

Hill Street Beverage Company Inc. Announces Co-Packing Partnership with Peak Processing Solutions

Toronto, Ontario--(Newsfile Corp. - November 13, 2019) - Hill Street Beverage Company Inc. (TSXV: BEER) ("**Hill Street**" or the "**Company**") is pleased to announce it has signed a non-binding and non-exclusive letter of intent to produce cannabis infused beverages at a facility operated by Peak Processing Solutions.

Peak Processing Solutions is a Canadian cannabis co-packing and white label consumer product manufacturing services firm, currently completing the final set up of its purpose-built, world-class beverage and consumer products production facility. Under the working agreement with Hill Street, Peak will manufacture strategic products in specific formats, which are attractive to Hill Street's cannabis edibles consumers. With the introduction of "Cannabis 2.0" products into the Canadian market including beverages, topicals, and edibles, Peak's production capabilities will address Hill Street's consumer demand for its growing portfolio of cannabis product introductions on a scalable basis. With deep management and operational expertise, Peak offers Hill Street the flexibility to manage supply chain, production and distribution efficiently in a cost-effective manner.

"Strategically, as our first key cannabis production partner, Peak will have the entire process we need to produce, fill and package our cannabis-infused beverages," commented Terry Donnelly, Chairman & CEO of Hill Street. "Their production facilities and standards are an excellent fit for our requirements, and their strict adherence to safety and quality procedures as well as the compliance requirements mandated by Health Canada are essential to our brand. We could not be more delighted to partner with Peak's world-class team of experts who have deep experience working with the biggest names in cannabis and consumer packaged goods manufacturing. Leveraging Peak's competencies with Hill Street's extensive history of developing award-winning, non alcoholic brands, we expect that this partnership will prove to be one of the cornerstones of our success in the cannabis sector."

"Hill Street's brands are market-proven winners already," said Gregg Battersby, Founder and President of Peak Processing Solutions. "When we designed our facility, we envisioned the opportunity to work with world class brands such as those marketed by Hill Street, and we are confident we can continue to build on their reputation by producing cannabis beverages that meet the high standards for taste and consumer experience they are already known for."

Next Steps for Bringing Hill Street's Cannabis-Infused to Market

In order for Hill Street to launch its cannabis infused products, Peak will need to receive its Health Canada licence to manufacture cannabis edibles, with completion expected in early 2020. Peak and Hill Street will be required to submit samples of the proposed products to Health Canada for approval, and there is no guarantee that the products will be acceptable to Health Canada for distribution in Canada without alterations or changes to both the formulations and packaging, as well as the intended branding for the products. Further, Hill Street and Peak will be required to receive permission and purchase orders through the Provincial regulators in order to secure distribution for these products. Hill Street and Peak aim to distribute through both government and privately-owned retailers.

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

Hill Street Beverage Company is the world's most award-winning company exclusively focused on alcohol-free beer, wine, and adult-format beverages. Hill Street's great-tasting products include Hill Street Craft Brewed Lager, Vin(Zero) wines, and Vintense wines, and have won numerous medals and accolades around the world. Hill Street will also produce and sell cannabis-infused adult beverages and other cannabis products with expected distribution at licensed outlets in 2020. Check out Hill Street's award-winning line-up and order product to be delivered straight to your home at www.hillstreetbeverages.com.

For further information:

Terry Donnelly, Chairman and CEO, Hill Street Beverage Company Inc.,
terry@hillstreetbevco.com, (416) 543-4904;

Follow Hill Street on Twitter <https://twitter.com/hillstreetbevco>

Facebook <http://facebook.com/hillstreetbevco>

About Peak Processing Solutions

Peak Processing Solutions is a manufacturing service provider, specializing in contract and tolling services for the Canadian and International cannabis market. Peak partners with licensed producers of cannabis, as well as non-licensed businesses looking to enter the cannabis market, to develop THC and CBD product lines. Their purpose-built facility in Ontario is equipped to manufacture a range of premium cannabis-infused products, including beverages, edibles, small liquid products, water-soluble powder products, tinctures, vape pens and topicals.

Peak is a wholly owned subsidiary of Althea Group Holdings Limited (ASX: AGH).

For further information:

Michael Tolmie, VP of Regulatory and Commercial Affairs, Peak Processing Solutions
mtolmie@peakprocessing.com, (519) 259-9964

Follow Peak on LinkedIn <https://ca.linkedin.com/company/peak-processing-solutions>

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", "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.

To view the source version of this press release, please visit <https://www.newsfilecorp.com/release/49688>