

Gabriella's Kitchen Announces Joint Venture with Eximius Coffee LLC to Introduce Cannabis and CBD-Infused Ready to Drink Cold Brew Coffee and Pods

CALGARY and SANTA ROSA, CA, Feb. 19, 2019 /CNW/ - Gabriella's Kitchen Inc. ("**GABY**" or the "**Company**") (CSE: **GABY**), an innovative and leading-edge cannabis wellness company, is pleased to announce a joint venture ("**JV**") with Eximius Coffee LLC ("Eximius") to launch a line of cannabis and CBD infused coffee beverages and infused single serve grounds suitable for steeping. Eximius is the third largest coffee importer in the U.S. with products sold in retail grocery stores throughout the U.S. under a variety of brand names, including Cappio™. The economics of the transaction will see an equal sharing of costs and revenues between the joint venture partners.

The cold brew coffee market is on a tear, growing 12% in volume and 14% in retail sales in 2017 according to Beverage Marketing Corp., New York.

The cannabis infused cold brew coffees will be manufactured at The Oil Plant ("**TOP**") GABY's licensed manufacturing facility in Santa Rosa, California using high grade quality oil extractions for which TOP has become known. TOP's oils and extracts became immortalized in the film, *Weed the People*, a documentary by Ricki Lake and Abby Epstein which tells the real-life experiences of families who used oil manufactured by TOP to treat their children's cancer, and realized amazing success. The cannabis-infused coffees will in turn be distributed to licensed retailers (also known as dispensaries) by Sonoma Pacific Distribution, a licensed distributor that is currently in the process of being acquired by GABY as announced in the Company's press release issued October 23, 2018.

The Hemp derived CBD infused cold brew coffee will be manufactured by Xtract Xperts using hemp CBD oil extracted in their facility in Oregon and will be launched into the mainstream market, as legally allowable, for distribution using GABY's relationships and infrastructure.

GABY and Eximius are concluding the logistics of infusing single serve coffee pods with cannabis and expect to be able to bring those to the licensed market very soon. This joint venture also encompasses the development, launch and distribution of similar products infused with CBD for the mainstream market.

According to a July 2018 report, which she authored, Mimi Bonnett, Director – Food And Drink, Food Service for Mintel International Group, Ltd. identified that "Millennials show strong category engagement, consuming a range of coffee products, and show strong interest in innovative offerings, including *ready to drink* coffees with new ingredients and added functionality". In the same report, Ms. Bonnett also stated that "...the \$14.4 billion coffee market continues on a positive path in 2018, buoyed by a thriving *ready-to-drink* coffee segment and sustained growth in single-serve formats."

"This joint venture validates GABY's strategy. In 2018 we worked hard to build our infrastructure. In 2019 this infrastructure will serve as the catalyst to catapult our growth," said Margot Micallef, Founder & CEO of GABY. "We are honored that our first publicly-announced joint venture is with a family-owned company who shares our mission and vision and also believes that quality products enhance people's quality of life." she concluded.

"Eximius prides itself on staying at the forefront of what its customers seek," said Carlos de Aldecoa, CEO and the third-generation family member to lead Eximius. "We know that cannabis and CBD is becoming an important part of our consumers' wellness strategies and we are honored to be partnering with GABY, a mission-based, family-founded company in bringing enhanced cold brew

beverages with unique characteristics and functionalities to market."

"A key aspect of GABY's strategy is to be a leader in normalizing cannabis and CBD consumption," Margot Micallef, added. "We are heavily focussed on bringing high-quality products to market that consumers can incorporate into their day-to-day lives. We expect to continue bringing such products to market through our own innovation, acquisition or through excellent partnerships such as our JV with Eximius."

ABOUT EXIMIUS COFFEE LLC

Eximius prides itself on sourcing the best coffees from around the world. And is the culmination of 3 generations of expertise and participation in the global coffee trade. The roots of the firm can be directly traced to 1925 in Madrid, Spain, when it was founded by Carlos de Aldecoa Fernandez. In 1985, the founder's son, Carlos de Aldecoa Pereda moved the business to Houston, Texas where it remains headquartered today, under the leadership of the founder's grandson, Carlos de Aldecoa and a team of highly seasoned professionals. Today, Eximius is the third largest coffee importer in the United States with relationships with farmers in Central and South America, Africa and Mexico. Its products are sold in retail grocery stores throughout the United States under a variety of brand names including Cappio™.

To learn more, please visit the Company's website at www.eximiuscoffee.com

ABOUT GABRIELLA'S KITCHEN INC.

GABY is a US-focused, cannabis wellness company holding a manufacturing license and will hold a distribution license issued by the California Bureau of Cannabis Control upon closing of its acquisition of Sonoma Pacific Distribution, announced October 23, 2018. With these licenses, its existing infrastructure of major retailers and an extensive broker and distribution network, GABY is positioned to service mainstream grocery with CBD infused products, as well as licensed cannabis retailers with CBD and THC-infused edible and wellness products.

Margot and her sister Gabriella co-founded GABY, a wellness company, after Gabriella received a dire cancer diagnosis which spurred the sisters to prolong Gabriella's life through a holistic approach to health. Today, GABY is a wellness company with its own manufacturing infrastructure and a diverse range of products that use cannabis to address a variety of dietary and health concerns. Although Gabriella ultimately passed away from her illness, she lived exponentially longer than doctors predicted. Her memory and passion live on through GABY's mission: to empower people to live healthy lives without compromise.

To learn more, please visit the Company's website at www.gabyinc.com.

Disclaimer and Forward-Looking Information

The Canadian Securities Exchange does not accept responsibility for the adequacy or accuracy of this release. Certain information set forth in this news release may contain forward-looking statements that involve substantial known and unknown risks and uncertainties, certain of which are beyond the control of Gabriella's Kitchen Inc. Forward-looking statements are frequently characterized by words such as "plan", "continue", "expect", "project", "intend", "believe", "anticipate", "estimate", "may", "will", "potential", "proposed" and other similar words, or statements that certain events or conditions "may" or "will" occur. These statements are only predictions. Readers are cautioned that the assumptions used in the preparation of such information, although considered reasonable at the time of preparation, may prove to be imprecise and, as such, undue reliance should not be placed on forward-looking statements. Forward looking statements include, but are not limited to, the anticipated closing of the Sonoma Acquisition, the anticipated closing of other accretive acquisitions in 2019, the anticipated hiring of a qualified President and COO in a timely manner, the Company's ability to raise funding to achieve its objectives in 2019 and the anticipated availability of the Company's Infused Products. The Company assumes no obligation to

update forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law.

TOP is a wholly owned subsidiary of GABY. TOP owns cannabis license in California. Cannabis is legal in the State of California however cannabis remains illegal under United States ("U.S.") federal laws. The U.S. Department of Justice issued guidance in 2013 indicating that it will focus on certain enforcement priorities, outside of which it will generally not enforce federal prohibitions on cannabis in U.S. states that have authorized this conduct so long as the U.S. state has implemented a strong and effective regulatory program. This federal guidance is subject to change, rescission or alteration by other federal government policy pronouncements at any time. TOP's business is conducted in a manner consistent with the State law of California and is in compliance with regulatory and licensing requirements applicable in the State of California. However, the readers should be aware that change in federal guidance on enforcement actions could adversely affect TOP's ability to access private and public capital required in order to support continuing operations and its ability to operate in the U.S.

Neither the Canadian Securities Exchange nor its Regulation Services Provider accepts responsibility for the adequacy or accuracy of this release.

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