

**FORM 51-102F3
MATERIAL CHANGE REPORT**

Item 1. Name and Address of Company

Hill Street Beverage Company Inc.
2410 Lucknow Drive Unit #31
Mississauga, Ontario
L5S 1V1

Item 2. Date of Material Change

November 18, 2022

Item 3. News Release

The news release announcing the material change was released on November 18, 2022, *through Canadian newswires and subsequently filed on the System for Electronic Document Analysis and Retrieval*. A copy of the press release is attached hereto.

Item 4. Summary of Material Change

The Company has received approval from the TSX Venture Exchange to amend the extended the expiry date and reduce the exercise price of 11,250,900 warrants of the Company which were originally set expire on November 18, 2022.

Item 5.1. Full Description of Material Change

Please see the attached press release.

Item 5.2. Disclosure of Restructuring Transactions

Not applicable.

Item 6. Reliance on subsection 7.1(2) of National Instrument 51-102

Confidentiality is not requested.

Item 7. Omitted Information

No information has been omitted in respect of the material change.

Item 8. Executive Officer

Craig Binkley
Craig@hillstreetbevco.com

Item 9. Date of Report

November 18, 2022

Hill Street Announces Warrant Extension and Repricing

Toronto, ON, November 18, 2022 – Hill Street Beverage Company Inc. (TSXV: HILL) (“**Hill Street**” or the “**Company**”) announces today that it has extended the expiry date and reduced the exercise price of 11,250,900 warrants (the “**Amended Warrants**”) of the Company which were originally set to expire today, after having received the approval of the TSX Venture Exchange to such amendments. All dollar figures are quoted in Canadian dollars.

The new expiry date of the Amended Warrants is **March 17, 2023** and the reduced exercise price is **\$0.05**. The Amended Warrants include an accelerated expiry provision such that the exercise period of each of the Amended Warrants is reduced to 30 days if for any 10 consecutive trading days, the closing price of the Company’s common shares is equal or greater than \$0.0625, with the 30-day expiry period commencing on the day the Company disseminates a press release announcing the commencement of the accelerated expiry period.

Insiders of the Company hold 7,470,000 of the 17,109,000 total warrants (“**Total Warrants**”) in this series. In accordance with TSX-V policies, only 10%, or 1,709,100, of the Total Warrants are subject to these amendments on a pro-rata basis among such insiders. A portion of the Amended Warrants are held by parties who are considered to be "related parties" of the Company. Therefore, the amendment of Amended Warrants constitutes a "related party transaction" as contemplated by Multilateral Instrument 61-101 Protection of Minority Shareholders in Special Transactions, and TSXV Policy 5.9 - Protection of Minority Shareholders in Special Transactions. However, the exemptions from formal valuation and minority approval requirements provided for by these guidelines can be relied upon as the fair market value of the Amended Warrants does not exceeds 25% of the market capitalization of the Company. A material change report in respect of this related party transaction will be filed by the Company.

While the Company is prioritizing the push to achieve positive quarterly cash flow without additional fundraising through its revenue generating and cost containment measures, it believes that the repricing and extension of the Amended Warrants is reasonable and necessary in the context of the overall market, as it increases the likelihood that any additional cash needs of the Company could be financed through the exercise of the Amended Warrants.

About Hill Street Beverage Company Inc. (TSXV: HILL)

Hill Street Beverage Company Inc. is a progressive non-alcoholic beverage and cannabis solutions company. We are pioneering the space where craft consumer products meet bioscience by combining our deep CPG expertise and our rights to use **Lexaria Bioscience Corp.’s** ground-breaking **DehydraTECH™** patent portfolio for product development, licensing and B2B sales of cannabis ingredients.

For more information on our business activities or to check out **Hill Street’s** award-winning alcohol-free line-up and order product to be delivered straight to your home go to www.hillstreetbeverages.com

For more information:

Matthew Jewell, Chief Financial Officer
matthew@hillstreetbevco.com

FORWARD-LOOKING STATEMENTS

Statements in this press release may contain forward-looking information. Any statements in this press release that are not statements of historical fact may be deemed to be forward-looking statements. Forward-looking statements are often identified by terms such as “may”, “should”, “would”, “anticipate”, “expects”, and similar expressions. The reader is cautioned that assumptions used in the preparation of any forward-looking information may prove to be incorrect. Events or circumstances, such as future availability of capital on favourable terms, may cause actual results to differ materially from those predicted, as a result of numerous known and unknown risks, uncertainties, and other factors, many of which are beyond the control of the Company. The reader is cautioned not to place undue reliance on any forward-looking information. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. Forward-looking statements contained in this press release are expressly qualified by this cautionary statement. The forward-looking statements contained in this press release are made as of the date of this press release. The Company does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as required by securities law.

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.

Not for dissemination in the United States.