

Acquisition of Units By HoldCo (St. Catharines) Ltd

Toronto, Ontario--(Newsfile Corp. - December 23, 2022) - Hill Street Beverage Company Inc. (**TSXV: HILL**) (**OTC Pink: HSEEF**) ("**Hill Street**" or the "**Company**"): This press release is being disseminated by HoldCo (St. Catharines) Ltd. (the "**Acquiror**") as required by National Instrument 62-103 - *The Early Warning System and Related Take-Over Bids and Insider Reporting Issues*, in connection with its acquisition of securities of Hill Street.

On December 22, 2022, the company completed a non-brokered private placement of ("**Units**") for aggregate gross proceeds of \$700,000, with each Unit consisting of one (1) common share in the capital of the Issuer ("**Common Share**") and one (1) Common Shares purchase warrant ("**Warrant**"), with each Warrant entitling the holder thereof to purchase one (1) Common Share at a price of \$0.05 per share for a period of 24 months from the date of closing, subject to adjustment (the "**Offering**").

In connection with the Offering the Acquiror acquired 5,000,000 Units, consisting of 5,000,000 Common Shares, and 5,000,000 Warrants, for an aggregate purchase price of \$200,000.

Prior to the completion of the Offering, the Acquiror (together with its joint actors) beneficially owned 58,797,855 Common Shares, and 465,733 options to purchase Common Shares, representing 26.12% of the issued and outstanding Common Shares, and 26.32% of the issued and outstanding Common Shares on a partially diluted basis.

After completion of the Offering, the Acquiror (together with its joint actors) beneficially owns 63,797,855 Common Shares, 5,000,000 Warrants, and 465,733 options to purchase Common Shares, representing 26.29% of the issued and outstanding Common Shares, and 27.91% of Common Shares on a partially diluted basis.

The Acquiror is relying on the exemption set forth in Section 4.2 of National Instrument 62-104 - Take Over Bids and Issuer Bids, on the basis that this transaction is a private agreement.

The Acquiror acquired the Common Shares and Warrants for investment purposes. The Acquiror intends to review its investment in Company on a continuing basis and may, from time to time and at any time, acquire or cause to be acquired additional equity or debt securities or other instruments of Company, or dispose or cause to be disposed such equity or debt securities or instruments, through open market transactions, private placements by Company and other privately negotiated transactions, or otherwise, in each case in accordance with applicable securities laws.

An early warning report will be filed by the Acquiror under applicable securities laws and will be available on Company's SEDAR profile at www.sedar.com. A copy of the early warning report may also be obtained from Pearl Chan, Corporate Secretary, pearl@hillstreetbevco.com.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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