



PHYSIC VENTURES LEADS DREAMERZ™ FOODS SERIES B FINANCING

Natural Functional Food Company Raises \$10 Million to Meet Growing Demand for 70 million Sleep-deprived Americans

SAN FRANCISCO – May 18, 2007 – Dreamerz Foods, a California-based natural foods company that champions the importance of healthy sleep and stress reduction by creating great-tasting, all-natural and efficacious products, announced today that it has secured \$10 million in series B funding. The financing was led by Physic Ventures, and also included Fonterra Ltd, and Dean Foods, Inc. Existing investors Burrill & Company, Great Spirit Ventures, and Prolog Ventures also participated in the financing.

“Dreamerz Foods represents one of the most scientifically-advanced functional food businesses to come to market. The Company’s products address a very important need—and do it in a way that is both enjoyable and efficacious,” said William Rosenzweig, a managing director of Physic Ventures, the lead investor in the Dreamerz financing. “Consumer adoption of products that combine health benefits, great taste, and functional effectiveness are growing rapidly as entrepreneurial stage companies pave the way for new brands into large markets.”

The financing builds on the strong momentum Dreamerz has experienced

since its retail launch in April 2007 with a line of all natural dessert beverages that promote rest and relaxation. The Dreamerz product line delivers clinically proven active ingredients that support healthy sleep and a balanced lifestyle. Leading the company is Amanda Steele, Dreamerz Foods’ founder and chief executive officer. A food industry veteran, Steele developed her expertise in the beverage division of Nestlé USA, leading innovation and launching new brands including Nescafé Frothé and Nescafé Ice Java.



“With its strong management team and breakthrough products, Dreamerz is one of the most exciting opportunities we’ve seen in building our health and wellness investment portfolio,” said Ilya Nykin, a managing director of Prolog Ventures and chairman of the company’s board of directors. “Dreamerz is capitalizing on the growing recognition that sleep is key to overall health, and providing consumers a new category of products to help them enjoy the sleep they need, naturally.”

“Millions of Americans are sleep-deprived, but have not found solutions that fit with their desire to lead a healthy lifestyle,” said Steele. “This support from our investors will enable us to scale up to meet the growing demand for products like Dreamerz that deliver real efficacy for relaxation and sleep in a delicious, natural form that can be enjoyed every day without fear of addiction or after-effects.”

Dreamerz Foods is one of four companies launched by Brand New Brands, an innovation accelerator dedicated to improving and enhancing Americans’ lives through the creation of next-generation healthful foods and beverages. Brand New Brands’ investors – Burrill & Company, Great Spirit Ventures, Prolog Ventures and Unilever Ventures – participated in the company’s initial launch.

“Dreamerz Foods and all Brand New Brands companies fit the emerging landscape for food and beverage—as tools for wellness as well as nourishment,” said Pete Mattson, Co-Founder of Brand New Brands and Chairman of Mattson and Company, the creative partner in the development of the Brand New Brands portfolio. “They present a model for all new food companies moving forward.”

Dreamerz is available in chocolate s’nores™ (milk chocolate), vanilla van winkle™ (French vanilla) and crème de la REM™ (dark chocolate mint) flavors. Dreamerz is a rich-tasting dairy beverage that is only 100 calories per serving, all natural, low in fat and a good source of calcium. The Dreamerz beverage line is currently available at select Long’s Drugs and at Hi Health, Mollie Stone’s, Mothers and online at <http://dreamerzfoods.com/shop>.

According to the National Institutes of Health, more than 70 million Americans suffer from symptoms of insomnia. Direct costs of insomnia, such as treatment and health-care services, are estimated at nearly \$14 billion. Indirect costs, from factors such as work loss and accidents resulting from sleep deprivation, add an estimated \$28 billion each year. Sleep deprivation is linked to physical and emotional health issues, including obesity, heart disease, depression and poor mental performance.

####

About Dreamerz Foods

Dreamerz Foods Inc. champions the importance of healthy sleep and stress reduction by creating great-tasting, all-natural and efficacious products. At Dreamerz, we believe that a good night's sleep means a better day so that you can enjoy energy, creativity and passion for life. Now a stand-alone company, Dreamerz was founded as a unit of Brand New Brands, a food and beverage incubator led by successful innovators William Rosenzweig (co-founder of Republic of Tea and Physic Ventures) and Pete Mattson (founder of the Mattson Group). To learn more about Dreamerz Foods, please visit www.DreamerzFoods.com

About Physic Ventures

Based in San Francisco, Physic Ventures invests in science-driven, consumer-facing health, wellness and sustainable living companies. Physic specializes in working with exceptional teams to help them achieve rapid scale and impact by bringing breakthrough products, services and technologies to market. Physic was formed in early 2007 through the evolution of Great Spirit Ventures and the spin-out of Unilever Technology Ventures. Website: www.physicventures.com