled, "What If I Do Not Want To Participate in the Settlement? How Do I Exclude Myself?," below.

37. If you are a Settlement Class Member and you wish to object to the Settlement, the proposed Plan of Allocation, Lead Counsel's application for an award of attorneys' fees and expenses and/or Lead Plaintiffs' request for reimbursement of costs and expenses directly related to their representation of the Settlement Class, and if you do not exclude yourself from the Settlement Class, you may present your objections by following the instructions in the section entitled, "When and Where Will the Court Decide Whether to Approve the Settlement? Do I Have to Come to the Hearing? May I Speak at the Hearing If I Do Not Like the Settlement?," below.

**WHAT IF I DO NOT WANT TO PARTICIPATE IN THE SETTLEMENT?
HOW DO I EXCLUDE MYSELF?**

38. Each Settlement Class Member will be bound by all determinations and judgments in this lawsuit, including those concerning the Settlement, whether favorable or unfavorable, unless such person or entity mails or delivers a written request for exclusion from the Settlement Class, addressed to: *Northumberland County Retirement System, et al.*

v. GMX Resources Inc., et al., c/o Strategic Claims Services, Claims Administrator, P.O. Box 230, 600 N. Jackson Street, Suite 3, Media, PA 19063. The request for exclusion must be **received no later than July 10, 2014**. You will not be able to exclude yourself from the Settlement Class after that date. Each request for exclusion must: (i) state the name, address and telephone number of the person or entity requesting exclusion; (ii) expressly state that such person or entity “requests exclusion from the Settlement Class in *Northumberland County Retirement System, et al. v. GMX Resources Inc., et al.*, Case No. CIV-11-520-D”; (iii) state the person’s or entity’s purchases and/or acquisitions of GMX common stock pursuant or traceable to the May 2009 Offering or October 2009 Offering and any sales thereof, including the dates, the number of shares and price(s) paid and received for each such purchase, acquisition and sale; and (iv) be signed by the person or entity requesting exclusion or an authorized representative. A request for exclusion shall not be effective unless it provides all the information called for in this paragraph and is received within the time stated above, or is otherwise accepted by the Court.

39. Even if you have pending, or later file, another lawsuit, arbitration, or other proceeding relating to any Released Claim against any of the Defendants’ Released Persons, you must follow these instructions for exclusion if you do not want to be part of the Settlement Class. If you have a pending lawsuit, arbitration or other proceeding against any of the Settling Defendants or any of the other Defendants’ Released Persons, speak to your lawyer in that action immediately. **Please Note: Should you elect to exclude yourself from the Settlement Class, you should understand that the Settling Defendants will have the right to assert any and all defenses they may have to any claims that you may seek to assert, including without limitation the defense that any such claims are untimely under applicable statutes of limitations and statutes of repose. Although the Settling Defendants have decided to settle the Litigation in its entirety in order to eliminate the burden and expense of continued litigation, the Settling Defendants will retain and are not waiving in any way the right to assert that any subsequent claims asserted by any individual Settlement Class Members who exclude themselves from the Settlement Class are time-barred, are otherwise subject to dismissal, or otherwise lack merit.**

40. If you ask to be excluded from the Settlement Class, you will not be eligible to receive any payment out of the Net Settlement Fund or any other benefit provided for in the Stipulation.

41. The Settling Defendants have the right to terminate the Settlement if valid requests for exclusion are received from Persons entitled to be members of the Settlement Class in an amount that exceeds an amount agreed to by Lead Plaintiffs and the Settling Defendants.

WHEN AND WHERE WILL THE COURT DECIDE WHETHER TO APPROVE THE SETTLEMENT? DO I HAVE TO COME TO THE HEARING? MAY I SPEAK AT THE HEARING IF I DO NOT LIKE THE SETTLEMENT?

42. Settlement Class Members do not need to attend the Final Approval Hearing. The Court will consider any submission made in accordance with the provisions below, even if a Settlement Class Member does not attend the hearing. You can participate in the Settlement without attending the Final Approval Hearing.

43. The Final Approval Hearing will be held on **July 31, 2014 at 9:30 a.m.** before the Honorable Timothy D. DeGiusti, in the United States District Court for the Western District of Oklahoma, U.S. Courthouse, 200 N.W. Fourth St., Oklahoma City, OK 73102, Courtroom 503. The Court reserves the right to approve the Settlement, the Plan of Allocation, Lead Counsel’s request for an award of attorneys’ fees and expenses and/or Lead Plaintiffs’ request for reimbursement of costs and expenses at or after the Final Approval Hearing without further notice to the members of the Settlement Class.

44. Any Settlement Class Member who does not request exclusion from the Settlement Class may object to the proposed Settlement, the proposed Plan of Allocation, Lead Counsel’s request for an award of attorneys’ fees and expenses and/or Lead Plaintiffs’ request for reimbursement of costs and expenses. Objections must be in writing. You must file any written objection, together with copies of all other papers and briefs supporting the objection, with the Clerk’s Office at the United States District Court for the Western District of Oklahoma at the address set forth below **on or before July 10, 2014**. You must also serve the papers on Lead Counsel for the Settlement Class and designated counsel for the Settling Defendants at the addresses set forth below so that the papers are **received on or before July 10, 2014**.

<p><u>Clerk’s Office</u></p> <p>United States District Court for the Western District of Oklahoma Clerk of the Court 200 N.W. 4th Street Room 1210 Oklahoma City, OK 73102</p>	<p><u>Lead Counsel for the Settlement Class</u></p> <p>Michael K. Yarnoff, Esq. KESSLER TOPAZ MELTZER & CHECK, LLP 280 King of Prussia Road Radnor, PA 19087</p> <p>Bradley E. Beckworth, Esq. NIX PATTERSON & ROACH, LLP 205 Linda Drive Daingerfield, TX 75638</p>	<p><u>Designated Counsel for the Settling Defendants</u></p> <p>Kenneth P. Held, Esq. SCHIFFER ODOM HICKS & JOHNSON PLLC 700 Louisiana, Suite 1200 Houston, TX 77002</p>
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45. Any objection to the Settlement must: (i) state the name, address and telephone number of the person or entity objecting and must be signed by the objector; (ii) contain a statement of the Settlement Class Member's objection or objections, and the specific reasons for each objection, including any legal and evidentiary support the Settlement Class Member wishes to bring to the Court's attention; and (iii) must include documents sufficient to prove the person's or entity's membership in the Settlement Class, which proof shall include the person's or entity's purchases and/or acquisitions of GMX common stock pursuant or traceable to the May 2009 Offering or October 2009 Offering and any sales thereof, including the dates, the number of shares and price(s) paid and received for each such purchase, acquisition and sale. You may not object to the Settlement, the Plan of Allocation, Lead Counsel's request for attorneys' fees and expenses and/or Lead Plaintiffs' request for reimbursement of costs and expenses if you excluded yourself from the Settlement Class or if you are not a member of the Settlement Class.

46. You may file a written objection without having to appear at the Final Approval Hearing. You may not, however, appear at the Final Approval Hearing to present your objection unless you first filed and served a written objection in accordance with the procedures described above, unless the Court orders otherwise.

47. If you wish to be heard orally at the hearing in opposition to the approval of the Settlement, the Plan of Allocation, Lead Counsel's request for an award of attorneys' fees and expenses, and/or Lead Plaintiffs' request for reimbursement of costs and expenses, and if you file and serve a timely written objection as described above, you must also file a notice of appearance with the Clerk's Office and serve it on Lead Counsel and designated counsel for the Settling Defendants at the addresses set forth above so that it is **received on or before July 10, 2014**. Persons who intend to object and desire to present evidence at the Final Approval Hearing must include in their written objection or notice of appearance the identity of any witnesses they may call to testify, a description of the subject matter on which each witness will testify, and any exhibits they intend to introduce into evidence at the hearing.

48. You are not required to hire an attorney to represent you in making written objections or in appearing at the Final Approval Hearing. However, if you decide to hire an attorney, it will be at your own expense, and that attorney must file a notice of appearance with the Court and serve it on Lead Counsel and designated counsel for the Settling Defendants so that the notice is **received on or before July 10, 2014**.

49. The Final Approval Hearing may be adjourned by the Court without further written notice to the Settlement Class. If you intend to appear at the Final Approval Hearing, you should confirm the date and time with Lead Counsel.

50. Unless the Court orders otherwise, any Settlement Class Member who does not object in the manner described above will be deemed to have waived any objection and shall be forever foreclosed from making any objection to the proposed Settlement, the proposed Plan of Allocation, Lead Counsel's request for an award of attorneys' fees and expenses or Lead Plaintiffs' request for reimbursement of costs and expenses. Settlement Class Members do not need to appear at the hearing or take any other action to indicate their approval.

WHAT IF I BOUGHT SHARES ON SOMEONE ELSE'S BEHALF?

51. If you purchased or otherwise acquired GMX common stock pursuant or traceable to the May 2009 Offering or October 2009 Offering for the beneficial interest of a person or entity other than yourself, you must either: (a) within ten (10) calendar days of receipt of this Notice, request from the Claims Administrator sufficient copies of the Notice and Proof of Claim (the "Notice Packet") to forward to all such beneficial owners and within ten (10) calendar days of receipt of those Notice Packets forward them to all such beneficial owners; or (b) within ten (10) calendar days of receipt of this Notice, provide a list of the names and addresses of all such beneficial owners to *Northumberland County Retirement System, et al. v. GMX Resources Inc., et al.*, c/o Strategic Claims Services, Claims Administrator, P.O. Box 230, 600 N. Jackson Street, Suite 3, Media, PA 19063. If you choose the second option, the Claims Administrator will send a copy of the Notice and Proof of Claim to the beneficial owners. Upon full compliance with these directions, such nominees may seek reimbursement of their reasonable expenses actually incurred, by providing the Claims Administrator with proper documentation supporting the expenses for which reimbursement is sought. Copies of this Notice and Proof of Claim may also be obtained from the website maintained by the Claims Administrator, www.strategicclaims.net, or by calling the Claims Administrator toll-free at (866) 274-4004.

CAN I SEE THE COURT FILE? WHOM SHOULD I CONTACT IF I HAVE QUESTIONS?

52. This Notice contains only a summary of the terms of the proposed Settlement. For more detailed information about the matters involved in this Litigation, you are referred to the papers on file in the Litigation, including the Stipulation, which may be inspected during regular office hours at the Clerk of the Court for the United States District Court for the Western District of Oklahoma, 200 N.W. 4th Street, Room 1210, Oklahoma City, OK 73102. Additionally,

copies of the Stipulation and any related orders entered by the Court will be posted on the website maintained by the Claims Administrator, www.strategicclaims.net. All inquiries concerning this Notice or Proof of Claim should be directed to the Claims Administrator or Lead Counsel at:

<p><i>Northumberland County Retirement System, et al. v. GMX Resources Inc., et al.</i> c/o Strategic Claims Services P.O. Box 230 600 N. Jackson Street, Suite 3 Media, PA 19063 (866) 274-4004 www.strategicclaims.net</p>	<p>Michael K. Yarnoff, Esq. KESSLER TOPAZ MELTZER & CHECK, LLP 280 King of Prussia Road Radnor, PA 19087 (610) 667-7706 www.ktmc.com</p> <p>Jeffrey J. Angelovich, Esq. Bradley E. Beckworth, Esq. Susan Whatley, Esq. NIX PATTERSON & ROACH, LLP 205 Linda Drive Daingerfield, TX 75638 (903) 645-7333 www.nixlawfirm.com</p>
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DO NOT CALL OR WRITE THE COURT OR THE OFFICE OF THE CLERK OF COURT REGARDING THIS NOTICE.

Dated: April 21, 2014

By Order of the Court
United States District Court
for the Western District of Oklahoma

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APPENDIX A

PROPOSED PLAN OF ALLOCATION OF THE NET SETTLEMENT FUND

The Plan of Allocation is a matter separate and apart from the proposed Settlement, and any decision by the Court concerning the Plan of Allocation shall not affect the validity or finality of the proposed Settlement. The Court may approve the Plan of Allocation with or without modifications agreed to among the Settling Parties, or another plan of allocation, without further notice to Settlement Class Members. Any modifications to the Plan of Allocation will be posted to the Claims Administrator's website, www.strategicclaims.net.

The Claims Administrator shall determine each Authorized Claimant's *pro rata* share of the Net Settlement Fund based upon each Authorized Claimant's Recognized Claim. **Please Note:** The Recognized Claim formula, set forth below, is not intended to be an estimate of the amount of what a Settlement Class Member might have been able to recover after a trial, nor is it an estimate of the amount that will be paid to Authorized Claimants pursuant to the Settlement. The Recognized Claim formula is the basis upon which the Net Settlement Fund will be proportionately allocated to the Authorized Claimants. To the extent there are sufficient funds in the Net Settlement Fund, each Authorized Claimant will receive an amount equal to the Authorized Claimant's Recognized Claim. If, however, the amount in the Net Settlement Fund is not sufficient to permit payment of the total Recognized Claim of each Authorized Claimant, then each Authorized Claimant shall be paid the percentage of the Net Settlement Fund that each Authorized Claimant's Recognized Claim bears to the total Recognized Claims of all Authorized Claimants (*i.e.*, "*pro rata* share"). Payment in this manner shall be deemed conclusive against all Authorized Claimants. No distribution will be made on a claim where the potential distribution amount is less than ten dollars (\$10.00) in cash.

If any funds remain in the Net Settlement Fund by reason of uncashed checks, or otherwise, after the Claims Administrator has made reasonable and diligent efforts to have Authorized Claimants who are entitled to participate in the distribution of the Net Settlement Fund cash their distribution checks, then any balance remaining in the Net Settlement Fund six (6) months after the initial distribution of such funds shall be used: (i) first, to pay any amounts mistakenly omitted from the initial distribution to Authorized Claimants or to pay any late, but otherwise valid and fully documented claims received after the cut-off date used to make the initial distribution, provided that such distributions to any late post-distribution claimants meet all of the other criteria for inclusion in the initial distribution, including the \$10.00 minimum check amount set forth in the Notice; (ii) second, to pay any additional Notice and Administration Costs incurred in administering the Settlement; and (iii) finally, to make a second distribution to Authorized Claimants who cashed their checks from the initial distribution and who would receive at least \$10.00 from such second distribution, after payment of the estimated costs or fees to be incurred in administering the Net Settlement Fund and in making this second distribution, if such second distribution is economically feasible. If six (6) months after such second distribution, if undertaken, or if such second distribution is not undertaken, any funds shall remain in the Net Settlement Fund after the Claims Administrator has made reasonable and diligent efforts to have Authorized Claimants who are entitled to participate in this Settlement cash their checks, any funds remaining in the Net Settlement Fund shall be donated to a non-profit charitable organization(s) selected by Lead Counsel.

THE BASIS FOR CALCULATING YOUR RECOGNIZED CLAIM:

Each Authorized Claimant shall be allocated a *pro rata* share of the Net Settlement Fund based on his, her or its Recognized Claim as compared to the total Recognized Claims of all Authorized Claimants. Recognized Claims will be calculated for those shares of GMX common stock purchased or otherwise acquired pursuant or traceable to the Company's May 13, 2009 and/or October 22, 2009 offerings (together, the "Offerings").

A claimant's Recognized Claim will be calculated as follows:

I) GMX Common Stock Purchased or Otherwise Acquired Pursuant or Traceable to the May 13, 2009 Offering:

- A. For each share retained at the close of trading on March 10, 2011, the Recognized Claim shall be \$7.44³ per share; and
- B. For each share sold on or before March 10, 2011, the Recognized Claim shall be the difference between the \$12.50 offering price per share and the sales price per share.

II) GMX Common Stock Purchased or Otherwise Acquired Pursuant or Traceable to the October 22, 2009 Offering:

- A. For each share retained at the close of trading on March 10, 2011, the Recognized Claim shall be \$9.94⁴ per share; and
- B. For each share sold on or before March 10, 2011, the Recognized Claim shall be the difference between the \$15.00 offering price per share and the sales price per share.

³ \$7.44 represents the difference between the \$12.50 offering price per share of GMX common stock on May 13, 2009 and the \$5.06 closing price of GMX common stock on March 10, 2011—the date the initial suit was brought.

⁴ \$9.94 represents the difference between the \$15.00 offering price per share of GMX common stock on October 22, 2009 and the \$5.06 closing price of GMX common stock on March 10, 2011—the date the initial suit was brought.

There were 12.7 million shares of GMX common stock sold pursuant to the Offerings. Lead Plaintiffs' damages consultant estimates that approximately 8.6 million of those shares of GMX common stock were damaged thereby. If claims are submitted with respect to all 8.6 million shares, Lead Plaintiffs estimate that the gross recovery per damaged share would be approximately \$0.31. This per damaged share calculation is on a gross basis, before deduction from the Settlement Fund of attorneys' fees and expenses, notice and claims processing costs and other amounts as may be allowed by the Court.

In order to be eligible to receive a distribution from the Net Settlement Fund, you must have purchased or otherwise acquired GMX common stock pursuant or traceable to at least one of the Offerings. For purposes of calculating your Recognized Claim, the date of purchase, acquisition or sale is the "contract" or "trade" date and not the "settlement" or "payment" date. The receipt or grant by gift, inheritance or operation of law of GMX common stock purchased or otherwise acquired pursuant or traceable to the Offerings shall not be deemed a purchase, acquisition or sale of GMX common stock for the calculation of an Authorized Claimant's Recognized Claim nor shall such receipt or grant be deemed an assignment of any claim relating to the purchase or acquisition of such GMX common stock unless: (i) the donor or decedent purchased or otherwise acquired GMX common stock pursuant or traceable to the Offerings; (ii) no Proof of Claim was submitted by or on behalf of the donor or decedent, or by anyone else with respect to such GMX common stock; and (iii) it is specifically so provided in the instrument of gift or assignment.

For purposes of calculating your Recognized Claim, all purchases, acquisitions and sales shall be matched on a First In First Out ("FIFO") basis. In the event that a claimant has more than one purchase or acquisition of GMX common stock pursuant or traceable to the Offerings, all purchases, acquisitions and sales will be matched, in chronological order. Therefore, on the Proof of Claim enclosed with this Notice, you must provide all of your purchases and acquisitions of GMX common during the time period May 13, 2009 through March 10, 2011, inclusive. Brokerage commissions and transfer taxes paid by you in connection with your purchases, acquisitions and sales of GMX common stock should be excluded from the "total purchase/acquisition price" and net of the "total proceeds."

Payment pursuant to the Plan of Allocation approved by the Court shall be conclusive against all Authorized Claimants. No person shall have any claim against Defendants, Defendants' Counsel, Lead Plaintiffs, Plaintiffs' Counsel or the Claims Administrator or other agent designated by Plaintiffs' Counsel based on the distributions made substantially in accordance with the Stipulation and the Settlement contained therein, the Plan of Allocation, or further orders of the Court. Each claimant shall be deemed to have submitted to the jurisdiction of the Court with respect to the claimant's Proof of Claim. All persons involved in the review, verification, calculation, tabulation, or any other aspect of the processing of the claims submitted in connection with the Settlement, or otherwise involved in the administration or taxation of the Settlement Fund or the Net Settlement Fund shall be released and discharged from any and all claims arising out of such involvement, and all Settlement Class Members, whether or not they are to receive payment from the Net Settlement Fund, will be barred from making any further claim against the Net Settlement Fund beyond the amount allocated to them as provided in any distribution orders entered by the Court.

IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF OKLAHOMA

NORTHUMBERLAND COUNTY)	
RETIREMENT SYSTEM and OKLAHOMA)	
LAW ENFORCEMENT RETIREMENT SYSTEM,)	
Individually and On Behalf of All Others Similarly Situated,)	
<i>Plaintiffs,</i>)	Case No. CIV-11-520-D
v.)	
GMX RESOURCES INC., et al.,)	
<i>Defendants.</i>)	
)	

PROOF OF CLAIM AND RELEASE FORM

I. GENERAL INSTRUCTIONS

A. To recover as a member of the Settlement Class based on your claim in the litigation entitled *Northumberland County Retirement System and Oklahoma Law Enforcement Retirement System v. GMX Resources Inc., et al.*, 11-cv-00520-D (the "Litigation"), you must complete this Proof of Claim and Release form ("Proof of Claim"). If you fail to submit a Proof of Claim by the deadline, your claim may be rejected and you may be precluded from any recovery from the Settlement Fund created in connection with the proposed settlement of the Litigation ("Settlement"), as set forth in the Stipulation and Agreement of Settlement ("Stipulation") dated as of March 25, 2014.

B. Submission of this Proof of Claim, however, does not ensure that you will share in the proceeds of the Settlement Fund created in this Litigation.

C. YOU MUST COMPLETE AND SUBMIT YOUR PROOF OF CLAIM VIA MAIL **POSTMARKED NO LATER THAN SEPTEMBER 8, 2014**, ADDRESSED TO THE CLAIMS ADMINISTRATOR AS FOLLOWS:

Northumberland County Retirement System, et al. v. GMX Resources Inc., et al.
c/o Strategic Claims Services
P.O. Box 230
600 N. Jackson Street, Suite 3
Media, PA 19063

If you are NOT a member of the Settlement Class, as defined in the Notice of Pendency and Proposed Settlement of Class Action, Motion for Attorneys' Fees and Expenses and Final Approval Hearing (the "Notice"), then DO NOT submit a Proof of Claim.

D. If you are a member of the Settlement Class, you are bound by the terms of any judgment entered in the Litigation, WHETHER OR NOT YOU SUBMIT A PROOF OF CLAIM.

II. INSTRUCTIONS FOR CLAIMANT IDENTIFICATION SCHEDULE

A. If you purchased or otherwise acquired GMX Resources Inc. ("GMX") common stock pursuant or traceable to the Company's common stock offerings on or about May 13, 2009 or October 22, 2009, and held the stock in your name, you are the beneficial purchaser/owner as well as the record purchaser/owner. If, however, the stock was registered in the name of a third party, such as a nominee or brokerage firm, you are the beneficial purchaser/owner and the third party is the record purchaser/owner.

B. Use "Part I" of this form (below) entitled "Claimant Identification" to identify each owner of record ("nominee"), if different from the beneficial owner of the GMX common stock, which forms the basis of this claim. **THIS CLAIM MUST BE SUBMITTED BY THE ACTUAL BENEFICIAL OWNER(S), OR THE LEGAL REPRESENTATIVE OF SUCH OWNER(S) OF THE GMX COMMON STOCK UPON WHICH THIS CLAIM IS BASED.**

C. All joint purchasers/owners must sign this claim. Executors, administrators, guardians, conservators, and trustees must complete and sign this claim on behalf of persons or entities 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 purchaser/owner may be used in verifying the claim. Failure to provide the foregoing information could delay verification of your claim or result in the rejection of your claim.

III. INSTRUCTIONS FOR SCHEDULE OF TRANSACTIONS

A. In the space provided below, supply all required details of your transaction(s) in GMX common stock. If you need more space, 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.

B. Please provide all of the requested information with respect to ***all*** of your purchases and acquisitions of GMX common stock during the relevant period, regardless of whether such transactions resulted in a profit or a loss. **Failure to report all such transactions may result in the rejection of your claim. Please note:** only GMX common stock purchased or otherwise acquired pursuant or traceable to the Company's May 2009 Offering or October 2009 Offering (together, the "Offerings") are eligible to potentially recover under the Settlement. However, because information regarding your sales of GMX common stock during the period from May 13, 2009 through March 10, 2011, inclusive, will be used for purposes of calculating your Recognized Claim under the Plan of Allocation contained in the Notice, information with respect to all of your purchases and acquisitions of GMX common stock during that period is needed in order to balance your claim. While only purchases and acquisitions of GMX common stock made pursuant or traceable to the Offerings will be used for purposes of calculating your Recognized Claim pursuant to the Plan of Allocation, information regarding your purchases and acquisitions during this entire period is necessary in order to process your claim.

C. 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.

D. Broker confirmations or other documentation of your transactions in GMX common stock should be attached to your claim. Failure to provide this documentation could delay verification of your claim or result in the rejection of your claim.

E. The requests are designed to provide the minimum amount of information necessary to process the most simple claims. The Claims Administrator may request additional information as required to efficiently and reliably calculate your losses. In some cases where the Claims Administrator cannot perform the calculation accurately or at a reasonable cost to the Settlement Class with the information provided, the Claims Administrator may condition acceptance of the claim upon the production of additional information and/or the hiring of an accounting expert at the claimant's cost.

**UNITED STATES DISTRICT COURT
 FOR THE WESTERN DISTRICT OF OKLAHOMA**
Northumberland County Retirement System, et al. v. GMX Resources Inc., et al.
Case No. CIV-11-520-D
PROOF OF CLAIM AND RELEASE
Must be Postmarked No Later Than: September 8, 2014
Please Type or Print

PART I: CLAIMANT IDENTIFICATION

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

Record Owner's Name (if different from beneficial owner listed above)

Street Address

City: State: Zip Code: -

Foreign Province and Postal Code: Foreign Country:

Social Security Number (for individuals)
 - -

OR

Taxpayer Identification Number
 (for estates, trusts, corporations, etc.)
 -

Area Code Telephone No. (Day)
 -

Area Code Telephone No. (Night)
 -

Area Code Facsimile Number
 -

Email

Check One: Individual Corporation Joint Owners IRA Estate
 Other (specify) _____

PART II: SCHEDULE OF TRANSACTIONS IN GMX COMMON STOCK

- A. **BEGINNING HOLDINGS:** At the close of trading on May 12, 2009, I (we) owned _____ shares of GMX common stock. (If none, write 0).
- B. **PURCHASES/ACQUISITIONS:** I (We) made the following PURCHASES/ACQUISITIONS of GMX common stock from May 13, 2009 through March 10, 2011, inclusive.¹ Check the box next to any purchase or acquisition that is the result of the Company's common stock offerings on or about May 13, 2009 and October 22, 2009. (*Must be documented*):

Check Box if result of May 2009 or October 2009 Offerings	Trade Date(s) of Purchase(s)/ Acquisition(s) (List Chronologically) Month/Day/Year	Number of Shares of GMX Common Stock Purchased and/or Acquired	Purchase/Acquisition Price Per Share of GMX Common Stock	Total Purchase/ Acquisition Price (excluding commissions, taxes and fees)
<input type="checkbox"/>	<input type="text"/> / <input type="text"/> / <input type="text"/>	<input type="text"/>	\$ <input type="text"/> . <input type="text"/>	\$ <input type="text"/> . <input type="text"/>
<input type="checkbox"/>	<input type="text"/> / <input type="text"/> / <input type="text"/>	<input type="text"/>	\$ <input type="text"/> . <input type="text"/>	\$ <input type="text"/> . <input type="text"/>
<input type="checkbox"/>	<input type="text"/> / <input type="text"/> / <input type="text"/>	<input type="text"/>	\$ <input type="text"/> . <input type="text"/>	\$ <input type="text"/> . <input type="text"/>
<input type="checkbox"/>	<input type="text"/> / <input type="text"/> / <input type="text"/>	<input type="text"/>	\$ <input type="text"/> . <input type="text"/>	\$ <input type="text"/> . <input type="text"/>

¹ **Please note:** As set forth above, information with respect to all of your purchases/acquisitions of GMX common stock from May 13, 2009 through March 10, 2011, inclusive, is needed in order to balance your claim; however, only purchases/acquisitions of GMX common stock made pursuant or traceable to the Offerings are eligible to participate in the Settlement and will be used for purposes of calculating your Recognized Claim pursuant to the Plan of Allocation.

C. **SALES:** I (We) made the following SALES of GMX common stock from May 13, 2009 through March 10, 2011, inclusive. *(Must be documented):*

Trade Date(s) of Sale(s) (List Chronologically) Month/Day/Year	Number of Shares of GMX Common Stock Sold	Sale Price Per Share of GMX Common Stock	Total Proceeds (excluding commissions, taxes and fees)
/ /		\$.	\$.
/ /		\$.	\$.
/ /		\$.	\$.
/ /		\$.	\$.

D. **UNSOLD HOLDINGS:** At the close of trading on March 10, 2011, I (we) still owned _____ shares of GMX common stock. (If none, write 0).

YOU MUST READ AND SIGN THE RELEASE ON PAGE 19. FAILURE TO SIGN THE RELEASE MAY RESULT IN A DELAY IN PROCESSING OR THE REJECTION OF YOUR CLAIM.

If you require additional space, attach extra schedules in the same format as above. Copies of broker’s confirmations or other documentation evidencing your transactions in GMX common stock should be attached.

PART III: SUBMISSION TO JURISDICTION OF COURT AND ACKNOWLEDGEMENTS

1. I (We) submit this Proof of Claim and Release under the terms of the Stipulation and Agreement of Settlement described in the Notice. I (We) also submit to the jurisdiction of the United States District Court for the Western District of Oklahoma with respect to my (our) claim as a Settlement Class Member and for purposes of enforcing the release set forth herein and any Judgment that may be entered in the Litigation. I (We) further acknowledge that I (we) am (are) bound by and subject to the terms of any Judgment that may be entered in the Litigation.

2. I (We) agree to furnish additional information to the Claims Administrator to support my (our) claim if required to do so.

PART IV: DEFINITIONS AND RELEASE

1. I (We) hereby acknowledge full and complete satisfaction of, and do hereby fully, finally and forever settle, discharge and release all “Released Claims” against all “Defendants’ Released Persons,” including “Unknown Claims,” as defined below.

(a) “Released Claims” means any and all claims, demands, losses, rights, causes of action, liabilities, obligations, judgments, suits, matters and issues of any kind or nature whatsoever, whether known or Unknown Claims (as defined below), contingent or absolute, suspected or unsuspected, disclosed or undisclosed, that have been or could have been asserted against any and/or all Settling Defendants and any and/or all of Defendants’ Released Persons in the Litigation or in any court, tribunal, forum or proceeding (including, but not limited to, any claims arising under federal, state or foreign law, common law, statute, rule or regulation relating to alleged fraud, breach of any duty, negligence, violations of the federal securities laws, or otherwise), whether individual or class, which arise out of, are based on, or relate in any way, directly or indirectly to (1) the purchase or acquisition of GMX common stock pursuant or traceable to the May 2009 Offering or the October 2009 Offering and (2) the acts, facts, statements, or omissions that were or could have been alleged by Lead Plaintiffs in the Litigation. “Released Claims” excludes any claims asserted in any derivative action or ERISA action based on similar allegations or any claims to enforce the Settlement.

(b) “Defendants’ Released Persons” means each and all of the Settling Defendants, each and all of their Related Persons (i.e., each and all of their respective present and former parents, subsidiaries, divisions, joint ventures, and affiliates, and each of their respective present and former employees, members, general and limited partners and their partnerships, principals, officers, directors, attorneys, advisors, accountants, auditors, financial advisors, commercial bank lenders, insurers, underwriters, investment bankers, representatives, and insurers; and the predecessors, successors, spouses, estates, heirs, executors, trusts, trustees, administrators, agents, fiduciaries, consultants, representatives and assigns of each of them, in their capacity as such; and any trust of which any Person described in this subparagraph is the settlor or which is for the benefit of any Person described in this subparagraph and/or member(s) of his or her family; and any entity in which any Person described in this subparagraph has a controlling interest) and GMX.

(c) “Unknown Claims” means any Released Claims that Lead Plaintiffs or any Settlement Class Members do not know or suspect to exist—as well as any Released Defendants’ Claims that Settling Defendants or any of their Related Persons do not know or suspect to exist—in his, her, or its respective favor at the time of the release, regardless of whether such Released Claim or Released Defendants’ Claim, if known by him, her, or it, might have affected his, her, or its decision with respect to the Settlement and/or release of the claim. With respect to any

and all Unknown Claims, the Settling Parties stipulate and agree that, upon the Effective Date, they shall expressly waive, and each of the Settlement Class Members and each of the Settling Defendants' Related Persons shall be deemed to have waived (by operation of the Final Judgment), to the fullest extent permitted by law, the provisions, rights, and benefits of California Civil Code § 1542, which provides:

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

The Settling Parties shall expressly waive, and each of the Settlement Class Members and each of the Settling Defendants' Related Persons shall be deemed to have waived (by operation of the Final Judgment), 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. The Settling Parties, Settlement Class Members and/or the Settling Defendants' Related Persons 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 and Released Defendants' Claims, but the Settling Parties shall expressly, and each Settlement Class Member and Settling Defendants' Related Persons, upon the Effective Date, shall be deemed to have, and by operation of the Final Judgment shall have, fully, finally, and forever settled and released any and all Released Claims and Released Defendants' 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 that 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. The Settling Parties acknowledge, and the Settlement Class Members and Settling Defendants' Related Persons shall be deemed by operation of the Final Judgment to have acknowledged, that the foregoing waiver was separately bargained for and a key element of the Settlement of which this release is a part.

2. This release shall be of no force or effect unless and until the Court gives final approval to the Settlement and the Effective Date occurs.

PART V: REPRESENTATIONS

1. 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.

2. I (We) hereby warrant and represent that I (we) have included information about all of my (our) purchases, acquisitions and sales transactions in GMX common stock which occurred between May 13, 2009 and March 10, 2011, inclusive (and have indicated such shares that were purchased or acquired pursuant or traceable to the Offerings), as well as the number of shares of GMX common stock held by me (us) at the close of trading on May 12, 2009 and the close of trading on March 10, 2011.

3. I (We) hereby certify that I am (we are) not subject to backup withholding under the provisions of Section 3406(a)(1)(c) of the Internal Revenue Code.

NOTE: If you have been notified by the Internal Revenue Service that you are subject to backup withholding, please strike out the language that you are not subject to backup withholding in the certification above.

I (We) declare under penalty of perjury under the laws of the State of Oklahoma and the United States of America that the foregoing information supplied by the undersigned is true and correct and that this Proof of Claim and Release form was executed this _____ day of _____ in _____.

(month, year) (City, State, Country)

(Sign your name here)

(Sign your name here)

(Type or print your name here)

(Type or print your name here)

(Capacity of persons signing,
e.g., Beneficial Purchaser, Executor or Administrator)

(Capacity of persons signing,
e.g., Beneficial Purchaser, Executor or Administrator)

Northumberland County Retirement System, et al.
v. GMX Resources Inc., et al.
c/o Strategic Claims Services
P.O. Box 230
600 N. Jackson Street, Suite 3
Media, PA 19063

PRESORTED FIRST CLASS MAIL U.S. POSTAGE PAID PERMIT NO. 138 PHILADELPHIA, PA

PLEASE FORWARD

FIRST CLASS MAIL

PLEASE FORWARD—IMPORTANT LEGAL NOTICE

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

Reminder Checklist

1. Please sign the Certification section of the Proof of Claim and Release on Page 19.
2. If this claim is being made on behalf of joint claimants, both must sign.
3. Remember to attach supporting documentation.
4. Do not send original stock certificates.
5. Keep a copy of your Proof of Claim and Release form and all documents submitted for your records.
6. If you desire an acknowledgment of receipt of your claim form, please send it Certified Mail, Return Receipt Requested.
7. If you move, please send the Claims Administrator your new address.

**These forms and your supporting documentation must be postmarked
no later than September 8, 2014.**