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DIXIE BRANDS INC. STRENGTHENS TEAM WITH ADDITION OF VETERAN CONSUMER MARKETING EXECUTIVES

DENVER, January 7, 2019 – Dixie Brands Inc. (Dixie or the Company) (CSE: DIXI.U), one of the cannabis industry's leading consumer packaged goods companies, has announced the hiring of two new marketing executives. Andrew Floor joins as Vice President of Marketing, Dixie Brands, and Hilal Tabsh joins as Vice President of Marketing and Distribution, Aceso Wellness.

"We are very pleased to welcome two individuals with the depth and breadth of skills that Hilal and Andrew bring to Dixie," said Chuck Smith, President and CEO, Dixie Brands. "Both are accomplished sales and marketing executives whose experience with leading brands like Red Bull and Wild Turkey aligns directly with our goal of becoming the leading CPG company in the cannabis space. Our aggressive expansion plans include a focus on building consumer awareness and growing our distribution networks, and our new marketing leaders will play a vital role in those efforts. We have been very impressed with the quality of candidates who are interested in joining Dixie as we continue to build out our executive team to support our global growth plans."

Andrew Floor – Vice President of Marketing, Dixie Brands

Andrew Floor will lead the branding, marketing and portfolio expansion of the regulated THC product company. This includes all Dixie-branded products, the sub-brands Synergy, Mindset and Dr. Stash, as well as all new brands to be built and acquired under the THC umbrella. Dixie currently offers THC-infused products in four U.S. states with a fully-funded business plan to more than double that footprint in 2019.

Mr. Floor has extensive experience in the regulated alcohol industry, building leading brands through digital and consumer marketing. Most recently he was VP Brand and Digital Marketing at Treasury Wine Estates where he led integrated campaigns that spanned traditional and eCommerce channels. Previously he was VP Marketing at Campari America's Dark Spirits division, where he was instrumental in accelerating sales growth and consumer awareness of the Wild Turkey franchise. Mr. Floor also gained international experience through 10 years of sales and marketing roles in the United Kingdom and Australia.

Hilal Tabsh – Vice President of Marketing & Distribution, Aceso Wellness

Hilal Tabsh will lead the branding, marketing, portfolio expansion and development of global distribution channels for Aceso Wellness, Dixie's leading hemp-derived cannabidiol (CBD) human dietary supplement company. The CBD wellness industry is expected to continue to experience rapid growth, enhanced by the legalization of hemp under the 2018 Farm Bill.

Mr. Tabsh is a CPG sales and marketing executive with significant experience in the U.S. and globally. As EVP at Limitless Beverage, he helped establish the sales and marketing functions for the start-up company focused on unique drink platforms such as cold brewed coffee, matcha green tea and lightly caffeinated sparkling water. Mr. Tabsh previously spent more than 15 years at Red Bull, initially based in Dubai, U.A.E. with management roles spanning the Middle East, Africa and Pacific regions. He was subsequently head of sales and marketing at Red Bull North America, where he managed and grew a broad distribution network across 16 states and led a team of more than 50 professionals.

About Dixie Brands, Inc.

Dixie Brands Inc., which has been formulating award-winning THC and CBD-infused products since 2009, is expecting to double its manufacturing and distribution capabilities in 2019 in the U.S. as well as expand internationally, including Canada. Dixie leads the global industry in the development, packaging design, product innovation and quality control for the commercial production of cannabis infused products. While the Company started with a single flagship product, the Dixie Elixir (a THC-infused soda), it is now one of the industry's most recognized consumer brands, expanding to over 100 products across more than 15 different product categories representing the industry's finest edibles, tinctures, topicals and connoisseur grade extractions, as well as world-class CBD-infused wellness products and pet dietary supplements. Dixie's executive team has been instrumental in the formation of the marijuana industry for recreational and medicinal use, serving as founding members on several national regulatory and business-oriented industry organizations. To find out more about Dixie's innovative products, or about how Dixie is building the future of cannabis, visit <u>www.dixiebrands.com</u>.

CAUTION REGARDING FORWARD-LOOKING INFORMATION

Certain statements in this news release may constitute "forward-looking" statements which involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Dixie and its subsidiary entities or the industry in which they operate, to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements. When used in this news release, such statements use words such as "may", "will", "expect", "believe", "plan" and other similar terminology. These statements reflect management's current expectations regarding future events and operating performance and speak only as of the date of this news release. These forward-looking statements involve a number of risks and uncertainties.

These risk factors are discussed in detail under the heading "Risk Factors" in the listing statement filed on SEDAR. New risk factors may arise from time to time and it is not possible for management of the Company to predict all of those risk factors or the extent to which any factor or combination of factors may cause actual results, performance or achievements of the Company to be materially different from those contained in forward-looking statements. Given these risks and uncertainties, investors should not place undue reliance on forward-looking statements as a prediction of actual results. Although the forward-looking statements contained in this news release are based upon what management believes to be reasonable assumptions, Dixie cannot assure investors that actual results will be consistent with these forward-looking statements. These forward-looking statements are made as of December 10, 2018. Dixie will update these assumptions at each reporting period and will adjust its forward-looking information as necessary.

The CSE has neither approved nor disapproved the contents of this news release.

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