NATURAL RESOURCE PARTNERS LP
Form S-3
April 07, 2017

As filed with the Securities and Exchange Commission on April 7, 2017
Registration No. 333

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM S-3
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

NATURAL RESOURCE
PARTNERS L.P.
(Exact name of registrant as
specified in its charter)

Delaware	35-2164875
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

1201 Louisiana, 34th Floor
Houston, Texas 77002
(713) 751-7507
(Address, including zip code,
and telephone number,
including
area code, of registrant's
principal executive offices)

Kathryn
S. Wilson
GP
Natural
Resource
Partners
LLC
1201
Louisiana
Street,
34th Floor
Houston,
Texas

77002
(713)
751-7507
(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copy to:
E. Ramey Layne
Vinson & Elkins L.L.P.
1001 Fannin Street, Suite 2500
Houston, Texas
77002
(713)
758-2222

Approximate date of commencement of proposed sale to the public: From time to time after the effective date of this registration statement, as determined by market conditions and other factors.

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box. o

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box. þ

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

If this Form is a registration statement pursuant to General Instruction I.D. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, check the following box. o

If this Form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.D. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box. o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of “large accelerated filer,” “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer o Accelerated filer þ Non-accelerated filer o Smaller reporting company o
(Do not check if a smaller reporting company)

CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered	Amount to be registered(1)	Proposed maximum offering price per unit	Proposed maximum aggregate offering price	Amount of registration fee(5)
Common Units representing limited partner interests	4,000,000 (2)	(3)	$141,680,000 (4)	$16,421

(1) Represents common units that may be offered by the selling unitholders named herein. Pursuant to Rule 416(a) under the Securities Act, the number of common units being registered on behalf of the selling unitholders shall be adjusted to include any additional common units that may become issuable as a result of any unit distribution, split, combination or similar transaction

(2) Represents common units issuable upon exercise of warrants to purchase 4,000,000 common units, which warrants were issued by Natural Resource Partners L.P. (the "Partnership") to the selling unitholders named herein in a private placement. Upon exercise of the warrants, the Partnership may, at its option, elect to settle the warrants in common units or cash, each on a net basis based on the volume weighted average trading price of the Partnership's common units on the exercise date. The amount of common units registered hereby assumes settlement of the warrants into common units and does not account for the mandatory net settlement of the warrants. It is expected that an amount less than 4,000,000 common units will actually be issued upon exercise of the warrants due to the mandatory net settlement feature.

(3) The proposed maximum offering price per common unit will be determined from time to time in connection with, and at the time of, a sale by a holder of the securities registered hereunder.

(4) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(c) under the Securities Act. The price is based on the average high and low sale prices for the Partnership's common units on April 4, 2017 of $35.42, as reported on the New York Stock Exchange.

(5) Calculated in accordance with Rule 457(c) under the Securities Act.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities, and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

Subject to Completion, Dated April 7, 2017

Prospectus

NATURAL RESOURCE PARTNERS L.P.

Common Units

This prospectus relates to up to 4,000,000 common units representing limited partner interests in Natural Resource Partners L.P. to be offered on a secondary basis by the selling unitholders named in this prospectus or in any supplement to this prospectus. The common units are issuable upon exercise of warrants to purchase, in the aggregate, 4,000,000 common units. The warrants were issued by us to the selling unitholders in a private placement pursuant to a Class A Convertible Preferred Unit and Warrant Purchase Agreement dated February 22, 2017. Upon exercise of the warrants, we may, at our option, elect to settle the warrants in common units or cash, each on a net basis based on the volume weighted average trading price of our common units on the exercise date. The amount of common units offered hereby assumes settlement of the warrants into common units and does not account for the mandatory net settlement of the warrants. It is expected that an amount less than 4,000,000 common units will actually be issued upon exercise of the warrants due to the mandatory net settlement feature.

The selling unitholders may offer and sell these securities to or through one or more underwriters, dealers or agents, or directly to purchasers, on a continuous or delayed basis. This prospectus describes the general terms of these securities and the general manner in which the selling unitholders will offer the securities. The specific terms of any offering may be included in a supplement to this prospectus. The names of any underwriters will be stated in a supplement to this prospectus. Any selling unitholder that is an affiliate of Natural Resource Partners L.P. may be deemed an "underwriter" within the meaning of the Securities Act of 1933, as amended, or the Securities Act, and, as a result, may be deemed to be offering securities, indirectly, on our behalf. We will not receive any of the proceeds from the sale of common units by the selling unitholders.

Investing in our common units involves risks. Limited partnerships are inherently different from corporations. Please read "Risk Factors" beginning on page 4 of this prospectus before you make an investment in our securities.

Our common units are traded on the New York Stock Exchange under the symbol "NRP."

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is , 2017

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In making your investment decision, you should rely only on the information contained or incorporated by reference in this prospectus. Neither we nor the selling unitholders have authorized anyone to provide you with any other information. If anyone provides you with different or inconsistent information, you should not rely on it.

You should not assume that the information contained in this prospectus is accurate as of any date other than the date on the front cover of this prospectus. You should not assume that the information contained in the documents incorporated by reference in this prospectus is accurate as of any date other than the respective dates of those documents. Our business, financial condition, results of operations and prospects may have changed since those dates.

ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement that we have filed with the Securities and Exchange Commission, or the SEC, using a "shelf" registration process. Under this shelf registration process, the selling unitholders may sell, in one or more offerings, up to 4,000,000 common units of Natural Resource Partners L.P. The common units are issuable upon exercise of warrants to purchase, in the aggregate, 4,000,000 common units. Upon exercise of the warrants, we may, at our option, elect to settle the warrants in common units or cash, each on a net basis based on the volume weighted average trading price of our common units on the exercise date. The amount of common units offered hereby assumes settlement of the warrants into common units and does not account for the mandatory net settlement of the warrants. It is expected that an amount less than 4,000,000 common units will actually be issued upon exercise of the warrants due to the mandatory net settlement feature. This prospectus generally describes Natural Resource Partners L.P. and the securities. Each time any selling unitholder sells securities with this prospectus, we or the selling unitholder may provide you with a prospectus supplement that will contain specific information about the terms of that offering. A prospectus supplement may also add to, update or change information in this prospectus. Before you invest in our securities, you should carefully read this prospectus and any prospectus supplement and the additional information described under the heading "Where You Can Find More Information." To the extent information in this prospectus is inconsistent with information contained in a prospectus supplement, you should rely on the information in the prospectus supplement. As used in this prospectus, "we," "our" and "us" refer to Natural Resource Partners L.P. and, where the context requires, our subsidiaries. References to "NRP" and "Natural Resource Partners" refer to Natural Resource Partners L.P. only, and not to NRP (Operating) LLC or any of Natural Resource Partners L.P.'s other subsidiaries.

NATURAL RESOURCE PARTNERS L.P.

We are a publicly traded Delaware limited partnership formed in 2002. We own, operate, manage and lease a diversified portfolio of mineral properties in the United States, including interests in coal, trona and soda ash, construction aggregates and other natural resources.

Our operations are conducted through NRP (Operating) LLC ("Opco"), and our operating assets are owned by our subsidiaries. NRP (GP) LP, our general partner, has sole responsibility for conducting our business and for managing our operations. Because our general partner is a limited partnership, its general partner, GP Natural Resource Partners LLC, conducts its business and operations, and the Board of Directors and officers of GP Natural Resource Partners LLC make decisions on our behalf. Robertson Coal Management LLC, a limited liability company wholly owned by Corbin J. Robertson, Jr., owns all of the membership interest in GP Natural Resource Partners LLC. Subject to the Investor Rights Agreement with Adena Minerals, LLC (“Adena Minerals”) and the Board Representation and Observation Rights Agreement with certain entities controlled by funds affiliated with The Blackstone Group L.P. (collectively referred to as “Blackstone”) and affiliates of GoldenTree Asset Management LP (collectively referred to as “GoldenTree”), Mr. Robertson is entitled to nominate eleven directors to the Board of Directors of GP Natural Resource Partners LLC. Mr. Robertson has delegated the right to nominate two directors, one of whom must be independent, to Adena Minerals, and one director to Blackstone.

The senior executives and other officers who manage NRP are employees of Western Pocahontas Properties Limited Partnership and Quintana Minerals Corporation, companies controlled by Mr. Robertson, and they allocate varying percentages of their time to managing our operations. Neither our general partner, GP Natural Resource Partners LLC, nor any of their affiliates receive any management fee or other compensation in connection with the management of our business, but they are entitled to be reimbursed for all direct and indirect expenses incurred on our behalf.

We have several regional offices through which we conduct our operations, the largest of which is located at 5260 Irwin Road, Huntington, West Virginia 25705 and the telephone number is (304) 522-5757. Our principal executive office is located at 1201 Louisiana Street, 34th Floor, Houston, Texas 77002 and our phone number is (713) 751-7507.

For additional information as to our business, properties and financial condition, please refer to the documents cited in “Where You Can Find More Information.”

2017 Recapitalization Transactions

On March 2, 2017, we completed a series of transactions in order to strengthen our balance sheet, enhance our liquidity and ultimately reposition the partnership for long-term growth, including:

- the issuance of $250 million of a new class of 12.0% preferred units representing limited partner interests in NRP, together with warrants to purchase common units, to Blackstone and GoldenTree;
- the exchange of $241 million of our 9.125% Senior Notes due 2018 (the “2018 Notes”) for $241 million of a new series of 10.500% Senior Notes due 2022 (the “2022 Notes”), and the sale of $105 million of additional 2022 Notes in exchange for cash proceeds; and
- the extension of Opco’s revolving credit facility to April 2020, with commitments thereunder reduced to $180 million.

We used a portion of the proceeds from these transactions to repay Opco’s revolving credit facility in full, redeem $90 million of the outstanding 2018 Notes at a redemption price of 104.563%, plus accrued and unpaid interest to the redemption date of April 3, 2017, and pay all fees and expenses associated with the transactions

CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

Some of the information included in this prospectus, any prospectus supplement and the documents we incorporate by reference contain forward-looking statements. These statements use forward-looking words such as “may,” “will,” “anticipate,” “believe,” “expect,” “project” or other similar words. These statements discuss goals, intentions and expectations as to future trends, plans, events, results of operations or financial condition or state other “forward-looking” information.

A forward-looking statement may include a statement of the assumptions or bases underlying the forward-looking statement. We believe we have chosen these assumptions or bases in good faith and that they are reasonable. However, we caution you that assumed facts or bases almost always vary from actual results, and the differences between assumed facts or bases and actual results can be material, depending on certain factors or circumstances. Many of such factors are beyond our ability to control or predict, and when considering forward-looking statements, you should keep in mind the risk factors and other cautionary statements in this prospectus, any prospectus supplement and the documents we have incorporated by reference. These statements reflect Natural Resource Partners’ current views with respect to future events and are subject to various risks, uncertainties and assumptions.

Readers are cautioned not to put undue reliance on forward-looking statements. Except as required by federal and state securities laws, we undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or any other reason.

Forward-looking statements contained in this prospectus and all subsequent written and oral forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by this cautionary statement.

RISK FACTORS

An investment in our securities involves risks. Before you invest in our securities, you should carefully consider the risk factors included in any applicable prospectus supplement and under the caption “Risk Factors” included in our most recent annual report on Form 10-K filed with the SEC, in each case as these risk factors are amended or supplemented by subsequent quarterly reports on Form 10-Q or current reports on Form 8-K that are incorporated by reference in this prospectus, together with all of the other information included in this prospectus, any prospectus supplement and the documents we incorporate by reference.

If any of these risks were to materialize, our business, results of operations, cash flows and financial condition could be materially adversely affected. In that case, our ability to make distributions to our unitholders may be reduced, the trading price of our securities could decline and you could lose all or part of your investment.

USE OF PROCEEDS

We will not receive any of the proceeds from the sale of common units by the selling unitholders.

DESCRIPTION OF OUR COMMON UNITS

The common units represent limited partner interests in Natural Resource Partners L.P. that entitle the holders to participate in our cash distributions and to exercise the rights or privileges available to limited partners under our partnership agreement. For a description of the relative rights and preferences of holders of common units, preferred units and our general partner in and to partnership distributions, see "Cash Distributions" in this prospectus.

Our outstanding common units are listed on the New York Stock Exchange under the symbol "NRP."

The transfer agent and registrar for our common units is American Stock Transfer & Trust Company.

Status as Limited Partner or Assignee

Except as described under "The Partnership Agreement—Limited Liability," the common units will be fully paid, and the unitholders will not be required to make additional capital contributions to us.

Transfer of Common Units

Each purchaser of common units offered by this prospectus must execute a transfer application. By executing and delivering a transfer application, the purchaser of common units:

- becomes the record holder of the common units and is an assignee until admitted into our partnership as a substituted limited partner;
- automatically requests admission as a substituted limited partner in our partnership;
- agrees to be bound by the terms and conditions of, and executes, our partnership agreement;
- represents that he has the capacity, power and authority to enter into the partnership agreement;
- grants powers of attorney to officers of the general partner and any liquidator of our partnership as specified in the partnership agreement; and
- makes the consents and waivers contained in the partnership agreement.

An assignee will become a substituted limited partner of our partnership for the transferred units automatically upon the recording of the transfer on our books and records. Our general partner will cause any transfers to be recorded on our books and records as soon as practicable following any transfer.

Transfer applications may be completed, executed and delivered by a purchaser's broker, agent or nominee. We are entitled to treat the nominee holder of a common unit as the absolute owner. In that case, the beneficial holders' rights are limited solely to those that it has against the nominee holder as a result of any agreement between the beneficial owner and the nominee holder.

Common units are securities and are transferable according to the laws governing transfer of securities. In addition to other rights acquired, the purchaser has the right to request admission as a substituted limited partner in our partnership for the purchased common units. A purchaser of common units who does not execute and deliver a transfer application obtains only:

- the right to assign the common unit to a purchaser or transferee; and
- the right to transfer the right to seek admission as a substituted limited partner in our partnership for the purchased common units.

Thus, a purchaser of common units who does not execute and deliver a transfer application:

- will not receive cash distributions or federal income tax allocations, unless the common units are held in a nominee or "street name" account and the nominee or broker has executed and delivered a transfer application; and
- may not receive some federal income tax information or reports furnished to record holders of common units.

Until a common unit has been transferred on our books, we and the transfer agent, notwithstanding any notice to the contrary, may treat the record holder of the unit as the absolute owner for all purposes, except as otherwise required by law or stock exchange regulations.

DESCRIPTION OF CLASS A CONVERTIBLE PREFERRED UNITS

On March 2, 2017, we issued 250,000 Class A Convertible Preferred Units (the "preferred units") to Blackstone and GoldenTree at a price of $1,000 per preferred unit (the "Per Unit Purchase Price"). The preferred units represent limited partner interests in Natural Resource Partners L.P. that entitle the holders to receive cumulative distributions at a rate of 12% per year, up to one half of which we may pay in additional preferred units (such additional preferred units, the "PIK units"). The preferred units have a perpetual term, unless converted or redeemed as described below. For a description of the relative rights and preferences of holders of common units, preferred units and our general partner in and to partnership distributions, see "Cash Distributions" in this prospectus.

Conversion

The preferred units (including any PIK Units) are convertible into common units at the election of the holders (1) after March 2, 2022 and prior to March 2, 2025 at a 7.5% discount to the volume weighted average trading price of our common units (the "VWAP") for the 30 trading days immediately prior to the notice of conversion if the 30-day VWAP immediately prior to such notice is greater than $51.00 (subject to a maximum of 33% of the preferred units per year) and (2) after March 2, 2025 at a 10% discount to the VWAP for the 30 trading days immediately prior to the notice of conversion. Instead of issuing common units pursuant to clause (1) of the preceding sentence, we have the option to redeem the preferred units proposed to be converted for cash at a price equal to the Per Unit Purchase Price, plus the value of any accrued and unpaid distributions. To the extent the holders of the preferred units have not elected to convert their preferred units by March 2, 2029, we have the right to force conversion of the preferred units into common units at a 10% discount to the VWAP for the 30 trading days immediately prior to the notice of conversion.

Redemption

We have the ability to redeem at any time (subject to compliance with our debt agreements) all or any portion of the preferred units (including PIK Units) for cash at the agreed upon per unit amount, which is calculated as the Per Unit Purchase Price multiplied by (i) prior to March 2, 2020, 1.50, (ii) on or after March 2, 2020 and prior to March 2, 2021, 1.70 and (iii) on or after March 2, 2021, 1.85.

Voting and Approval

The holders of the preferred units have the right to vote together with holders of NRP's common units, as a single class, on an as-converted basis and have other customary approval rights with respect to changes of the terms of the preferred units. See "The Partnership Agreement—Voting Rights." In addition, Blackstone and GoldenTree have certain non-transferrable approval rights over certain matters. See "The Partnership Agreement—Special Approval Rights of Blackstone and GoldenTree."

THE PARTNERSHIP AGREEMENT

The following is a summary of the material provisions of our partnership agreement. This summary does not purport to be complete and is qualified in its entirety by reference to the provisions of applicable law and to our partnership agreement, which is filed as an exhibit to the registration statement of which this prospectus is a part.

We summarize the following provisions of our partnership agreement elsewhere in this prospectus:

- with regard to distributions of available cash, please see "Cash Distributions;"
- with regard to the transfer of common units, please see "Description of Our Common Units—Transfer of Common Units;" and
- with regard to allocations of taxable income and taxable loss, please see "Material U.S. Federal Income Tax Consequences."

Organization and Duration

Our partnership was formed on April 9, 2002 and will remain in existence until dissolved in accordance with our partnership agreement.

Purpose

Our purpose under our partnership agreement is limited to serving as a member of the operating company and engaging in any business activities that may be engaged in by the operating company or its subsidiaries or that are approved by our general partner.

The limited liability company agreement of the operating company provides that the operating company may, directly or indirectly, engage in:

- its operations as conducted immediately before our initial public offering;
- any other activity approved by our general partner but only to the extent that our general partner reasonably determines that, as of the date of the acquisition or commencement of the activity, the activity generates "qualifying income" as this term is defined in Section 7704 of the Internal Revenue Code; and
- any activity that enhances the operations of an activity that is described in either of the preceding two clauses.

Our partnership agreement also permits us to engage directly in or enter into any form of corporation, partnership, joint venture, limited liability company or other arrangement to engage in any business activity that is approved by our general partner and that may be conducted lawfully by a Delaware limited partnership.

Notwithstanding the foregoing, our general partner does not have the authority to cause us to engage, directly or indirectly, in any business activity that it reasonably determines would cause us to be treated as an association taxable as a corporation or otherwise taxable as an entity for federal income tax purposes.

Our general partner is authorized in general to perform all acts deemed necessary to carry out our purposes and to conduct our business.

Power of Attorney

Each limited partner and each person who acquires a unit from a unitholder and executes and delivers a transfer application grants to our general partner (and, if appointed, a liquidator), a power of attorney to, among other things, execute and file documents required for our qualification, continuance or dissolution. The power of attorney also grants our general partner the authority to amend, and to make consents and waivers under, and in accordance with, our partnership agreement.

Capital Contributions

Unitholders are not obligated to make additional capital contributions, except as described below under "— Limited Liability."

Limited Liability

Participation in the Control of Our Partnership. Assuming that a limited partner does not participate in the control of our business within the meaning of the Delaware Revised Uniform Limited Partnership Act (the "Delaware Act") and that it otherwise acts in conformity with the provisions of our partnership agreement, its liability under the Delaware Act will be limited, subject to possible exceptions, to the amount of capital it is obligated to contribute to us for its common units plus his share of any undistributed profits and assets. If it were determined, however, that the right or exercise of the right by the limited partners as a group:

- to remove or replace the general partner;
- to approve some amendments to our partnership agreement; or
- to take other action under our partnership agreement;

constituted "participation in the control" of our business for the purposes of the Delaware Act, then the limited partners could be held personally liable for our obligations under Delaware law to the same extent as the general partner. This liability would extend to persons who transact business with us and who reasonably believe that the limited partner is a general partner. Neither our partnership agreement nor the Delaware Act specifically provides for legal recourse against our general partner if a limited partner were to lose limited liability through any fault of the general partner. While this does not mean that a limited partner could not seek legal recourse, we have found no precedent for this type of a claim in Delaware case law.

Unlawful Partnership Distributions. Under the Delaware Act, a limited partnership may not make a distribution to a partner if, after the distribution, all liabilities of the limited partnership, other than liabilities to partners on account of their partnership interests and liabilities for which the recourse of creditors is limited to specific property of the partnership, would exceed the fair value of the assets of the limited partnership. For the purpose of determining the fair value of the assets of a limited partnership, the Delaware Act provides that the fair value of property subject to liability for which recourse of creditors is limited shall be included in the assets of the limited partnership only to the extent that the fair value of that property exceeds the nonrecourse liability. The Delaware Act provides that a limited partner who receives a distribution and knew at the time of the distribution that the distribution was in violation of the Delaware Act shall be liable to the limited partnership for the amount of the distribution for three years. Under the Delaware Act, an assignee who becomes a substituted limited partner of a limited partnership is liable for the obligations of his assignor to make contributions to the partnership, except the assignee is not obligated for liabilities unknown to him at the time he became a limited partner and that could not be ascertained from the partnership agreement.

Failure to Comply with the Limited Liability Provisions of Jurisdictions in Which We Do Business. Our subsidiaries currently conduct business in a number of states. Maintenance of limited liability for Natural Resource Partners, as the sole member of the operating companies, may require compliance with legal requirements in the jurisdictions in which the operating companies conduct business, including qualifying our subsidiaries to do business there. Limitations on the liability of members for the obligations of a limited liability company have not been clearly established in many jurisdictions. If it were determined that we were, by virtue of our member interests in the operating companies or otherwise, conducting business in any state without compliance with the applicable limited partnership or limited liability company statute, or that the right or exercise of the right by the limited partners as a group to remove or replace our general partner, to approve some amendments to our partnership agreement, or to take other action under our partnership agreement constituted "participation in the control" of our business for purposes of the statutes of any relevant jurisdiction, then the limited partners could be held personally liable for our obligations under the law of that jurisdiction to the same extent as the general partner under the

circumstances. We will operate in a manner that our general partner considers reasonable and necessary or appropriate to preserve the limited liability of the limited partners.

Voting Rights

The following matters require the unitholder vote specified below:

Issuance of additional units	Except as described below under "—Special Approval Rights of Blackstone and GoldenTree," no approval right.
Amendment of partnership agreement	Certain amendments may be made by the general partner without the approval of the unitholders. Other amendments generally require the approval of a unit majority and/or a preferred unit majority. Please read "—Amendment of the Partnership Agreement."
Merger of our partnership or the sale of all or substantially all of our assets	Unit majority. Please read "—Merger, Sale or Other Disposition of Assets."
Amendment of the limited liability company agreement and other action taken by us as sole member of the operating company	Unit majority if such amendment or other action would adversely affect our limited partners (or any particular class of limited partners) in any material respect. Please read "—Action Relating to Operating Company."
Dissolution of our partnership	Unit majority. Please read "—Termination and Dissolution."
Reconstitution of our partnership upon dissolution	Unit majority. Please read "—Termination and Dissolution"
Withdrawal of the general partner	Our general partner may withdraw as general partner without approval of our unitholders by giving 90 days' written notice, and that withdrawal will not constitute a violation of our partnership agreement. Please read "—Withdrawal or Removal of the General Partner."
Removal of the general partner	Not less than 66 2/3% of the outstanding units, including units held by our general partner and its affiliates; provided, however, that after the eighth anniversary of March 2, 2017, the holders of preferred units (or common units issued upon conversion thereof) may, if they hold 66 2/3% of the common units (or would, on conversion of all preferred units), act by written consent to remove the general partner. Please read "—Withdrawal or Removal of the General Partner."
Transfer of the general partner interest	The general partner may transfer any or all of its general partner interest without a vote of our unitholders. Please read "—Transfer of General Partner Interest."
Transfer of ownership interests in the general partner	No approval required at any time. Please read "—Transfer of Ownership Interests in the General Partner."

Matters requiring the approval of a "unit majority" require the approval of a majority of the common units and preferred units, on an as-converted basis, voting as a single class. For a description of the terms for conversion of the preferred units into common units, see "Description of Class A Preferred Units—Conversion." Except as otherwise described in our partnership agreement, matters requiring the approval of a "preferred unit majority" require the approval of a majority of the preferred units, voting separately as a class with one vote per preferred unit.

Special Approval Rights of Blackstone and GoldenTree

Blackstone has certain non-transferrable approval rights over certain matters, including:

- the incurrence of new indebtedness or issuance of securities that rank senior to or pari passu with the preferred units, subject to certain exceptions;
- material changes to NRP's business;
- acquisitions, divestitures and capital expenditures in excess of certain dollar thresholds;
- amendments to material contracts resulting in a cash impact to NRP in excess of certain dollar thresholds;
- settlement of any litigation or regulatory matter resulting in cash payments by NRP in excess of certain thresholds; and
- amendments to related party contracts outside of the ordinary course of business.

In addition, GoldenTree has certain more limited approval rights, but will gain additional approval rights under certain circumstances. The approval rights held by Blackstone and GoldenTree will terminate at such time that Blackstone (together with its affiliates) or Golden Tree (together with its affiliates), as applicable, no longer own at least 20% of the total number of preferred units issued on March 2, 2017, together with all PIK units that have been issued but not redeemed (the "Minimum Preferred Unit Threshold"). To the extent any preferred units have converted into common units that are still held by Blackstone (or its affiliates) or GoldenTree (or its affiliates), as applicable, such common units will be deemed to represent a number of preferred units based on the weighted average number of common units issued in each conversion and will count towards the Minimum Preferred Unit Threshold.

Issuance of Additional Securities

Except as described above under "—Special Approval Rights of Blackstone and GoldenTree," our partnership agreement authorizes us to issue an unlimited number of additional partnership securities and rights to buy partnership securities for the consideration and on the terms and conditions established by our general partner in its sole discretion without the approval of any limited partners.

It is possible that we will fund acquisitions through the issuance of additional common units or other equity securities. Holders of any additional common units we issue will be entitled to share equally with the then-existing holders of common units in our distributions of available cash. In addition, the issuance of additional partnership common units or other equity securities may dilute the value of the interests of the then-existing holders of common units in our net assets.

Except as described above under "—Special Approval Rights of Blackstone and GoldenTree," in accordance with Delaware law and the provisions of our partnership agreement, we may also issue additional partnership securities that, in the sole discretion of our general partner, may have special voting rights to which the common units are not entitled.

Upon issuance of additional partnership securities, our general partner will have the right, which it may from time to time assign in whole or in part to any of its affiliates, to purchase common units or other equity securities whenever, and on the same terms that, we issue those securities to persons other than our general partner and its affiliates, to the extent necessary to maintain the percentage interest of the general partner and its affiliates,

including such interest represented by common units that existed immediately prior to each issuance. The holders of common units do not have preemptive rights to acquire additional common units or other partnership securities. Certain holders of preferred units have preemptive rights with respect to the issuance of partnership securities, subject to certain exceptions, including the issuance of securities to the owners of another entity in connection with the acquisition of such entity, the issuance of securities in an at-the-market offering program, the issuance of securities in a firm commitment underwritten public offering in certain circumstances or the issuance of securities pursuant to any plan or program authorized by our general partner or any dividend, split or other reclassification, provided that with respect to any dividend, split or reclassification of parity securities, the preferred units are given ratable treatment. The holders of the warrants shall have preemptive rights (proportional to their common unit ownership on an as exercised basis) with respect to any issuance of common units and rights, options or warrants to purchase common units, and convertible securities (other than PIK units) by NRP, subject to certain exceptions, including the issuance of securities to the owners of another entity in connection with the acquisition of such entity, the issuance of securities in an at-the-market offering program, the issuance of securities in a firm commitment underwritten public offering in certain circumstances or the issuance of securities pursuant to any plan or program authorized by our general partner or any dividend, split or other reclassification.

Amendment of Partnership Agreement

General. Amendments to our partnership agreement may be proposed only by or with the consent of our general partner, which consent may be given or withheld in its sole discretion. In order to adopt a proposed amendment, other than the amendments discussed below, our general partner is required to seek written approval of the holders of the number of units required to approve the amendment or call a meeting of the limited partners to consider and vote upon the proposed amendment. Except as described below, an amendment must be approved by a unit majority.

Prohibited Amendments. No amendment may be made that would:

- enlarge the obligations of any limited partner without its consent, unless approved by at least a majority of the type or class of limited partner interests so affected;
- enlarge the obligations of, restrict in any way any action by or rights of, or reduce in any way the amounts distributable, reimbursable or otherwise payable by us to our general partner or any of its affiliates without the consent of our general partner, which may be given or withheld in its sole discretion;
- change the duration of our partnership;
- provide that we are not dissolved upon an election to dissolve our partnership by our general partner that is approved by a unit majority; or
- give any person the right to dissolve our partnership other than our general partner's right to dissolve our partnership with the approval of a unit majority.

The provision of our partnership agreement preventing the amendments having the effects described in any of the clauses above can be amended upon the approval of the holders of at least 90% of the outstanding units, voting together as a single class (including units owned by the general partner and its affiliates).

No Unitholder Approval. Our general partner may generally make amendments to our partnership agreement without the approval of any limited partner or assignee to reflect:

- a change in our name, the location of our principal place of our business, our registered agent or our registered office;
- the admission, substitution, withdrawal or removal of partners in accordance with our partnership agreement;
- a change that, in the sole discretion of our general partner, is necessary or advisable for us to qualify or continue our qualification as a limited partnership or a partnership in which the limited partners have

limited liability under the laws of any state or to ensure that neither we, the operating companies nor any of their subsidiaries will be treated as an association taxable as a corporation or otherwise taxed as an entity for federal income tax purposes;

- an amendment that is necessary, in the opinion of our counsel, to prevent us or our general partner or its directors, officers, agents or trustees from in any manner being subjected to the provisions of the Investment Company Act of 1940, the Investment Advisors Act of 1940, or "plan asset" regulations adopted under the Employee Retirement Income Security Act of 1974, or ERISA, whether or not substantially similar to plan asset regulations currently applied or proposed;
- an amendment that in the discretion of our general partner is necessary or advisable for the authorization of additional partnership securities or rights to acquire partnership securities;
- any amendment expressly permitted in our partnership agreement to be made by our general partner acting alone;