

FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: Dixie Brands Inc. (the "Issuer").

Trading Symbol: DIXI.U

Number of Outstanding Listed Securities: 125,809,526 subordinate voting shares ("Shares")

Date: June 7, 2019

Report on Business

1. Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.

The Issuer carries on the principal business of branding, marketing and licensing certain technology and product names related to THC-products, including "DIXIE™ ELIXIRS & EDIBLES", as well as full spectrum hemp oil derived human and animal dietary supplements through the brands "ACESO WELLNESS" and "THERABIS" in the United States, Canada, Mexico, Australia, New Zealand and Latin America.

On May 22, 2019, the Issuer announced that its wholly owned subsidiary, Aceso™ Hemp, unveiled a new a product, Fizz Tabs, the first-ever line of dissolvable hemp-infused tablets to in the cannabidiol category.

On May 28, 2019, the Issuer announced that one of its canine supplement products will form the basis of a clinical trial by the Veterinary Clinical Investigations Center at the University of Pennsylvania School of Veterinary Medicine (Penn Vet). The trial will evaluate the effectiveness of "Mobility", a hemp-based natural supplement developed by the Issuer's subsidiary, Therabis, to relieve symptoms of joint immobility in dogs.

After the passage into law of Colorado bill HB19-1090, a bill providing for greater investment flexibility in marijuana business in Colorado, the Issuer announced on May 29, 2019 that it intends to explore opportunities to expand investment in Denver-based cannabis operations, once the law is fully in place.

On May 30, 2019, the Issuer announced that Vedco, Inc. will begin distributing the new Therabis Veterinarian Formula line of hemp-based pet wellness supplements to their network of distributors who are the leading suppliers to veterinary clinics across the United States.

2. Provide a general overview and discussion of the activities of management.

The Issuer's management is currently negotiating various agreements to expand its footprint in the United States and internationally.

3. Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.

Since the date of the Issuer's most recent Form 7, the Issuer introduced a new product from its wholly owned subsidiary, Aceso™ Hemp, called Fizz Tabs, which is a line of dissolvable hemp-infused tablets that dissolve in water. Please see the news release dated May 22, 2019.

The Issuer also announced that it will introduce a series of new formulations of its Therabis product called "Therabis Veterinarian Formula", to be distributed to veterinarian clinics, in recognition of the fact that that pets requiring veterinary care are more likely to require stronger versions of the product. Please see the news release dated May 30, 2019.

4. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.

Not applicable.

5. Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.

Not applicable.

6. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced.

Not applicable.

7. Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship.

Not applicable.

8. Describe the acquisition of new customers or loss of customers.

Not applicable.

9. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks.

None.

10. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.

None.

11. Report on any labour disputes and resolutions of those disputes if applicable.

None.

12. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.

None.

13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.

The Issuer did not incur or repay any indebtedness other than in the normal course of operations.

14. Provide details of any securities issued and options or warrants granted.

Security	Number Issued	Details of Issuance	Use of Proceeds⁽¹⁾
Shares	150,000	Shares were issued pursuant to an exercise of options.	USD\$93,000 will be used for general working capital purposes.
Warrants	Nil.	N/A	N/A
Options	Nil.	N/A	N/A

(1) *State aggregate proceeds and intended allocation of proceeds.*

15. Provide details of any loans to or by Related Persons.

None.

16. Provide details of any changes in directors, officers or committee members.

None.

17. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.

The most significant trends and uncertainties which management expects could impact its business and financial condition are the changing legal and regulatory regime which regulates the production and sale of cannabis and cannabis related products in the United States and other jurisdictions. See Section 17 – Risk Factors in the Issuer's CSE Form 2A Listing Statement dated November 23, 2018 available on www.sedar.com.

Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there were is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated June 7, 2019.

C.J. Chapman
Name of Director or Senior Officer

(signed) C.J. Chapman
Signature

General Counsel
and Corporate Secretary
Official Capacity

Issuer Details	For Month End	Date of Report
Name of Issuer		YY/MM/D
Dixie Brands Inc.	May 31, 2019	2019/06/07
Issuer Address		
4990 Oakland Street		
City/Province/Postal Code	Issuer Fax No.	Issuer Telephone No.
Denver, CO 80239	(---)-----	(303)-945-3963
Contact Name	Contact Position	Contact Telephone No.
C.J. Chapman	General Counsel	(303)-945-3963
Contact Email Address	Web Site Address	
cchapman@dixiebrands.com	http://dixieelixirs.com/	