

GABRIELLA'S KITCHEN

Gabriella's Kitchen Secures Long-Term Supply of High Quality CBD Extract

CALGARY, ALBERTA and SANTA ROSA, CALIFORNIA – FEBRUARY 21, 2019 – Gabriella's Kitchen Inc. ("GABY" or the "Company") (CSE: GABY), an innovative and leading-edge cannabis wellness company, is pleased to announce it has entered into a supply agreement to purchase cannabidiol ("CBD") extract, including full spectrum, high grade cannabidiol, distillate oil and isolate crystals from Xtract Xperts, the largest producer of hemp in the state of Oregon.

"As a wellness company, GABY determined a year and a half ago that we needed to incorporate hemp-derived CBD and other cannabinoids into our product strategy because of the powerful wellness properties associated with the plant," said Margot Micallef, Founder & CEO of GABY. "We have been deeply immersed in research and product development since that time and sourcing high quality, reliable CBD is fundamental to our successful execution of this strategy."

The demand for CBD and products containing CBD has dramatically expanded following removal of CBD from Schedule I of the *Controlled Substances Act* in the U.S. on December 11, 2018, under the *Agriculture Improvement Act of 2018* (the "2018 Farm Bill"). With rapidly increasing knowledge and awareness about its positive health impacts, mainstream consumers are increasingly seeking to realize the benefit of wellness properties associated with CBD and other cannabinoids derived from hemp. A December 2018 Hemp Business Journal article written by Sean Murphy and others, estimates that, in leading all hemp product categories, the hemp-derived CBD market will grow from a \$390 million-dollar market in 2018, to a \$1.3 billion market (3.3x) by 2022, representing a 27.2% 5-year CAGR.

On December 10, 2018, the day before the Farm Bill was signed into law, Bethany Gomez, Director of Research at the cannabis and CBD market research organization, Brightfield Group, was quoted in a Rolling Stone article -stating, "This is a watershed moment for CBD in the United States. With hemp and all of its derivatives officially removed from the Controlled Substances Act, CBD moves from a legal gray area into the light." She continued, "...this shift will allow for CBD to make its way to the shelves of larger scale, mainstream distribution channels and pave the way for ... mainstream consumer packaged goods companies in industries like drinks, beauty, pet, skin care and tobacco to develop CBD products and capitalize on this emerging industry."

In a statement, Ms. Micallef agreed with Ms. Gomez saying, "GABY's confidence in the explosive future potential of the CBD market led us to immediately recognize the importance of securing a supply of high-quality CBD to ensure we can successfully execute our strategy of developing new and desired products for consumers that incorporate hemp-derived CBD and other cannabinoids."

"We are excited to be in discussions with a number of retailers with whom GABY already has existing relationships, and who are exploring the opportunity to sell CBD products. To date, our product development pipeline includes flavoured cooking oils, cold brew and other coffee products, skin care products, tinctures and supplements. Having a source of high-quality CBD extract is fundamental to GABY's ability to reliably produce and distribute our CBD infused products into the mainstream market".

“Quality control is the foundation of Xtract Xperts” said Cindy Wyant, CEO and Founder of Xtract Xperts. “All of our extractions are lab tested to ensure cannabinoid potency. We use a proprietary and innovative extraction process that protects the beneficial compounds of the hemp plant, namely, the terpenes, terpenoids, phytocannabinoids, and flavonoids - characteristics that we know are important to GABY and are what consumers are looking for in a high quality product.”

All CBD extracts from Xtract Xperts are derived from hemp (not marijuana). CBD extract is different from hemp seed oil and organic hemp oil, as these are derived from hemp seeds (not the resin) and do not contain cannabidiol – which is the compound in hemp which has been correlated with specific health benefits, including anxiety, pain, high blood pressure and epileptic seizures. In fact, in June of 2018 the U.S. Food and Drug Administration (“FDA”) approved the first pharmaceutical formulation of hemp-derived purified CBD for use in an anti-epileptic drug. This approval was an important signal and provided clear indication of the potential pharmacological benefits associated with CBD and its extracts.

In addition to Xtract Xperts, to further advance the Company’s strategy, GABY has actively secured numerous acquisitions and strategic partnership arrangements over the past six months with firms across the CBD value chain, including The Oil Plant Inc. (“TOP”) cannabis extractor and manufacturer; Sonoma Pacific Distribution (“Sonoma ”), California’s premier independently-owned cannabis distribution and marketing company; and most recently, Eximius Coffee LLC (“Eximius”), a U.S. coffee importer whose products are sold in retail grocery stores throughout the U.S. GABY will continue to build out its innovative product, marketing, distribution and retail capabilities to further its objective of becoming a leading U.S.-focused, cannabis wellness company.

ABOUT XTRACT XPERTS

Xtract Xperts are industry leaders in the field of cannabidiol extraction and are revered for producing large amount of high quality CBD concentrates. Xtract Xperts is one of the largest producers of hemp in the nation and accounts for roughly 1,000 acres of the roughly 3,500 acres of hemp cultivation in the State of Oregon. The company has the capability to produce approximately 2,000 liters of crude oil and 1,500 liters of distillate from approximately 20,000 pounds of biomass daily – a feat few others in the country can compete with.

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.

Further information:

For investment inquiries, please contact Margot Micallef, Founder & CEO or Investor Relations at IR@gabriellas-kitchen.com or (800) 674-2239.

For media inquiries, please contact Lana Rogers, Public Relations Consultant, at or (403) 519-7959.

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.

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