



Clinical Trial at the University of Pennsylvania's School of Veterinary Medicine to Study Effectiveness of Cannabinoids to Treat Dogs for Joint Immobility Using Dixie Brands' Therabis Formulation

- First major double-blind trial of cannabidiol (CBD) remedies for dogs
- Therabis "Mobility" to be studied for its effectiveness in treating osteoarthritic pain
- Researchers seeking treatment options for the joint mobility issues affecting more than 50% of older dogs
- Led by one of the world's top veterinary schools with results to be published in academic journal

DENVER, May 28, 2019 /CNW/ - Dixie Brands Inc. ("Dixie" or "the Company") (CSE: DIXI.U), (OTC: DXBRF), (Frankfurt: 0QV), one of the cannabis industry's leading consumer packaged goods (CPG) companies, has announced that one of its canine supplement products will form the basis of a clinical trial by the Veterinary Clinical Investigations Center at the University of Pennsylvania School of Veterinary Medicine (Penn Vet). The trial will evaluate the effectiveness of "Mobility," a hemp-based natural supplement developed by Dixie subsidiary Therabis, to relieve symptoms of joint immobility in dogs.

Penn Vet's clinical trial will be led by principal investigator Dr. Kimberly Agnello. Dogs known to be suffering from inflammation secondary to osteoarthritis will be studied to determine whether those who receive the Therabis supplement achieve better outcomes than untreated dogs. One group of dogs will receive the formula for a proprietary veterinarian-specific formula Therabis product; a second group will receive Cannabidiol alone which previous studies have shown may have benefit in osteoarthritic dogs; a control group will receive a placebo. Study designers are targeting inclusion of up to 20 dogs in each group. The design of this study will provide valuable data defining the synergistic potential of the additional ingredients in the Therabis formula.

The clinical trial is among the first scientific studies of cannabinoid therapy for pets, and is believed to be the largest-scale trial commenced to date. It is also believed to be the first major double-blind trial, meaning neither the researchers nor the dog owners are aware of which subjects are receiving the placebo or the other two interventions. The study design incorporates physical tests to establish quantitative measures of effectiveness. In studying dogs' front leg joints rather than the more commonly studied hips, the trial's results can be readily extrapolated into other joints since the inflammatory process is equivalent. Results are anticipated within approximately 12 months, and are expected to be published in a veterinary medicine journal.

"We are honored to have a Therabis product selected by the world-renowned experts at Penn Vet for their first major study of the effects of natural hemp oil to reduce joint pain in dogs," said Dr. Stephen M. Katz, co-founder of Therabis. "Our experience in my clinic has shown that cannabidiol (CBD) is an effective treatment in reducing inflammatory response. We have a passion for improving dogs' quality of life, and we look forward to learning all we can about therapeutic methods to achieve this."

As dogs age, discomfort from osteoarthritis, back issues and joint immobility can become increasingly common. Problems often become apparent over time as dogs show reduced interest or ability to perform common tasks like walking, jumping or climbing stairs. Larger and heavier breeds can be especially prone to these issues. It is estimated that more than half of dogs older than seven years suffer from arthritis.

Market researcher Packaged Facts has estimated that retail sales of pet supplements and nutraceuticals totaled \$1.6 billion in the U.S. in 2017. Brightfield Group has estimated that CBD-infused pet products are a currently a \$199 million business and expected to grow to \$1.16 billion by 2022.

Therabis Veterinarian Formula supplement Mobility, which the company plans to offer exclusively through veterinary clinics, is an enhanced formulation of the current commercially available supplement designed to promote healthy joints in dogs called Therabis Up and Moving. Available in single-serving sachets as well as in a chewable format, its core formula includes hemp oil (with naturally-occurring CBD), green lipped mussel, Vitamin C, Chromium, and Vitamin E. Up and Moving was developed and refined for more than 10 years by veterinarian and Therabis co-founder Dr. Stephen M. Katz, and has been used in his clinic throughout that time with encouraging results among his canine patients. Therabis also offers other doctor-formulated indication-specific supplements targeting skin irritation (Stop the Itch) and anxiety (Calm and Quiet).

About Penn Vet

Ranked among the top ten veterinary schools worldwide, the University of Pennsylvania School of Veterinary Medicine (Penn Vet) is a global leader in veterinary education, research, and clinical care. Founded in 1884, Penn Vet is the first veterinary school developed in association with a medical school. The school is a proud member of the One Health initiative, linking human, animal, and environmental health.

Penn Vet serves a diverse population of animals at its two campuses, which include extensive diagnostic and research laboratories. Ryan Hospital in Philadelphia provides care for dogs, cats, and other domestic/companion animals, handling nearly 35,300 patient visits a year. New Bolton Center, Penn Vet's large-animal hospital on nearly 700 acres in rural Kennett Square, PA, cares for horses and livestock/farm animals. The hospital handles nearly 5,300 patient visits a year, while the Field Service treats more than 38,000 patients at local farms. In addition, New Bolton Center's campus includes a swine center, working dairy, and poultry unit that provide valuable research for the agriculture industry.

About Therabis

Therabis LLC is a pet wellness company that harnesses innovative formulations to relieve common ailments affecting our animal companions. Therabis offers broad spectrum hemp-infused supplements for dogs and cats that combine cannabidiol (CBD) with other potent natural ingredients to target specific conditions including joint mobility, anxiety and skin irritation. These proprietary formulations are backed by 25 years of veterinary experience. Therabis is a majority-owned subsidiary of Dixie Brands Inc. To learn more about Therabis, please visit www.therabis.com.

About Dixie Brands, Inc.

Dixie Brands Inc., through its licensed partners, has been formulating award-winning THC and CBD-infused products since 2009. Currently operating in five U.S. states, the Company is expecting to double its manufacturing and distribution capabilities in 2019 in the U.S. as well as expand internationally, including Canada and Latin America. 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 www.dixiebrands.com.

CAUTION REGARDING FORWARD-LOOKING INFORMATION

The information provided in this press release may contain "forward-looking information" and "forward-looking statements" within the meaning of applicable securities laws. All statements, other than statements of historical fact, made by the Company (or its predecessors) that address activities, events or developments that the Company expects or anticipates will or may occur in the future are forward-looking statements, including, but not limited to, statements preceded by, followed by or that include words such as "may", "will", "would", "could", "should", "believes", "estimates", "projects", "potential", "expects", "plans", "intends", "anticipates", "targeted", "continues", "forecasts", "designed", "goal", or the negative of those words or other similar or comparable words. Forward-looking statements may relate to future financial conditions, results of operations, plans, objectives, performance or business developments. These statements speak only as at the date they are made and are based on information currently available and on current expectations and assumptions concerning future events, which are subject to a number of known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from that which was expressed or implied by such forward-looking statements, including, but not limited to, risks and uncertainties related to: (i) the regulation of the medical and recreational marijuana industry in the United States, Canada, Mexico, Australia, New Zealand, Latin America and other countries in which the Company may carry on its business; (ii) the ability of the Company to obtain meaningful consumer acceptance and a successful market for its products on a national and international basis at competitive prices; (iii) the ability of the Company to develop and maintain an effective sales network; (iv) the success of the Company in forecasting demand for its products or services; (v) the ability of the Company to maintain pricing and thereby maintain adequate profit margins; (vi) the ability of the Company to achieve adequate intellectual property protection; (vii) the availability of financing opportunities, risks associated with economic conditions, dependence on management and conflicts of interest; and (viii) other risks described from time to time in documents filed by the Company with securities regulatory authorities, including the Company's listing statement dated November 23, 2018.

The forward-looking statements contained herein are based on certain key expectations and assumptions, including that: (i) there will be no material adverse competitive or technological change in condition of the Company's business; (ii) there will be a demand for the Company's products that the Company has accurately forecast; and (iii) there will be no material adverse change in the Company's operations, business or in any governmental regulation affecting the Company or its suppliers.

With respect to the forward-looking statements contained herein, although the Company believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements as no assurance can be given that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks, including the risks described above. Consequently, all forward-looking statements made in this press release are qualified by such cautionary statements and there can be no assurance that the anticipated results or developments will actually be realized or, even if realized, that they will have the expected consequences to or effects on the Company. The cautionary statements contained or

referred to herein should be considered in connection with any subsequent written or oral forward-looking statements that the Company and/or persons acting on the Company's behalf may issue. The Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, other than as required under securities legislation.

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

SOURCE Dixie Brands, Inc.

View original content to download multimedia:

<http://www.newswire.ca/en/releases/archive/May2019/28/c9332.html>

%SEDAR: 00000372E

For further information: Dixie Brands, Inc., C.J. Chapman, General Counsel and Secretary, cchapman@dixiebrands.com / 303-945-3963; Media Inquiries, Desiree Rosa, MULTIPLY, dixie@wearemultiply.ly / 646-499-3306; Media (Canada): Crystal Quast, Vincic Advisors, crystal@vincicadvisors.com / 647-529-6364; Investor Inquiries, Jeff Codispodi, Vincic Advisors, jeff@vincicadvisors.com / 647-278-9376

CO: Dixie Brands, Inc.

CNW 07:00e 28-MAY-19