



Beverage Supply Group Appointed to Distribute Organic Yeast Strains that Prevent H₂S in Fermentation

Napa, CA – June 17, 2010 – Beverage Supply Group (“BSG”), today announced that it has entered into a distribution agreement with Phytterra Yeast USA Inc., to market Phytterra’s wine yeast for the US market. This agreement enables the launch of four strains of Phytterra’s organic wine yeasts that prevent the formation of hydrogen sulfide in fermentation, to the West Coast marketplace for the 2010 crush.

“We’re pleased that a technically focused wine industry supplier like BSG will be distributing Phytterra H₂S yeasts,” said Howard Louie, Chairman and CEO of Phytterra’s parent company, Functional Technologies. He added, “BSG’s sales efforts will build upon trade show initiatives and trials Phytterra developed over the last eighteen months.”

“BSG prides itself on bringing innovation to the marketplace by offering technically superior products to our customers which add value to their process”, said Dr Ian Ward, President of BSG “We are confident that Phytterra wine yeast provides an elegant solution to a long standing issue for winemakers and represents a significant step forward in fermentation technology. We are delighted to be partnering with Phytterra Yeast.”

The four H₂S-preventing yeast strains have been selected to offer winemakers desired wine characteristics in a range spanning barrel-aged whites and big reds to sparkling wines while ensuring winemakers they can avoid the problems associated with H₂S in fermentation.

Dr. Linda Bisson, Professor, Viticulture and Enology, Department of Viticulture and Enology Agricultural and Environmental Sciences, University of California at Davis, commented: “It’s very rewarding to see this yeast go from our labs, through development and now reach the California wineries commercially. The research support we received from the American Vineyard Foundation made this possible and is a good example of how the wine industry and UC Davis successfully collaborate.”

Hydrogen sulfide, a gas naturally emitted during fermentation, possesses a distinct rotten-egg smell and is a well-recognized and widespread industry problem that has long plagued winemaking. Standard approaches to remove or reduce H₂S from tainted wine can be expensive, time-consuming and negatively affect product quality. Phytterra wine yeasts strains prevent the formation H₂S during fermentation, making them a robust, preventative solution that requires no changes to existing production processes. Importantly, there are no negative impacts to the sensory attributes desired by the winemaker.

About Beverage Supply Group

With over 75 years collective experience, Beverage Supply Group (BSG) is a leading supplier of ingredients and process aids to winemakers, committed to providing the highest quality products at competitive values, to the North American Winemaking Industry. BSG, which opened in Napa 2007, is the wine division of Brewers Supply Group, the largest and most respected supplier of ingredients to the US brewing industry. For more information about BSG to www.bsgwine.com

About Phytterra Yeast

Phytterra Yeast, a unit of Functional Technologies Corp. provides technically advanced yeast solutions to problems endemic to the winemaking industry. In conjunction with research partners such as University of California at Davis, the company develops and commercializes novel yeast to reduce the formation of hydrogen sulfide during the fermentation process and ethyl carbamate in fermentation and post-bottling.

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