

**UNITED STATES DISTRICT COURT  
DISTRICT OF ARIZONA**

JENNIFER BURRITT, INDIVIDUALLY AND ON BEHALF OF ALL OTHERS SIMILARLY SITUATED,	X	
	:	
	:	
<i>Plaintiff,</i>	:	
vs.	:	No. CV-09-00406-PHX-FJM
NUTRACEA, BRADLEY D. EDSON, TODD C. CROW, AND DAVID BENSOL,	:	(Consolidated)
	:	
	:	
<i>Defendants..</i>	:	
	X	

**NOTICE OF PENDENCY AND  
SETTLEMENT OF CLASS ACTION**

If you purchased or otherwise acquired the common stock (“Stock”) of NutraCea, Inc. (“NutraCea” or the “Company”) during the period from April 2, 2007 through and including February 23, 2009 you could get a payment from a class action settlement (the “Settlement”).

*Under law, a federal court has authorized this notice.*

- If approved by the Court, the Settlement will create a Settlement Fund comprised of \$1,500,000, and fifty percent (50%) of any funds remaining in the insurance policy issued by Defendants’ directors and officers liability insurer, Carolina Casualty Insurance Company (“Carolina”), to the Company and its officers and directors (the “Insurance Policy” or “Policy”) after payment of all valid claims under the Policy and payment of all legal fees related to such valid claims as long as there is \$150,000 or more of funds remaining in the Policy, plus interest (the “Settlement Amount”), to pay claims of investors who purchased NutraCea Stock during the period from April 2, 2007 through and including February 23, 2009 (the “Class Period”).
- The Settlement represents an average recovery of \$0.008 per share of NutraCea Stock for the 193 million shares outstanding *and* available for purchase during the Class Period. This estimate solely reflects average recovery per outstanding share of NutraCea Stock. This is not an estimate of the actual recovery per share you should expect. Your actual recovery will depend on the aggregate losses of all Class Members, the date(s) you purchased and sold NutraCea Stock and the total number of claims filed.
- Attorneys for the Lead Plaintiff (“Class Counsel”) intend to ask the Court to award them fees of up to one-quarter of the Settlement Amount, reimbursement of litigation expenses not to exceed \$150,000 and awards to Lead Plaintiff not to exceed \$2,500. Collectively, the attorneys’ fees and expenses are estimated to average \$0.003 per share of NutraCea Stock. If approved by the Court, these amounts will be paid from the Settlement Fund.
- The approximate recovery, after deduction of attorneys’ fees and expenses approved by the Court, is an average of \$0.005 per share of NutraCea Stock. This estimate is based on the assumptions set forth in the preceding paragraph. Your actual recovery, if any, will vary depending on your purchase price and sales price and the number of Proof of Claim forms filed.
- The Settlement resolves the lawsuit concerning whether Defendants violated the federal and Arizona securities laws by signing, certifying and filing financial statements with the Securities and Exchange Commission (“SEC”) that were false and misleading due to alleged accounting manipulations, including recording revenue in violation of Generally Accepted Accounting Principles (“GAAP”) or made other allegedly misleading public statements regarding the financial results of the Company. Defendants deny the allegations in the lawsuit and deny any wrongdoing. The Defendants and Lead Plaintiff disagree on liability and damages.
- Your legal rights will be affected whether you act or do not act. If you do not act, you may permanently forfeit your right to recover on this claim. Therefore, you should read this notice carefully.

**YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT**

<b>SUBMIT A CLAIM FORM NO LATER THAN SEPTEMBER 10, 2010</b>	The only way to get a payment.
<b>EXCLUDE YOURSELF NO LATER THAN SEPTEMBER 10, 2010</b>	Get no payment. This is the only option that allows you to be part of any other lawsuit against Defendants about the legal claims in this case.
<b>OBJECT NO LATER THAN SEPTEMBER 10, 2010</b>	Write to the Court about why you do not like the settlement.
<b>GO TO A HEARING ON OCTOBER 1, 2010</b>	Speak in Court about the fairness of the settlement.
<b>DO NOTHING</b>	Get no payment. Give up rights

**INQUIRIES**

**Please do not contact the Court regarding this notice.** All inquiries concerning this Notice, the Proof of Claim form, or any other questions by Class members should be directed to:

NutraCea, Inc. Securities Litigation  
Claims Administrator  
c/o Strategic Claims Services  
P.O. Box 230  
600 N. Jackson Street, Suite 3  
Media, PA 19063  
Tel: (866) 274-4004  
[www.strategicclaims.net](http://www.strategicclaims.net)

## COMMON QUESTIONS AND ANSWERS CONCERNING THE SETTLEMENT

### 1. Why did I get this Notice?

You or someone in your family may have acquired NutraCea Stock during the Class Period.

### 2. What is this lawsuit about?

The case is known as *Burritt v. NutraCea, et al.*, CV-09-406-PHX-FJM (the “Class Action”), and the Court in charge of the case is the United States District Court for the District of Arizona.

The Plaintiffs’ Complaint alleges that Defendants violated federal and Arizona securities laws by signing, certifying and filing financial statements with the SEC that were false and misleading due to various accounting manipulations, including recording revenue in violation of Generally Accepted Accounting Principles (“GAAP”) and made other allegedly misleading statements regarding the financial results of the Company. All Defendants deny they did anything wrong. The Settlement resolves all of the claims in the Class Action.

### 3. Why is this a class action?

In a class action, one or more persons and/or entities, called Lead Plaintiffs, sue on behalf of all persons and/or entities who have similar claims. All of these persons and/or entities are referred to collectively as a Class, and these individual persons and/or entities are known as Class Members. One court resolves all of the issues for all Class Members, except for those Class Members who exclude themselves from the Class.

### 4. Why is there a Settlement?

Lead Plaintiff and Defendants do not agree regarding the merits of Plaintiffs’ allegations with respect to liability or the average amount of damages per share that would be recoverable if Lead Plaintiff were to prevail at trial on each claim. The issues on which the Lead Plaintiff and Defendants disagree include: (1) whether Defendants made any materially false and misleading statements; (2) whether Defendants made the statements with the requisite knowledge; (3) whether Plaintiffs’ relied on the Defendants’ statements in deciding to purchase NutraCea Stock; (4) whether the statements were the cause of the investors’ alleged damages; and (5) the amount of damages, if any, suffered by investors.

This matter has not gone to trial and the Court has not decided in favor of either Plaintiffs or Defendants. Instead, Plaintiffs and Defendants have agreed to settle the Class Action. The Lead Plaintiff and Class Counsel believe the settlement is best for all Class Members because of the risks associated with continued litigation and the nature of the defenses raised by the Defendants. NutraCea has filed for bankruptcy protection and is currently being reorganized. Thus, even if Plaintiffs win at trial, and also withstand Defendants’ inevitable challenge on appeal, Plaintiffs would likely not be able to collect some, or all, of the Judgment.

### 5. How do I know if I am part of the Class settlement?

To be a Class Member, you must have purchased or otherwise acquired NutraCea Stock during the period from April 2, 2007 through and including February 23, 2009.

### 6. Are there exceptions to being included?

Yes. You are not a Class Member if you are a Defendant, an immediate family member of any Defendant, a Defendant’s legal representative, heir, predecessor, successor or assign or any entity in which any Defendant has or had a controlling interest, or any person who has separately filed actions against one or more of the Defendants based in whole or in part on any claim arising out of or relating to any of the acts, omissions, misrepresentations, facts, events, matters, transactions or occurrences referred to in the Class Action. Also, if you exclude yourself from the Class, as described below, you are not a part of the Class.

### 7. What does the Settlement provide?

#### a. What is the Settlement Fund?

The proposed Settlement calls for Defendants to create a Settlement Fund (the “Settlement Fund”) in the amount of \$1,500,000, plus fifty percent (50%) of any funds remaining in the Insurance Policy after payment of all valid claims under the Insurance Policy and payment of all legal fees related to such valid claims, as long as there is \$150,000 or more of funds remaining in the Policy. There is no guarantee that there will be any funds remaining in the Policy. Thus, there is a substantial likelihood that the total Settlement Fund may not exceed \$1.5 million. The Settlement is subject to Court approval. Also, subject to the Court’s approval, a portion of the Settlement Fund will be used to pay Lead Plaintiff’s attorneys’ fees and reasonable litigation expenses and any award to Lead Plaintiff. A portion of the Settlement Fund will also be used to pay taxes due on interest earned by the Settlement Fund, if necessary, and any notice and claims administration expenses permitted by the Court. After the foregoing deductions from the Settlement Fund have been made, the amount remaining (the “Net Settlement Fund”) will be distributed to Class Members who submit valid claims.

**b. What can you expect to receive under the proposed Settlement?**

Your share of the Net Settlement Fund will or may depend on: (i) the number of claims filed; (ii) the dates you purchased and sold NutraCea Stock; (iii) the prices of your purchases and sales; (iv) the amount of administrative costs, including the costs of notice; and (v) the amount awarded by the Court to Lead Plaintiff and Class Counsel for attorneys' fees, costs and expenses.

The compensable loss per share ("Recognized Loss") for each claimant shall be determined based on the inflation in the share price caused by the alleged fraud at the date of purchase minus the inflation in share price at the date of sale.

The Recognized Loss of each Authorized Claimant shall be calculated according to the following formula:

- A. For shares purchased between April 2, 2007 and February 23, 2009, inclusive and sold between April 2, 2007 and February 23, 2009, inclusive recognized loss will be the price paid less the price received.
- B. For shares purchased between April 2, 2007 and February 23, 2009, inclusive and held on February 23, 2009, recognized loss is the price paid less \$.29.

**c. Are there any further limitations on the amount I may receive?**

- i) To the extent there are sufficient funds in the Net Settlement Fund, each Class Member with a Recognized Loss that satisfies the requirements approved by the Court ("Authorized Claimant") will receive an amount equal to the Authorized Claimant's Recognized Loss described above. If, however, the amount in the Net Settlement Fund is not sufficient to permit payment of the total Recognized Loss of each Authorized Claimant, then each Authorized Claimant shall be paid the percentage of the Net Settlement Fund that each Authorized Claimant's Recognized Loss bears to the total of the Recognized Losses of all Authorized Claimants.
- ii) For Class members who conducted multiple transactions in NutraCea Stock during the Class Period, the earliest subsequent sale shall be matched first against those shares in the Claimant's opening position on the first day of the Class Period, and then matched chronologically thereafter against each purchase made during the Class Period.
- iii) Transactions during the Class Period resulting in a gain shall be netted against the Class Members transactions resulting in a loss to arrive at the Recognized Loss.
- iv) Any Class members whose collective transactions in NutraCea Stock during the Class Period resulted in a net gain shall not be entitled to share in the Net Settlement Fund.
- v) The purchase and sales prices exclude any brokerage commissions, transfer taxes or other fees.
- vi) The covering purchase of a short sale is not an eligible purchase. Gifts and transfers are not eligible purchases.

**8. How can I get a payment?**

To qualify for a payment, you must send in a form entitled "Proof of Claim and Release" form. This claim form is attached to this Notice. You may also obtain a claim form on the Internet at [www.strategicclaims.net](http://www.strategicclaims.net). Read the instructions carefully, fill out the form, sign it in the location indicated, and mail the claim form together with all documentation requested in the form, postmarked no later than September 10, 2010, to:

NutraCea, Inc. Securities Litigation  
Claims Administrator  
c/o Strategic Claims Services  
P.O. Box 230  
600 N. Jackson Street, Suite 3  
Media, PA 19063

The Claims Administrator will process your claim and determine whether you are an "Authorized Claimant."

**9. What am I giving up to get a payment or stay in the Class?**

Unless you exclude yourself, you will remain in the Class. That means that if the Settlement is approved, you and all Class Members will release (agreeing never to sue, continue to sue, or be part of any other lawsuit) all claims against Defendants and all other persons and entities in connection with your acquisition of NutraCea Stock during the Class Period. It also means that all of the Court's orders will apply to you and legally bind you. If you sign the claim form, you are agreeing to a "Release of Claims," which will bar you from ever filing a lawsuit against any person or entity to recover losses from the acquisition or sale of NutraCea Stock during the Class Period. That means you will accept a share in the Net Settlement Fund as sole compensation for any losses you have suffered in the acquisition and sale of NutraCea Stock during the Class Period.

## 10. How do I get out of the Settlement?

If you do not want to receive a payment from this Settlement, and you want to keep the right to sue or continue to sue Defendants on your own based on the legal claims raised in this Class Action, then you must take steps to get out of the Settlement. This is called excluding yourself from—or “opting out” of—the Settlement. To exclude yourself from the Settlement, you must mail a letter stating you want to be excluded as a Class Member from *Burrirt v. NutraCea, et al.*, CV-09-406-PHX-FJM. Be sure to include your name, address, telephone number and your signature, along with an accurate list of all of your purchases and sales of NutraCea Stock. You must mail your exclusion request, postmarked no later than September 10, 2010, to:

NutraCea, Inc. Securities Litigation  
Claims Administrator  
c/o Strategic Claims Services  
P.O. Box 230  
600 N. Jackson Street, Suite 3  
Media, PA 19063

You cannot exclude yourself by telephone or by e-mail. If you ask to be excluded, you will not receive a settlement payment, and you cannot object to the Settlement. If you ask to be excluded, you will not be legally bound by anything that happens in this Class Action.

## 11. If I do not exclude myself, can I sue Defendants for the same thing later?

No. Unless you exclude yourself, you give up any right to sue Defendants for the claims that this Settlement resolves. If you have a pending lawsuit, speak to your lawyer in that case immediately, since you may have to exclude yourself from this Class to continue your own lawsuit.

## 12. Do I have a lawyer in this case?

The Court appointed the Rosen Law Firm, P.A. to represent you and the other Class Members. These lawyers are called Lead Plaintiff’s Counsel or Class Counsel. If you want to be represented by your own lawyer, you may hire one at your own expense.

## 13. How will the lawyers be paid?

Class Counsel have expended considerable time litigating this action on a contingent fee basis, and have paid for the expenses of the litigation themselves and have not been paid attorneys’ fees in advance of this Settlement with the expectation that if they are successful in recovering money for the Class, they will receive attorneys’ fees and be reimbursed for their litigation expenses from the Settlement Fund, as is customary in this type of litigation. Class Counsel will not receive attorneys’ fees or be reimbursed for their litigation expenses except from the Settlement Fund. Therefore, Class Counsel will file a motion asking the Court at the Fairness Hearing to make an award of attorneys’ fees in an amount not to exceed one-quarter the Settlement Amount, for reimbursement of reasonable litigation expenses not to exceed \$150,000, and awards to each of the Lead Plaintiffs in an amount not to exceed \$2,500 per award. The Court may award less than these amounts. Any amounts awarded by the Court will come out of the Settlement Fund.

## 14. How do I tell the Court that I do not like the Settlement?

You can tell the Court you do not agree with the Settlement, any part of the Settlement, or Class Counsel’s motion for attorneys’ fees, and that you think the Court should not approve the Settlement, by mailing a letter stating that you object to the *Settlement in Burrirt v. NutraCea, et al.*, CV-09-406-PHX-FJM. Be sure to include your name, address, telephone number, your signature, a list of your purchases and sales of NutraCea Stock in order to show your membership in the Class, and all of the reasons you object to the Settlement. Be sure to mail the objections to the three different places listed below, postmarked no later than September 10, 2010, so the Court will consider your views:

COURT	CLASS COUNSEL	DEFENSE COUNSEL
Clerk of the Court United States District Court District of Arizona Sandra Day O’Connor U.S. Courthouse 401 W. Washington Street Suite 130, SPC 1 Phoenix, AZ 85003-2118	Phillip Kim, Esq. THE ROSEN LAW FIRM, P.A. 350 Fifth Avenue, Suite 5508 New York, NY 10118	Sara B. Brody, Esq. SIDLEY AUSTIN LLP 555 California Street San Francisco, CA 94104

**15. What is the difference between objecting and requesting exclusion?**

Objecting is simply telling the Court you do not like something about the Settlement. You can object only if you stay in the Class. Requesting exclusion is telling the Court you do not want to be part of the Class and Settlement. If you exclude yourself, you cannot object to the Settlement because it no longer concerns you.

**16. When and where will the Court decide whether to approve the Settlement?**

The Court will hold a Fairness Hearing on October 1, 2010 at 2:00 p.m., at the United States District Court for the District of Arizona, Sandra Day O'Connor U.S. Courthouse, 401 W. Washington Street, Suite 130, SPC 1, Phoenix, AZ 85003-2118. At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate and whether to approve the Settlement. If there are objections, the Court will consider them, and the Court will listen to people who have asked to speak at the hearing. The Court may also decide how much to pay Class Counsel for attorneys' fees and expenses.

**17. Do I have to come to the hearing?**

No. Class Counsel will answer any questions the Court may have. However, you are welcome to attend at your own expense. If you send an objection, you do not have to come to Court to talk about it. As long as you mail your written objection on time, the Court will consider it.

**18. What happens if I do nothing at all?**

If you do nothing, you will not receive a payment from the Settlement. However, unless you exclude yourself, you will not be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against Defendants about the claims made in this case ever again.

DATED: JUNE 3, 2010

BY ORDER OF THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF ARIZONA

NutraCea, Inc. Securities Litigation  
Claims Administrator  
c/o Strategic Claims Services  
P.O. Box 230  
600 N. Jackson Street, Suite 3  
Media, PA 19063

**PROOF OF CLAIM AND RELEASE**

Deadline for Submission: September 10, 2010

IF YOU PURCHASED SHARES IN NUTRACEA, INC. (“NutraCea”) DURING THE PERIOD FROM APRIL 2, 2007 THROUGH FEBRUARY 23, 2009, INCLUSIVE (THE “CLASS PERIOD”), YOU ARE A “CLASS MEMBER” AND YOU MAY BE ENTITLED TO SHARE IN THE SETTLEMENT PROCEEDS.

IF YOU ARE A CLASS MEMBER, YOU MUST COMPLETE AND SUBMIT THIS FORM IN ORDER TO BE ELIGIBLE FOR ANY SETTLEMENT BENEFITS.

YOU MUST COMPLETE AND SIGN THIS PROOF OF CLAIM AND RELEASE (“PROOF OF CLAIM”) AND MAIL IT BY FIRST CLASS MAIL, POSTMARKED NO LATER THAN SEPTEMBER 10, 2010 TO THE FOLLOWING ADDRESS:

NutraCea, Inc. Securities Litigation  
Claims Administrator  
c/o Strategic Claims Services  
P.O. Box 230  
600 N. Jackson Street, Suite 3  
Media, PA 19063

YOUR FAILURE TO SUBMIT YOUR CLAIM BY SEPTEMBER 10, 2010 WILL SUBJECT YOUR CLAIM TO REJECTION AND PRECLUDE YOUR RECEIVING ANY MONEY IN CONNECTION WITH THE SETTLEMENT OF THIS ACTION. DO NOT MAIL OR DELIVER YOUR CLAIM TO THE COURT OR TO ANY OF THE PARTIES OR THEIR COUNSEL AS ANY SUCH CLAIM WILL BE DEEMED NOT TO HAVE BEEN SUBMITTED. SUBMIT YOUR CLAIM ONLY TO THE CLAIMS ADMINISTRATOR.

**CLAIMANT’S STATEMENT**

1. I (we) purchased common stock in NutraCea, Inc. and was (were) damaged thereby. (Do not submit this Proof of Claim if you did not purchase NutraCea, Inc. common stock during the designated Class Period).
2. By submitting this Proof of Claim, I (we) state that I (we) believe in good faith that I am (we are) a Class Member as defined above and in the Notice of Pendency and Settlement of Class Action (the “Notice”), or am (are) acting for such person(s); that I am (we are) not a Defendant in the Actions or anyone excluded from the Class; that I (we) have read and understand the Notice; that I (we) believe that I am (we are) entitled to receive a share of the Net Settlement Fund, as defined in the Notice; that I (we) elect to participate in the proposed Settlement described in the Notice; and that I (we) have not filed a request for exclusion. (If you are acting in a representative capacity on behalf of a Class Member [e.g., as an executor, administrator, trustee, or other representative], you must submit evidence of your current authority to act on behalf of that Class Member. Such evidence would include, for example, letters testamentary, letters of administration, or a copy of the trust documents.)
3. I (we) consent to the jurisdiction of the Court with respect to all questions concerning the validity of this Proof of Claim. I (we) understand and agree that my (our) claim may be subject to investigation and discovery under the Federal Rules of Civil Procedure, provided that such investigation and discovery shall be limited to my (our) status as a Class Member(s) and the validity and amount of my (our) claim. No discovery shall be allowed on the merits of the Litigation or Settlement in connection with processing of the Proof of Claim.
4. I (we) have set forth where requested below all relevant information with respect to each purchase of NutraCea, Inc. common stock during the Class Period, and each sale, if any, of such securities. I (we) agree to furnish additional information to the Claims Administrator to support this claim if requested to do so.
5. I (we) have enclosed photocopies of the stockbroker’s confirmation slips, stockbroker’s statements, or other documents evidencing each purchase, sale or retention of NutraCea, Inc. common stock listed below in support of my (our) claim. (IF ANY SUCH DOCUMENTS ARE NOT IN YOUR POSSESSION, PLEASE OBTAIN A COPY OR EQUIVALENT DOCUMENTS FROM YOUR BROKER BECAUSE THESE DOCUMENTS ARE NECESSARY TO PROVE AND PROCESS YOUR CLAIM.)

6. I (we) understand that the information contained in this Proof of Claim is subject to such verification as the Claims Administrator may request or as the Court may direct, and I (we) agree to cooperate in any such verification. (The information requested herein is designed to provide the minimum amount of information necessary to process most simple claims. The Claims Administrator may request additional information as required to efficiently and reliably calculate your recognized claim. In some cases, the Claims Administrator may condition acceptance of the claim based upon the production of additional information, including, where applicable, information concerning transactions in any derivatives securities such as options.)

7. Upon the occurrence of the Effective Date, as defined in the Notice, I (we) agree and acknowledge that my (our) signature(s) hereto shall effect and constitute a full and complete release, remise and discharge by me (us) and my (our) heirs, joint tenants, tenants in common, beneficiaries, executors, administrators, predecessors, successors, attorneys, insurers and assigns (or, if I am (we are) submitting this Proof of Claim on behalf of a corporation, a partnership, estate or one or more other persons, by it, him, her or them, and by its, his, her or their heirs, executors, administrators, predecessors, successors, and assigns) of each of the "Released Parties" of all "Released Claims," as defined in the Notice.

8. NOTICE REGARDING ELECTRONIC FILES: Certain claimants with large numbers of transactions may request, or may be requested, to submit information regarding their transactions in electronic files. All Claimants MUST submit a manually signed paper Proof of Claim form listing all their transactions whether or not they also submit electronic copies. If you wish to file your claim electronically, you must contact the Claims Administrator at 1-866-274-4004 or visit their website at [www.strategicclaims.net](http://www.strategicclaims.net) to obtain the required file layout. No electronic files will be considered to have been properly submitted unless the Claims Administrator issues to the Claimant a written acknowledgment of receipt and acceptance of electronically submitted data.



**CLAIMANT INFORMATION:**

Name:

Address:

City:  State:  Zip Code:  -

Foreign Province:  Foreign Country:

Email:

-     -

Area Code Telephone No. (Day)   -     -

Area Code Telephone No. (Evening)   -     -

Social Security Number (for individuals) <input type="text"/> <input type="text"/> - <input type="text"/> <input type="text"/> - <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	OR	Taxpayer Identification Number (for estates, trusts, corporations, etc.) <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="text"/>
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**SCHEDULE OF TRANSACTIONS IN NUTRACEA, INC. SECURITIES**

**Beginning Holdings:**

A. State the total number of shares of NUTRACEA, INC. common stock owned at the close of trading on April 1, 2007, long or short (*must be documented*):

**Purchases:**

B. Separately list each and every open market purchase of NUTRACEA, INC. common stock during the period from April 2, 2007 through February 23, 2009, inclusive, and provide the following information (*must be documented*):

Trade Date (List Chronologically) (Month / Day / Year)	Number of Shares Purchased	Price	Total Purchase Price (Excluding Commissions, Taxes, and Fees)
<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="text"/> / <input type="text"/> / <input type="text"/>	<input type="text"/>	\$ <input type="text"/> . <input type="text"/>	\$ <input type="text"/> . <input type="text"/>
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<input type="text"/> / <input type="text"/> / <input type="text"/>	<input type="text"/>	\$ <input type="text"/> . <input type="text"/>	\$ <input type="text"/> . <input type="text"/>

**Sales:**

C. Separately list each and every sale of NUTRACEA, INC. common stock during the period April 2, 2007 through February 23, 2009, inclusive, and provide the following information (*must be documented*):

Sale Date (List Chronologically) (Month / Day / Year)	Number of Shares Sold	Price	Total Sales Price (Excluding Commissions, Taxes, and Fees)
<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="text"/> / <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="text"/> / <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="text"/>	<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="text"/>	\$ <input type="text"/> . <input type="text"/>	\$ <input type="text"/> . <input type="text"/>

**Ending Holdings:**

D. State the total number of shares of NUTRACEA, INC. common stock owned at the close of trading on February 23, 2009, long or short (*must be documented*).

If additional space is needed, attach separate, numbered sheets, giving all required information, substantially in the same format, and print your name and Social Security or Taxpayer Identification number at the top of each sheet.

**SUBSTITUTE FORM W-9**

**Request for Taxpayer Identification Number:**

Enter taxpayer identification number below for the Beneficial Owner(s). For most individuals, this is your Social Security Number. The Internal Revenue Service ("I.R.S.") requires such taxpayer identification number. If you fail to provide this information, your claim may be rejected.

Social Security Number (for individuals) <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="text"/>	OR	Taxpayer Identification Number (for estates, trusts, corporations, etc.) <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="text"/> <input type="text"/>
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**CERTIFICATION**

I (We) 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 because: (a) I am (We are) exempt from backup withholding, or (b) I (We) have not been notified by the I.R.S. that I am (we are) subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the I.R.S. has notified me (us) that I am (we are) no longer subject to backup withholding.

**NOTE:** If you have been notified by the I.R.S. that you are subject to backup withholding, please strike out the language that you are not subject to backup withholding in the certification above.

UNDER THE PENALTIES OF PERJURY, I (WE) CERTIFY THAT ALL OF THE INFORMATION I (WE) PROVIDED ON THIS PROOF OF CLAIM AND RELEASE FORM IS TRUE, CORRECT AND COMPLETE.

Signature of Claimant (If this claim is being made on behalf of Joint Claimants, then each must sign)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Capacity of person(s) signing, e.g. beneficial purchaser(s), executor, administrator, trustee, etc.)  
Check here if proof of authority to file is enclosed.  
(See Item 2 on Page 7 for instructions)

Date: \_\_\_\_\_

**THIS PROOF OF CLAIM MUST BE SUBMITTED NO LATER THAN SEPTEMBER 10, 2010 AND MUST BE MAILED TO:**

NutraCea, Inc. Securities Litigation  
Claims Administrator  
c/o Strategic Claims Services  
P.O. Box 230  
600 N. Jackson Street, Suite 3  
Media, PA 19063

A Proof of Claim received by the Claims Administrator shall be deemed to have been submitted when posted, if mailed by September 10, 2010 and if a postmark is indicated on the envelope and it is mailed first class and addressed in accordance with the above instructions. In all other cases, a Proof of Claim shall be deemed to have been submitted when actually received by the Claims Administrator.

You should be aware that it will take a significant amount of time to process fully all of the Proofs of Claim and to administer the Settlement. This work will be completed as promptly as time permits, given the need to investigate and tabulate each Proof of Claim. Please notify the Claims Administrator of any change of address.

#### **REMINDER CHECKLIST**

- Please be sure to sign this Proof of Claim on page 10. If this Proof of Claim is submitted on behalf of joint claimants, then both claimants must sign.
- Please remember to attach supporting documents. Do NOT send any stock certificates. Keep copies of everything you submit.
- Do NOT use highlighter on the Proof of Claim or any supporting documents.
- If you move after submitting this Proof of Claim, please notify the Claims Administrator of the change in your address.

#### **NOTE: RECEIPT ACKNOWLEDGMENT NEEDED**

The Claims Administrator will send a written confirmation of its receipt of your Proof of Claim. Do not assume your claim is submitted until you receive written confirmation of its receipt. Your claim is not deemed fully filed until the Claims Administrator sends you written confirmation of its receipt of your Proof of Claim. If you do not receive an acknowledgement postcard within thirty (30) days of your mailing the Proof of Claim, then please call the Claims Administrator toll free at 1-866-274-4004.

FORRESTER & WORTH, PLLC  
 3636 NORTH CENTRAL AVENUE, SUITE 700  
 PHOENIX, ARIZONA 85012-1927  
 TELEPHONE (602) 271-4250  
 FACSIMILE (602) 271-4300  
 S. CARY FORRESTER (006342)  
 E-MAIL SCF@FORRESTERANDWORTH.COM  
 ATTORNEYS FOR DEBTOR

UNITED STATES BANKRUPTCY COURT  
 DISTRICT OF ARIZONA

In re: NUTRACEA, a California corporation	X : : X	Chapter 11 Case No.: 2-09-bk-28817-CGC
<i>Debtor.</i>		

**NOTICE OF DEBTOR'S MOTION TO APPROVE SETTLEMENT OF CONSOLIDATED  
 SECURITIES CLASS ACTION LAWSUIT AND OPPORTUNITY TO OBJECT**

**NOTICE IS HEREBY GIVEN** that Debtor has filed a motion (the "**Motion**"), pursuant to Rule 9019, Federal Rules of Bankruptcy Procedure, for the entry of an order approving the settlement of all claims asserted against it and two of its former directors and officers in the consolidated class action lawsuit entitled *Burritt v. NutraCea, et al.*, Case No. CV-09-406-PHX-FJM (the "**Class Action Lawsuit**"), which is presently pending in the United States District Court for the District of Arizona. The following is a brief summary of the Class Action Lawsuit and the settlement:

- a. The Class Action Lawsuit was filed on February 27, 2009. A second class action lawsuit was filed on April 27, 2009, and the two were subsequently consolidated. The class of plaintiffs, which has not yet been certified, includes everyone who purchased Debtor's stock from April 2, 2007 to February 23, 2009 and were damaged thereby. Plaintiffs allege, among other things, that Debtor misled investors by improperly accounting for certain transactions and overstating its revenues in 2006, 2007 and 2008, in violation of state and federal securities laws.
- b. On March 31, 2010 plaintiffs in the Class Action Lawsuit filed an adversary proceeding against Debtor in the U.S. Bankruptcy Court, entitled *Harvey Pensack v. NutraCea*, Case No. 2:10-ap-00508-CGC (the "**Adversary Proceeding**"). The complaint in the Adversary Proceeding alleges the same claims as the amended complaint in the Class Action Lawsuit.
- c. The terms of settlement are set forth in the Stipulation and Agreement of Settlement (the "**Settlement Agreement**"), a copy of which is attached to the Motion as Exhibit "A". The Motion is on file with the Clerk of the United States Bankruptcy Court for the District of Arizona and is available for inspection and copying. It may also be viewed on Debtor's website: [www.nutracea.com](http://www.nutracea.com).
- d. The Settlement Agreement provides, among other things, that Debtor's insurer, Carolina Casualty Insurance Company, will pay plaintiffs, in full satisfaction of their claims, \$1.5 million plus one-half of any unused proceeds of the policy after payment of all valid claims and legal fees, but only if the amount of unused proceeds is \$150,000 or more. Debtor is also obligated to pay the cost of mailing the notice of settlement and associated documents to the class plaintiffs. The claims to be released include, without limitation, all those arising from or related to the purchase of Debtor's stock during the period from April 2, 2007 to February 23, 2009.
- e. Affected investors have the right to opt-out of the settlement. If they do, they may assert claims against Debtor, provided that they timely file a proof of claim in the above-captioned bankruptcy case (it is Debtor's position that the bar date for many, if not most, of such claims passed on March 31, 2010). If any such claims are filed and allowed, it is Debtor's position that they will be subordinated in their entirety to the level of Debtor's common stock, pursuant to 11 U.S.C. § 510(b).

The foregoing summary of the settlement is not intended to be exhaustive and, to the extent that there is any disagreement between it and the actual terms of the Settlement Agreement, the terms of the Settlement Agreement control.

**FURTHER NOTICE IS HEREBY GIVEN** that, if no written objection is filed with the Bankruptcy Court and a copy served on Debtor's counsel at the address are set forth above, within twenty-one (21) days of service of this Notice, the Motion may be granted without further hearing. If a timely objection is filed, the matter will be set for hearing by the Bankruptcy Court.

**FURTHER NOTICE IS GIVEN** that any objections to the Motion must be in writing and filed with the Clerk of the United States Bankruptcy Court either (a) by mail or hand-delivery to 230 North First Avenue, Suite 101, Phoenix, Arizona, 85003 or (b) electronically at the Court's web site: [ecf.azb.uscourts.gov](http://ecf.azb.uscourts.gov), using the Court's electronic filing procedures. A copy of any objection must also be served upon Debtor's attorney at the address set forth above.

Dated this 18th day of June, 2010.

FORRESTER & WORTH, PLLC  
 /s/ SCF 006342  
 S. Cary Forrester  
 Attorneys for Debtor

FORRESTER & WORTH, PLLC  
 3636 NORTH CENTRAL AVENUE, SUITE 700  
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 ATTORNEYS FOR DEBTOR

UNITED STATES BANKRUPTCY COURT  
 DISTRICT OF ARIZONA

In re: NUTRACEA, a California corporation <div style="text-align: right; padding-right: 10px;"><i>Debtor.</i></div>	X : : : X	Chapter 11 2:09-bk-28817-CGC
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**NOTICE OF EXTENDED BAR DATE FOR CERTAIN CREDITORS  
 TO FILE PROOFS OF CLAIM UNDER RULE 3003(C)(3)**

NOTICE IS HEREBY GIVEN that, on April 20, 2010, the court entered an order providing as follows:

1. The existing bar date (deadline) of March 31, 2010 for filing proofs of claim against the bankruptcy estate pursuant to Rule 3003(c)(3) is hereby extended for the following creditors: (a) those who did not receive notice of the earlier bar date; (b) those who are affected by any amendment to Debtor's schedules; and (c) those who mailed their proofs of claim to the erroneous post office box listed on the earlier bar date notice. The bar date for such creditors to file proofs of claim against the bankruptcy estate is hereby extended to the date which is twenty-one (21) days after the mailing of this new bar date notice to the affected creditor.

2. Any affected creditor that wishes to assert a claim against the bankruptcy estate must file a Proof of Claim by the bar date (deadline) set forth above, for any claim: (a) not listed in the Schedules of Assets and Liabilities (the "Schedules"), as the same may be amended from time to time; (b) that is listed in the Schedules as disputed, contingent or unliquidated; or, (c) that differs in any respect from that listed in the Schedules (including, without limitation, the assertion of any right to a setoff under Code Section 553 or otherwise).

3. Any affected creditor that fails to timely file a Proof of Claim, if required to do so by the terms of the order, shall be forever barred from voting on any proposed plan of reorganization, receiving a distribution from the estate, or otherwise participating in the Chapter 11 case. Nonetheless, the holder of any such unfiled claim shall be bound by the terms of any confirmed plan of reorganization.

4. All Proofs of Claim must be received by the Clerk of the United States Bankruptcy Court for the District of Arizona on or before the Bar Date. Such claims may be mailed or delivered to the Clerk at the following address:

**Clerk, United States Bankruptcy Court  
 230 North First Avenue, Suite 101  
 Phoenix, AZ 85003**

Proof of claim forms and instructions may be found on the Bankruptcy Court's website: [www.azb.uscourts.gov](http://www.azb.uscourts.gov). Creditors with PACER and ECF passwords may also electronically file a proof of claim with the Bankruptcy Court. **Creditors are advised not to send copies of their proofs of claim to the Debtor or counsel for the Debtor.**

5. **If you have already filed a Proof of Claim, it is not necessary to file another one in response to this notice. Also, you do not need to file a proof of claim to establish that you are a shareholder.**

**IT IS THE RESPONSIBILITY OF EACH CREDITOR TO REVIEW THE SCHEDULES, WHICH ARE ON FILE WITH THE CLERK OF THE BANKRUPTCY COURT AT THE ADDRESS SET FORTH ABOVE, TO DETERMINE WHETHER AND HOW ITS CLAIM IS SCHEDULED.**

Dated this 18th day of June, 2010.

FORRESTER & WORTH, PLLC  
 /s/ SCF 006342  
 \_\_\_\_\_  
 S. Cary Forrester  
 Attorneys for Debtor

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NutraCea, Inc. Securities Litigation  
Claims Administrator  
c/o Strategic Claims Services  
P.O. Box 230  
600 N. Jackson Street, Suite 3  
Media, PA 19063

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