

SUPERIOR COURT OF THE STATE OF ARIZONA

COUNTY OF MARICOPA

WESTMORELAND COUNTY EMPLOYEE
RETIREMENT FUND, a public pension fund, individually
and on behalf of all others similarly situated,

Plaintiff,

v.

INVENTURE FOODS INC., a foreign corporation,
TERRY MCDANIEL, individual, STEVE WEINBERGER,
individual, WILLIAM BLAIR & COMPANY, L.L.C., a
foreign limited liability company, CANACCORD
GENUITY, a foreign corporation, and ROTH CAPITAL
PARTNERS, a foreign partnership,
Defendants.

No. CV2016-002718

**NOTICE OF PROPOSED SETTLEMENT OF
CLASS ACTION**

(Assigned to the Honorable Randall Warner)

TO: ALL PERSONS OR ENTITIES (“PERSONS”) THAT PURCHASED OR OTHERWISE ACQUIRED THE COMMON STOCK OF INVENTURE FOODS, INC. (“INVENTURE” OR THE “COMPANY”); TICKER: SNAK) PURSUANT OR TRACEABLE TO INVENTURE’S SECONDARY PUBLIC STOCK OFFERING WHICH CLOSED ON OR ABOUT SEPTEMBER 14, 2014, AND WERE DAMAGED THEREBY.

THIS NOTICE WAS AUTHORIZED BY THE COURT. IT IS NOT A LAWYER SOLICITATION. PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY.

WHY SHOULD I READ THIS NOTICE?

This Notice is given pursuant to an order issued by the Superior Court of Arizona in Maricopa County (the “Court”). This Notice serves to inform you of the proposed settlement of the above class action lawsuit (the “Settlement”) and the hearing (the “Final Approval Hearing”) to be held by the Court to consider the fairness, reasonableness, and adequacy of the Settlement, as set forth in the Stipulation of Settlement dated as of April 24, 2018 (the “Stipulation”).¹ The Stipulation is by and between (i) Plaintiff Westmoreland County Employee Retirement System (on behalf of itself and each of the Class Members), by and through their counsel of record; and (ii) Defendants Inventure Foods, Inc., Terry McDaniel, Steven Weinberger, William Blair & Company, L.L.C., Canaccord Genuity Inc., and Roth Capital Partners, LLC (Plaintiff and Defendants, collectively, the “Settling Parties”). This Notice is intended to inform you of how the proposed Settlement may affect your rights and what steps you may take in relation to it. This Notice is not an expression of any opinion by the Court as to the merits of the claims or defenses asserted in the Litigation.²

WHAT IS THIS LITIGATION ABOUT?

The Allegations

On April 6, 2016, Plaintiff commenced this Litigation in the Court asserting claims pursuant to Sections 11, 12(a)(2) and 15 of the Securities Act of 1933, 15 U.S.C. §§ 77k, 77(a)(2) and 77o (the “Securities Act”), on behalf of itself and a class of persons and entities who purchased or otherwise acquired Inventure common stock pursuant and/or traceable to the Company’s secondary public offering (“SPO”) which closed on or about September 14, 2014, of 4.1 million shares of common stock at an offering price of \$12.85 per share.

¹ The Stipulation and all of its Exhibits can be viewed at www.InventureClassAction.com. All capitalized terms used herein have the same meanings as the terms defined in the Stipulation.

² You may read the formal papers filed with the Court and available as public records either by obtaining copies from the Superior Court of Arizona in Maricopa County, or visiting this site: www.InventureClassAction.com.

Plaintiff alleged that Defendants violated the Securities Act by issuing the Registration Statement, Prospectus, and Prospectus Supplement (“offering documents”) in connection with Inventure’s SPO that Plaintiff claims included false statements of material fact, omitted material information, and contained false and misleading mixed statements of opinion and fact that lacked a reasonable basis, concerning: (a) the Company’s adherence to regulatory laws governing the safe processing of foods; (b) the adequacy of the Company’s quality and safety controls over food manufacturing; (c) the quality of the Company’s manufacturing facilities and capabilities, specifically with respect to its facility in Jefferson, Georgia; and (d) the Company’s compliance with Georgia law to process and sell food from the Jefferson, Georgia facility (“Jefferson Facility”).

Plaintiff alleged that the offering documents’ statements contrasted the true condition of the Jefferson Facility that existed prior to and at that time of the SPO. Plaintiff alleged that the Jefferson Facility was operating with unsanitary and unsafe conditions, and violated industry standards for food packaging and production that were designed to prevent contamination and foodborne illness. Plaintiff alleged that on or about April 17, 2016, the FDA and Georgia Department of Agriculture performed a joint inspection that revealed the Jefferson Facility’s substandard conditions, with the FDA issuing a Form 483 that cited the Jefferson Facility for alleged violations of industry standards pertaining to the prevention of food contamination, and found that the Jefferson Facility tested positive for *Listeria monocytogenes*, which led to a April 23, 2015 voluntary recall (the “Recall”) of food manufactured in the Jefferson Facility from November 2013 to April 2015. The Company ordered the Recall and destruction of hundreds of thousands of pounds of food that were processed at the Jefferson Facility prior to and through the time of the SPO. On April 24, 2015, Inventure’s stock price closed down at \$8.71 per share, which represented a 30% decrease from the price Inventure stock was sold in the SPO.

Defenses to Plaintiff’s Allegations

Defendants have denied and continue to deny each and all of the claims and contentions alleged by Plaintiff in the Litigation. Defendants expressly have denied and continue to deny all charges of wrongdoing or liability against them arising out of any of the conduct, statements, acts, or omissions alleged, or that could have been alleged, in the Litigation. Defendants also have denied and continue to deny, inter alia, the allegations that Plaintiff or Class Members have suffered damage, or were otherwise harmed by the conduct alleged in the Litigation. Defendants asserted over 44 separate defenses in their answer to the Second Amended Complaint (“SAC”), including, but not limited to, their assertion that the SAC failed to state a claim upon which relief may be granted.

What Occurred Since the Filing of the Case

After the Litigation was filed, the Inventure Defendants removed the Litigation to federal court on May 6, 2016. *See Westmoreland County Employee Retirement Fund v. Inventure Foods Incorp. et al.*, 2:16-cv-01410-SMM (D. Ariz.). On May 26 2016, Plaintiff filed a motion seeking to have the action remanded to state court, and on August 11, 2016, the federal court granted Plaintiff’s motion.

Plaintiff filed with the Court its Amended Complaint (the “AC”) on October 17, 2016. On November 21, 2016, Defendants moved to dismiss the AC, which motions Plaintiff opposed. After a February 23, 2017 oral argument, the Court issued an Under Advisement Ruling with Orders granting in part and denying in part Defendants’ motions, holding that (i) Plaintiffs sufficiently pleaded statutory standing for a Section 11 claim against all Defendants and statutory standing for a Section 12 claim against Defendant William Blair & Company, L.L.C. (but not Defendants Canaccord Genuity Inc. and Roth Capital Partners, LLC), and that the Individual Defendants are “controlling persons” under Section 15; and (ii) while the allegations supported at least some misstatements and omissions, Plaintiff needed to satisfy Rule 9(b) by providing in an amended complaint a clearer delineation of which statements or omissions are alleged to be false or misleading and why.

On March 27, 2017, Plaintiff filed its SAC delineating eleven statements Plaintiff claims were actionable, the facts that allegedly supported why the statements and omissions were false and misleading, and, where applicable, the omissions that allegedly rendered the statements material and false or misleading. On May 3, 2017, Defendants jointly moved to dismiss the SAC. On May 26, 2017, the Court convened a status conference. During the conference, the Court ordered Defendants to answer the SAC, and converted Defendants’ Motion to Dismiss the SAC to a Motion for Judgment on the Pleadings. On July 10, 2017, Defendants answered the SAC, asserting over 44 separate defenses. On August 4, 2017, the Court held oral argument on Defendants’ motion and later that day issued its ruling denying in part and granting in part Defendants’ motion.

In May 2017, the Settling Parties agreed to participate in a mediation with Robert Meyer (“Mediator Meyer”). The mediation was scheduled for August 24, 2017, and in advance of the mediation Plaintiff requested a number of categories of documents from Defendants, which Defendants provided to Plaintiff in advance of mediation. On August 18,

2017, the Settling Parties exchanged mediation statements and also submitted them to Mediator Meyer. On August 24, 2017, the Settling Parties participated in a day-long, in-person mediation. At the conclusion of the mediation session, the Settling Parties had not reached a resolution; however, the Settling Parties agreed to continue discussions with the assistance of Mediator Meyer and to exchange detailed information prepared by their respective experts concerning damages. Over the next few weeks, the Settling Parties exchanged affirmative and rebuttal damages analyses, and conferred with Mediator Meyer concerning the claims and damages.

On October 31, 2017 Defendants filed a Motion for a Temporary Stay of the Litigation, which motion Plaintiff opposed, seeking to stay the Litigation pending a ruling in *Cyan, Inc. v. Beaver County Retirement Fund*, U.S. Supreme Court No. 15-1439, in which the Supreme Court was addressing whether state courts have subject matter jurisdiction over class actions asserting claims under the Securities Act.

After extensive arm's-length negotiations with the assistance of Mediator Meyer, on November 7, 2017, the Settling Parties agreed to a mediator's proposal to settle the case for \$4.2 million. This sum reflects a compromise result, and therefore, is less than the full amount of damages alleged by Plaintiff. On April 24, 2018, the Settling Parties entered into the Stipulation of Settlement.

THE COURT HAS NOT RULED AS TO WHETHER DEFENDANTS ARE LIABLE TO PLAINTIFF OR TO THE CLASS. THIS NOTICE IS NOT INTENDED TO BE AN EXPRESSION OF ANY OPINION BY THE COURT WITH RESPECT TO THE TRUTH OF THE ALLEGATIONS IN THIS LITIGATION OR THE MERITS OF THE CLAIMS OR DEFENSES ASSERTED. THIS NOTICE IS SOLELY TO ADVISE YOU OF THE PENDENCY OF THE LITIGATION AND PROPOSED SETTLEMENT THEREOF AND YOUR RIGHTS IN CONNECTION WITH THAT SETTLEMENT.

HOW DO I KNOW IF I AM A CLASS MEMBER?

If you purchased or otherwise acquired the common stock pursuant or traceable to Inventure's SPO in which shares of common stock were priced at \$12.85 per share, and traded on September 12, 2014 and delivered (settled) on or about September 17, 2014, and were damaged thereby, or are the legal representative, heir, executor, administrator, successor, or assign of a person who was such a purchaser or acquirer, you are a Class Member. As set forth in the Stipulation, excluded from the Class are Defendants and their respective successors and assigns; past and current officers and directors of Inventure and the Underwriter Defendants; members of the immediate families of the Individual Defendants; the heirs, successors or assigns of the Individual Defendants; any entity in which any of the above excluded Persons have a majority ownership interest; and any Person who validly requests exclusion from the Class. Notwithstanding the foregoing, the Class shall include any investment company or pooled investment fund, including, but not limited to, mutual fund families, exchange-traded funds, fund of funds and hedge funds, in which the Underwriter Defendants, or any of them, have, has or may have a direct or indirect interest, or as to which any Underwriter Defendant's affiliates may act as an investment advisor, but as to which any Underwriter Defendant alone or together with any of its respective affiliates is neither a majority owner nor the holder of a majority beneficial interest.

WHAT IS THE MONETARY VALUE OF THE PROPOSED SETTLEMENT?

If the Settlement is approved by the Court, it will provide for a gross payment of \$4,200,000 into a settlement fund (the "Settlement Fund"), plus any accrued interest, which, after deducting the costs of this Notice, all costs associated with the administration of the Settlement, taxes, as well as attorneys' fees and expenses, and a payment to Plaintiff for its time and expenses in representing the Class, as approved by the Court (the "Net Settlement Fund"), will be distributed to Class Members pursuant to the Plan of Allocation described in the next section of this Notice.

Plaintiff estimates that there were approximately 3.2 million of the SPO shares that may have been damaged, and that the average recovery under the Settlement is roughly \$1.30 per damaged share *before* deduction of any taxes, notice and administration costs, the attorneys' fee and expense award, as well as payments to Plaintiff for its time and expenses in representing the Class as determined by the Court.

A **class member's actual recovery** will be a portion of the Net Settlement Fund determined by that claimant's recognized claim as compared to the total recognized claims submitted. An individual Class Member may receive more or less than the average amount depending on the number of claims submitted, when during September 12, 2014 through April 23, 2015, the date the Recall was announced (the "Class Period") a Class Member purchased or acquired the SPO

shares, the purchase price paid, and whether those shares were held at the end of the Class Period or sold during the Class Period, and if sold, when they were sold and the amount received.

WHAT IS THE PROPOSED PLAN OF ALLOCATION?

Your share of the Net Settlement Fund will depend on the number of valid Proofs of Claim that Class Members send in and how many shares of Inventure common stock you purchased or otherwise acquired that were purchased pursuant or traceable to the SPO, and when you bought and sold such shares during the Class Period.

For purposes of determining the amount an Authorized Claimant may recover under the Plan of Allocation, Class Counsel conferred with its damages consultants and the Plan of Allocation reflects an assessment of damages that it believes could have been recovered had Plaintiff prevailed at trial. The objective of the proposed Plan of Allocation is to equitably distribute the Net Settlement Fund to Class Members who suffered an economic loss as a result of the alleged securities law violations asserted in this Litigation and who submit a valid Proof of Claim (“Authorized Claimants”).

Each Authorized Claimant shall recover his, her or its *pro rata* share of the Net Settlement Fund, subject to a minimum \$10.00 threshold for payment. If the prorated payment calculates to less than \$10.00, it will be removed from the calculations, and it will not be distributed to that Claimant.

In the unlikely event there are sufficient funds in the Net Settlement Fund, each Authorized Claimant will receive an amount equal to the Authorized Claimant’s recognized claim, as defined below.

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

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

Recognized claims will be calculated as follows:

Secondary Public Offering Price (September 12, 2014): \$12.85 per share
Closing Price On April 22, 2015 Prior to News of the Recall: \$11.59 per share
Closing Price On April 24, 2015 After News of the Recall: \$8.71 per share

For shares of Inventure common stock purchased or otherwise *acquired pursuant or traceable to the Company’s Registration Statement, Prospectus, and Prospectus Supplement filed in connection to the SPO*, and

1) sold prior to April 23, 2015, the recognized claim per share is the *lesser* of (i) the purchase price per share less the sales price per share, or (ii) \$2.88 (the difference between the closing prices on April 22, 2015 and April 24, 2015).

2) retained at the close of trading on April 23, 2015, or, sold on or after April 24, 2015, the recognized claim per share is the *lesser* of (i) the purchase price per share less \$9.99 (the closing price average for the 90-day period following April 24, 2015), or (ii) \$2.88.

For all purposes, the “trade date” or “contract date” (and not the “settlement date” or “payment date”), shall be used as the date for determining (a) purchases and sales of shares of Inventure common stock purchased in the SPO, (b) eligibility to file a claim, and (c) the calculation of recognized claims. All purchase, acquisition, and sale prices shall exclude any fees and commissions.

All purchases and sales of shares of Inventure common stock shall be accounted for and matched using the first-in-first-out (FIFO) method of accounting. In addition, no recognized claim shall be calculated for short sales of Inventure common shares that were covered between September 12, 2014 and April 23, 2015, but any gains calculated for this period will be used to offset losses.

The total of all profits shall be subtracted from the total of all losses from transactions during the Class Period to determine if a Class Member has a recognized claim. Only if a Class Member had a net market loss, after all profits from Inventure common stock transactions during the Class Period are subtracted from all losses, will such Class Member be eligible to receive a distribution from the Net Settlement Fund. If an Authorized Claimant has an overall market gain for transactions during the Class Period, the recognized claim for that Authorized Claimant will be \$0.00. If an Authorized Claimant has an overall market loss for transactions during the Class Period, that Authorized Claimant's recognized claim will be limited to the amount of total market loss. Shares held as of the beginning of the Class Period will be excluded for purposes of calculating a market gain or loss.

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

1. The Claim Administrator shall be Angeion Group.
2. No person or entity that is identified as or affiliated with any Officer or Director of the Company will be permitted to receive payment from the Claims Administrator.
3. Employees of the Defendants who are otherwise Authorized Claimants may file a Proof of Claim.

Payment pursuant to the Plan of Allocation set forth above shall be conclusive against all Authorized Claimants. No Person shall have any claim against Plaintiff, any counsel for Plaintiff, any claims administrator or other Person designated by Class Counsel or Defendants and/or the Related Persons and/or the Released Parties and/or their counsel based on distributions made substantially in accordance with the Stipulation and the Settlement contained therein, the Plan of Allocation, or further orders of the Court. All Class Members who fail to complete and file a valid and timely Proof of Claim shall be barred from participating in distributions from the Net Settlement Fund (unless otherwise ordered by the Court), but otherwise shall be bound by all of the terms of the Stipulation, including the terms of any judgment entered and the releases given.

DO I NEED TO CONTACT CLASS COUNSEL IN ORDER TO PARTICIPATE IN DISTRIBUTION OF THE SETTLEMENT FUND?

No. If you have received this Notice and timely submit your Proof of Claim to the designated address, you need not contact Class Counsel. If you did not receive a complete copy of this Notice or the Proof of Claim but believe you should have, or if your address changes, please contact the Claims Administrator at:

Inventure Secondary Public Offering Litigation Settlement
c/o Claims Administrator
1650 Arch Street, Suite 2210
Philadelphia, PA 19103
www.InventureClassAction.com

Extra copies of the Notice and Proof of Claim form can be downloaded from the above website address.

THERE WILL BE NO PAYMENTS IF THE STIPULATION IS TERMINATED.

The Stipulation may be terminated under several circumstances outlined in it. If the Stipulation is terminated, the Litigation will proceed as if the Stipulation had not been entered into.

WHAT ARE THE REASONS FOR SETTLEMENT?

The Court has not reached any final decisions in connection with Plaintiff's claims asserted against Defendants. Instead, Plaintiff and Defendants have agreed to this Settlement, which was reached with the substantial assistance of Mediator Meyer, a highly experienced mediator of complex class actions. In reaching the Settlement, the Settling Parties have avoided the risks, cost, delay and uncertainty of further litigation.

As in any litigation, Plaintiff and the Class would face an uncertain outcome if they did not agree to the Settlement. The Settling Parties expected that the case could continue for a lengthy period of time, and that substantial time, fees and expenses would be incurred by Plaintiff in, among other things, opposing Defendants' efforts to defeat class

certification, opposing Defendants' summary judgment motions and proceeding with a trial on the claims, and that if Plaintiff succeeded, Defendants would file appeals that would postpone final resolution of the case. Continuation of the case against Defendants could result in a judgment greater than this Settlement. Conversely, continuing the case could result in no recovery at all or a recovery that is less than the amount of the Settlement.

After taking into consideration the considerable investigation and discovery conducted by Plaintiff and Plaintiff's Counsel, as well as discussions with their expert concerning damages, Plaintiff and Plaintiff's Counsel believe that this Settlement is fair and reasonable to the Members of the Class. They have reached this conclusion for several reasons. Specifically, if the Settlement is approved, the Class will receive a significant monetary recovery. Additionally, Plaintiff's Counsel believe that the significant and immediate benefits of the Settlement, when weighed against Plaintiff's and its Counsel's estimate of recoverable damages, as well as the significant risk, delay and uncertainty of continued litigation, represent an excellent result for the Class.

WHO REPRESENTS THE CLASS?

The Court appointed the law firm of Chimicles & Tikellis LLP and Gallagher & Kennedy, P.A. to represent you and other Class Members. Chimicles & Tikellis LLP and Gallagher & Kennedy, P.A. are referred to as Class Counsel. If you have questions, you may consult with Class Counsel c/o Kimberly Donaldson Smith, Esquire, Chimicles & Tikellis LLP, 361 W. Lancaster Avenue, Haverford, PA, 19041, tel. 610-642-8500, email: kimdonaldsonsmith@chimicles.com.

Class Counsel will apply to the Court for payment of attorneys' fees and expenses from the Settlement Fund for all Plaintiff's Counsel; you will not be otherwise charged for its work. If you want to be represented by your own lawyer, you may hire one at your own expense. Contact information for Class Counsel is set out above.

HOW WILL THE PLAINTIFF'S LAWYERS BE PAID?

Class Counsel will file a motion for an award of attorneys' fees and expenses that will be considered at the Final Approval Hearing. Class Counsel will apply for an award of 27% of the Settlement Fund, plus payment of expenses (not to exceed \$80,000) incurred in connection with the Litigation. In addition, Plaintiff may seek payment of up to \$5,000 as a service award for its time and expenses incurred in representing the Class. Such sums as may be approved by the Court will be paid from the Settlement Fund. Class Members are not personally liable for any such fees or expenses.

The attorneys' fees and expenses requested will be the only payment to Plaintiff's Counsel for its efforts in achieving this Settlement and for its risk in undertaking this representation on a wholly contingent basis. Plaintiff's Counsel has committed significant time and expenses in litigating this case for the benefit of the Class. To date, Plaintiff's Counsel has not been paid for its services in conducting this Litigation on behalf of the Plaintiff and the Class, or for its expenses. The fees requested will compensate Plaintiff's Counsel for its work in achieving the Settlement. The Court will decide what constitutes a reasonable fee award and may award less than the amount requested by Class Counsel.

CAN I EXCLUDE MYSELF FROM THE SETTLEMENT?

If you want to keep the right to sue or continue to sue Defendants on your own about the legal issues in this case, then you must take steps to get out of the Class. This is called excluding yourself from, or "opting out" of, the Class. However, you should know that the statute of repose on Securities Act claims has expired and, thus, you may not be able to pursue any Securities Act claims yourself.

To exclude yourself from the Class, you must send a letter by mail saying that you want to be excluded from the Class in the following action: *Westmoreland County Employee Retirement Fund v. Inventure Foods Inc., et al.*, No. CV2016-00271. Be sure that your request for exclusion is written, signed and contains the following information: (i) the name, address and telephone number of the person seeking exclusion; (ii) the number of shares purchased pursuant or traceable to the SPO; (iii) prices or other consideration paid for such shares; (iv) the date of each purchase and sale transaction; and (v) a statement that you wish to be excluded from the Settlement. Members of the Class may not exclude themselves by filing requests for exclusion as a group or class, but must in each instance individually and personally execute the request.

Your exclusion request must be postmarked no later than October 3, 2018 and sent to the Claims Administrator at:

CLASS ACTION OPT OUT & OBJECTION
ATTN: *Inventure Secondary Public Offering Litigation Settlement*
PO BOX 30456
Philadelphia, PA 19103

The request for exclusion shall not be effective unless it is made in writing within the time stated above, and the exclusion is accepted by the Court. You cannot exclude yourself by phone or by e-mail.

If you make a proper request for exclusion, you will not receive a Settlement payment, and you cannot object to the Settlement. If you make a proper request for exclusion, you will not be legally bound by anything that happens in this lawsuit.

CAN I OBJECT TO THE SETTLEMENT, THE REQUESTED ATTORNEYS' FEES AND EXPENSES, THE REQUESTED PAYMENT OF COSTS AND EXPENSES TO PLAINTIFF AND/OR THE PLAN OF ALLOCATION?

Yes. If you are a Class Member, you may object to the terms of the Settlement. Whether or not you object to the terms of the Settlement, you may also object to the requested attorneys' fees, costs and expenses, the payment to Plaintiff for its time and expenses, and/or the Plan of Allocation. In order for any objection to be considered, you must file a written statement, accompanied by proof of Class membership, with the Court, and send a copy to Class Counsel by October 3, 2018. The Court's address is Clerk of the Superior Court's Office, Maricopa County, Arizona, 201 W. Jefferson St., Phoenix, AZ 85003, and Class Counsel's address is Kimberly Donaldson Smith, Chimicles & Tikellis LLP, 361 W. Lancaster Avenue, Haverford, PA 19041. Attendance at the Final Approval Hearing is not necessary; however, persons wishing to be heard orally at the Final Approval Hearing are required to indicate in their written objection their intention to appear at the hearing and identify any witnesses they may call to testify and exhibits, if any, they intend to introduce into evidence. If you hire an attorney to represent you for the purposes of making an objection, the attorney must both effect service of a notice of appearance on counsel listed above and file it with the Court by no later than October 3, 2018.

In addition, upon the filing of an objection, Class Counsel may take the deposition of the objecting Class member pursuant to the Rules of Civil Procedure for the Superior Courts of Arizona at an agreed-upon time and location, and obtain any evidence relevant to the objection. Failure by an objector to make himself or herself available for a deposition or comply with expedited discovery may result in the Court striking the objection. The Court may tax the costs of any such discovery to the objector or the objector's counsel if the Court determines that the objection is frivolous or is made for an improper purpose.

WHAT IS THE DIFFERENCE BETWEEN OBJECTING AND EXCLUDING MYSELF FROM THE SETTLEMENT?

Objecting is telling the Court that you do not like something about the proposed Settlement, the Plan of Allocation, Class Counsel's request for an award of attorneys' fees and expenses or payment to Plaintiff for its time and expenses in representing the Class. You can object only if you stay in the Class. Excluding yourself is telling the Court that you do not want to be part of the Class. If you exclude yourself, you have no basis to object because the case no longer applies to you.

HOW CAN I GET A PAYMENT?

In order to qualify for a payment, you must timely complete and return the Proof of Claim form that accompanies this Notice. Read the instructions carefully; fill out the Proof of Claim form; sign it; and mail or submit it online no later than December 6, 2018. The claim form may be submitted online at www.InventureClassAction.com. If you do not submit a timely Proof of Claim form with all of the required information, you will not receive a payment from the Settlement Fund; however, unless you expressly exclude yourself from the Class as described above, you will still be bound in all other respects by the Settlement, the Judgment, and the releases contained in them.

WHAT CLAIMS WILL BE RELEASED BY THE SETTLEMENT?

If the Settlement is approved by the Court, the Court will enter a Judgment. Upon the Effective Date, Plaintiff and all Class Members (other than putative Class Members who have validly excluded themselves from the Class), on behalf of themselves and each of their successors, assigns, executors, administrators, representatives, attorneys and agents in their capacities as such, shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever waived, released, relinquished, and discharged all Released Claims against Released Defendants, regardless of whether such Class Member executes and delivers a Proof of Claim. This means that, unless you exclude yourself, you are staying in the Class, and that means that you cannot sue, continue to sue, or be part of any other lawsuit against Released Defendants about the same issues in this case or about issues that could have been asserted in this case. It also means that all of the Court's orders will apply to you and legally bind you and you will release your Released Claims in this case against Released Defendants and their Related Persons.

"Released Claims" shall collectively mean any and all claims, causes of action, demands, rights, actions, liabilities, damages, losses, obligations, judgments, suits, fees, expenses, costs, matters, and issues of any kind or nature whatsoever, whether fixed or contingent, accrued or unaccrued, suspected or unsuspected, disclosed or undisclosed, liquidated or unliquidated, matured or unmatured (including "Unknown Claims" as defined in ¶1.43 of the Stipulation), arising out of, relating to, or in connection with both (i) the purchase, acquisition, holding, sale, or disposition of Inventure common stock pursuant or traceable to Inventure's shelf registration statement on Forms S-3 and S-3/A (Registration No. 333-196795), prospectus dated August 28, 2014, and/or prospectus supplement dated September 11, 2014, filed in connection with Inventure's secondary offering of 4.1 million shares of common stock that closed on or about September 14, 2014; and (ii) the facts, events, transactions, acts, occurrences, statements, representations, alleged misrepresentations, or omissions, which were, could have been, or in the future can or might be alleged in the Litigation or in any forum whatsoever, by Plaintiff or any member of the Class, whether individual, class, derivative, representative, legal, equitable, or any other type or in any other capacity, against any of the Released Defendants, whether or not any such Released Defendants were named, served with process, or appeared in the Litigation, based upon the Securities Act, any other federal, state, local, statutory, common, foreign or international law, rule, or regulation or any other law, rule, or regulation or any common law causes of action; *provided that* the Released Claims do not include claims based upon the interpretation or enforcement of the terms of the Settlement.

"Released Defendants" means each and all of the Defendants, dismissed defendant Capital Foods, LLC and each and all of their respective Related Persons. "Related Persons" means with respect to each Released Defendant, its/his present, former and future (i) parents, subsidiaries, affiliates, predecessors, successors, joint venturers and assigns, and (ii) each of their respective officers, directors, employees, partners, controlling shareholders, principals, trustees, attorneys, auditors, accountants, investment bankers, underwriters, consultants, agents, insurers, re-insurers, spouses, estates, related or affiliated entities, any entity in which a Released Defendant has a controlling interest, any members of any Individual Defendant's immediate family, any trust of which any Individual Defendant is the settlor or which is for the benefit of any Individual Defendant and/or member(s) of his family, and each of the heirs, executors, administrators, predecessors, successors, and assigns of the foregoing.

THE FINAL APPROVAL HEARING

The Court will hold a Final Approval Hearing on November 2, 2018, at 10:00 a.m. MST., before the Honorable Randall Warner at the Superior Court of Arizona in Maricopa County, Courtroom 912, East Court Building, 101 W. Jefferson Street, Phoenix, AZ 85003-2243, for the purpose of determining whether: (1) the Settlement of the Litigation for \$4,200,000 in cash should be approved by the Court as fair, reasonable and adequate; (2) to award Plaintiff's Counsel attorneys' fees and expenses out of the Settlement Fund; (3) to pay Plaintiff for its time and expenses it incurred in representing the Class out of the Settlement Fund; and (4) the Plan of Allocation should be approved by the Court. The Court may adjourn or continue the Final Approval Hearing without further notice to Members of the Class.

Any Class Member may appear at the Final Approval Hearing and be heard on any of the foregoing matters; provided, however, that no such person shall be heard unless his, her, or its objection is made in writing and is filed, together with proof of membership in the Class and with copies of all other papers and briefs to be submitted by him, her, or it to the Court at the Final Approval Hearing, with the Court no later than October 3, 2018, and showing proof of service on the following counsel:

Kimberly Donaldson Smith, Esquire
Chimicles & Tikellis LLP
361 W. Lancaster Avenue
Haverford, PA 19041

Unless otherwise directed by the Court, any Class Member who does not make his, her or its objection in the manner provided shall be deemed to have waived all objections to this Settlement and shall be foreclosed from raising (in this proceeding or on any appeal) any objection to the Settlement, and any untimely objection shall be barred.

HOW DO I OBTAIN ADDITIONAL INFORMATION?

This Notice contains only a summary of the terms of the proposed Settlement. The records in this Litigation may be examined and copied at any time during regular office hours, and subject to customary copying fees, at the Clerk of the Superior Court of Arizona in Maricopa County. In addition, all of the Settlement Documents, including the Stipulation, this Notice, the Proof of Claim form and proposed Judgment may be downloaded from the settlement website (www.InventureClassAction.com) or obtained by contacting the Claims Administrator at:

Inventure Secondary Public Offering Litigation Settlement
c/o Claims Administrator
1650 Arch Street, Suite 2210
Philadelphia, PA 19103
www.InventureClassAction.com
(877) 346-5223

DO NOT WRITE TO OR TELEPHONE THE COURT FOR INFORMATION.

SPECIAL NOTICE TO BANKS, BROKERS, AND OTHER NOMINEES

If you purchased or otherwise acquired shares of Inventure common stock pursuant or traceable to Inventure's SPO, as a nominee for a beneficial owner, then, within ten (10) calendar days after you receive this Notice, you must either: (1) send a copy of this Notice by First-Class Mail to all such Persons or (2) provide a list of the names and addresses of such Persons to the Claims Administrator:

Inventure Secondary Public Offering Litigation Settlement
c/o Claims Administrator
1650 Arch Street, Suite 2210
Philadelphia, PA 19103
Email: info@InventureClassAction.com

If you choose to mail the Notice and Proof of Claim yourself, you may obtain from the Claims Administrator (without cost to you) as many additional copies of these documents as you will need to complete the mailing. Regardless of whether you choose to complete the mailing yourself or elect to have the mailing performed for you, you may obtain reimbursement for or advancement of reasonable administrative costs actually incurred or expected to be incurred in connection with forwarding the Notice and which would not have been incurred but for the obligation to forward the Notice, upon submission of appropriate documentation to the Claims Administrator.

Dated: August 7, 2018

BY ORDER OF THE SUPERIOR COURT OF
ARIZONA, MARICOPA COUNTY
HONORABLE RANDALL WARNER