

Dixie Brands Secures Alaska Distribution for its Aceso Hemp Subsidiary Through New Agreement With Bill's Distributing

Aceso targeting significant expansion of its brick and mortar distribution channels in 2019

DENVER, June 6, 2019 /CNW/ - Dixie Brands Inc. ("Dixie" or "the Company") (<u>CSE: DIXI.U</u>), (OTC: DXBRF), (Frankfurt: 0QV), one of the cannabis industry's leading consumer packaged goods ("CPG") companies, today announced that its Aceso Hemp subsidiary has signed a distribution agreement with Alaska's Bill's Distributing ("Bill's"). Pursuant to the agreement, Bill's will begin marketing Aceso's line of cannabidiol (CBD)-infused powder sachets, tincture sprays and dissolvable tablets to its retail customers starting next week.

Bill's is one of the largest Alaskan-owned food and beverage wholesalers and distributors. Founded over 30 years ago and still family-owned, Bill's reaches more than 1,100 accounts including both local and national retailers throughout the state.

"We are very pleased to welcome Bill's as our distribution partner in Alaska. With their extensive network and reputation in the state, they will be excellent ambassadors for Aceso products," said Hilal Tabsh, Vice President of Marketing and Distribution at Aceso. "We expect this to be the first of several new distribution agreements we finalize in the coming months, based on our ongoing discussions with a range of prospective partners throughout the USA."

"We pride ourselves on bringing new and innovative products to our customers in Alaska, and Aceso Hemp is the first CBD line we have added to our catalogue," said Mike Webster, General Manager, Bill's Distributing. "We have had an opportunity to evaluate a number of CBD products, and we believe Aceso is a great choice because it offers consumers a unique range of delivery options to enjoy the calming, soothing or wellness benefits of CBD."

Dixie's top strategic priority for both Aceso and the Company's pet wellness subsidiary, Therabis LLC, is to expand the distribution channels. For its two CBD brands combined, Dixie is targeting availability in a total of 5,000 brick and mortar locations by the end of 2019.

As a hemp-based consumer products company, Aceso is subject to a different regulatory framework than Dixie's THC-infused brands. Mainstream retailers are becoming increasingly open to carrying CBD-infused products, with some moving into this market more quickly than others. Aceso is seeking to build a network of local, regional and national distributors to complement its online channel, www.myaceso.com.

ABOUT ACESO HEMP

Aceso Hemp is the next generation in hemp, pairing plant science with food science. Offering a growing line of indication-specific, hemp-derived supplements for promoting optimal health, Aceso Hemp was one of the first entrants in the category and brings a deep understanding of the industry's complex regulatory structure and expertise in the production of safe, effective and compliant products that can be sold across the United States. Aceso Hemp's scientists have studied, tested and perfected phyto-nutrient ratios that unlock the powers of hemp, resulting in sophisticated

formulas that are easy for the body to absorb and activate. To find out more about Aceso Hemp's innovative products, visit www.acesohemp.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.

SOURCE Dixie Brands, Inc.

View original content to download multimedia: http://www.newswire.ca/en/releases/archive/June2019/06/c9633.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@wearemultip.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 06-JUN-19