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Gabriella's Kitchen Completes Previously Announced Acquisition of The Oil Plant, Securing Foothold in California Cannabis Market

October 16, 2018

CALGARY, ALBERTA – Gabriella's Kitchen Inc. ("**GABY**" or the "**Company**") (CSE: **GABY**), an innovative and leading-edge cannabis wellness company, is pleased to report the successful closing of The Oil Plant, Inc. ("**TOP**") acquisition and its associated cannabis licenses (the "**Transaction**"), which was previously announced on September 13, 2018. Under the terms of the Transaction, TOP shareholders will receive GABY common shares as consideration for their holdings on an earn-out basis, with GABY issuing up to US\$2.1 million in share consideration at the prevailing market price, calculated and paid quarterly, subject to certain performance targets being met. Wildhorse Capital Partners acted as a strategic advisor to the Company in completing the Transaction.

Through the Transaction, GABY has secured a Type-6 non-volatile manufacturing license and a cannabis extraction and infusion facility in the State of California. In addition, GABY will also be able to leverage a non-exclusive license held by TOP to access an extensive database of formulations and other associated health attributes to create proprietary and white-label products that offer a wide range of health benefits, which is expected to facilitate GABY's continued product development. In concert with the Transaction, Mara Gordon, the founder of TOP and a thought-leader in the industry, joined GABY in the role of Chief Research Officer.

This Transaction augments GABY's existing distribution and manufacturing infrastructure and gives the Company a strong foundation from which to continue building an infused product cannabis business targeting the extensive wellness market in the United States. With this Transaction, GABY has been transformed into one of the only publicly-listed, pure play cannabis wellness companies listed on the CSE.

About Gabriella's Kitchen

Gabriella's Kitchen (GABY) is a pure-play cannabis wellness company. With its existing infrastructure of major retailers and an extensive broker and distribution network, GABY is positioned to service mainstream grocery with CBD infused products, and licensed cannabis retailers with CBD and THC-infused products throughout Canada and the United States. The Company's non-infused products are currently available in more than 3,400 major retail stores across the U.S. and Canada.

Italian sisters Margot and Gabriella co-founded Gabriella's Kitchen to bring high quality, delicious, healthy superfoods to the market. The desire to create the all-encompassing wellness company came after Gabriella received a dire cancer diagnosis which spurred the sisters to prolong Gabriella's life through a holistic approach to health. Recognizing that healthy and functional superfoods should be enjoyed by everyone, GABY has created a diverse range of products that cater to a variety of dietary and health

concerns. Although Gabriella ultimately passed away from the 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.*

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. 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.

With the successful completion of the Transaction, TOP has become 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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