

Dixie Brands' Aceso Hemp expands distribution footprint into California and Nevada with Power Distribution LLC

Aceso Hemp continues to open up new markets, building on its existing 1,000 brick and mortar locations

DENVER, Aug. 19, 2019 /CNW/ - Dixie Brands Inc. ("Dixie" or "the Company") (<u>CSE: DIXI.U</u>), (OTCQX: 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 Power Distribution LLC ("Power"). Beginning this week, Power is representing the Aceso Hemp line of cannabidiol (CBD)-infused powder sachets, tincture sprays and dissolvable tablets to retailers in California, expanding into Nevada beginning in September.

Power will target its efforts initially on more than 1,350 retail locations across the highly influential Los Angeles, San Diego and Las Vegas urban centers. The addition of Aceso Hemp to the Power portfolio compliments their existing natural and organic product lines from "better-for-you" and ontrend brands.

"Power is an ideal partner to help get our products on shelves in the trend-setting Southern California and Las Vegas markets," said Hilal Tabsh, Vice President of Marketing and Distribution at Aceso Hemp. "They have built their business around meeting the growing consumer demand for natural products that promote improved health, and these attributes are at the core of the Aceso Hemp brand."

"We are excited to partner with a progressive company like Aceso Hemp and take their products to our customers in the retail channel," said Craig Powers, Vice President of Power Distribution. "Their heritage, reputation, regulatory compliance expertise and extensive portfolio demonstrate a real vision for building a true leadership position in the hemp category."

Aceso Hemp has paired plant science with food science to develop highly targeted broad-spectrum hemp-infused formulations for people looking for natural alternatives in their wellness regimens. Its powders, sprays and tablets are each sold in three varieties called Calm, Soothe and Wellness.

Since the start of 2019, Aceso Hemp has reached agreements with regional distributors in California, Alaska and Vermont, as well as one national distributor. Its products are currently available in more than 1,000 brick and mortar locations. Aceso Hemp plans to continue to grow its network of distributors and retailers to complement its established online channel, <u>www.acesohemp.com</u>.

ABOUT DIXIE BRANDS, INC

Dixie Brands Inc., through its licensed partners, has been formulating award-winning THC and CBDinfused products since 2009. Currently operating in six 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 forwardlooking 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.

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