

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

**Item 1. Name and Address of Company**

Hill Street Beverage Company Inc. (Formerly Avanco Capital Corp.)  
480 University Ave, Suite 1401  
Toronto, Ontario  
M5G 1V2

**Item 2. Date of Material Change**

December 11, 2018  
December 18, 2018

**Item 3. News Release**

The news releases announcing the material change were released on December 18, 2018, 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**

Lori Senecal has been appointed to the Board of Directors of the Company.

In accordance with the approval received by its shareholders at its AGM held on October 30, 2018, it has filed articles of continuance to continue the Company to Ontario as an Ontario Corporation.

**Item 5.1. Full Description of Material Change**

For further information, please see the attached press releases, and Articles of Continuance.

**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**

Terry Donnelly  
terry@hillstreetbevco.com

**Item 9. Date of Report**

December 20, 2018

# Hill Street Beverage Company announces Appointment of Lori Senecal to Board of Directors

## Marketing and communications expert with global experience chosen to become first female Board Member

Toronto, Ontario--(Newsfile Corp. - December 11, 2018) - Hill Street Beverage Company Inc. (TSXV: BEER) ("Hill Street" or the "Company") announced today the appointment of advertising luminary Lori Senecal to its Board of Directors, effective immediately.

Hill Street Chairman and CEO Terry Donnelly stated, "I couldn't be more thrilled to welcome Lori to the Hill Street Board. She's one of the smartest business leaders I've ever come across, and her experience in the advertising industry is unparalleled. She's going to add significant value to our organization, and we're very lucky to have her onboard."

Ms. Senecal served as the Global CEO for advertising powerhouse Crispin Porter + Bogusky from 2015 to 2017, leading their 10 offices globally and helping them win significant business including American Airlines globally, and brands from The Hershey Company and Kraft Heinz. During her time there, Ms. Senecal's leadership and strong focus on talent fueled the agency's entrepreneurial spirit, and led Advertising Age to recognize CP+B among the "Creativity Innovators of the Year" for 2017, while naming Lori among only four "Agency Executives to Watch" in 2016. Prior to her role with CP+B, Ms. Senecal worked in progressive senior roles at advertising agencies McCann and KBS, on clients such as Coca Cola, BMW, Nestle beverages, Molson Canadian, Dos Equis, and Rolling Rock.

Among her many notable accomplishments, Ms. Senecal was included on Fast Company's "Most Creative people in business", on AdWeek's "Top 100 Leaders in Media, Marketing and Tech", and has been both a Main Stage Speaker and a member of the Jury at the Cannes Lions International Festival of Creativity.

"I'm delighted to be joining the Hill Street family," adds Lori Senecal. "I'm very impressed with the thriving alcohol-free adult beverage business they have developed, and excited about what they're doing behind the scenes to set themselves up for dynamic growth as soon as cannabis-infused beverages can be introduced to the market. I'm eager to begin working with their world-class team and to contribute to the company's strategic growth."

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

Founded in 2008, 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 products include Hill Street Craft Brewed Lager, Designated Draft alcohol-free beer, Vin(Zero) wines, and Vintense wines. Hill Street's award-winning products have won the Retail Council of Canada's Grand Prix, numerous medals and accolades (including three Gold, two Silver, and two Bronze Medals at the U.S. Open Beer Championships), and a prestigious Double Gold Medal at the San Francisco International Wine Challenge. Hill Street has applied for licenses to produce and sell cannabis-infused adult beverages in Canada, and plans to do so as soon as cannabis-edibles become legal, currently expected by the fall of 2019. [www.hillstreetbeverages.com](http://www.hillstreetbeverages.com)

Follow Hill Street on [Twitter](#) and on [Facebook](#).

For further information:

Press only:

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

For investors:

Gareth Tingling, Investor Relations,  
[gareth@sophiccapital.com](mailto:gareth@sophiccapital.com), (647) 797-0219

### 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.**



## Hill Street Continues to Ontario

**Toronto, Ontario – December 18, 2018.** Hill Street Beverage Company Inc. (“**Hill Street**” or the “**Company**”) (TSX-V: BEER) announces that in accordance with the approval received by its shareholders at its AGM held on October 30, 2018, it has filed articles of continuance to continue the Company to Ontario as an Ontario Corporation. A copy of the articles of continuance can be found on SEDAR.

For further information:

Press only:

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

For investors:

Gareth Tingling, Investor Relations,  
gareth@sophiccapital.com, (647) 797-0219



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



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

***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.***

For Ministry Use Only  
À l'usage exclusif du ministère



Ministry of Government  
and Consumer Services

Ministère des Services  
gouvernementaux et des  
Services aux consommateurs

**Ontario**  
**CERTIFICATE**  
This is to certify that these articles  
are effective on

**CERTIFICAT**  
Ceci certifie que les présents statuts  
entrent en vigueur le

Ontario Corporation Number  
Numéro de la société en Ontario

5002628

**NOVEMBER 3 0 NOVEMBRE, 2018**

*Barbara Duckitt*

Director / Directrice  
Business Corporations Act / Loi sur les sociétés par actions

**ARTICLES OF CONTINUANCE  
STATUTS DE MAINTIEN**

Form 6  
Business  
Corporations  
Act

Formule 6  
Loi sur les  
sociétés par  
actions

1. The name of the corporation is: (Set out in BLOCK CAPITAL LETTERS)  
Dénomination sociale de la société : (Écrire en LETTRES MAJUSCULES SEULEMENT) :

H	I	L	L	S	T	R	E	E	T	B	E	V	E	R	A	G	E	C	O	M	P	A	N	Y	I
N	C	.																							

2. The corporation is to be continued under the name (if different from 1) :  
Nouvelle dénomination sociale de la société (si elle différente de celle inscrite ci-dessus) :


3. Name of jurisdiction the corporation is leaving: / Nom du territoire (province ou territoire, État ou pays) que quitte la société :  
**British Columbia**

Name of jurisdiction / Nom du territoire

4. Date of incorporation/amalgamation: / Date de la constitution ou de la fusion :

**2016/04/06**

Year, Month, Day / année, mois, jour

5. The address of the registered office is: / Adresse du siège social en :

**480 University Ave., Suite 1401**

Street & Number or R.R. Number & if Multi-Office Building give Room No.  
Rue et numéro ou numéro de la R.R. et, s'il s'agit d'un édifice à bureaux, numéro du bureau

**Toronto**

Name of Municipality or Post Office / Nom de la municipalité ou du bureau de poste

**ONTARIO**

**M 5 G 1 V 2**

Postal Code/Code postal

6. Number of directors is/are: Fixed number  OR minimum and maximum  1  10  
 Nombre d'administrateurs : Nombre fixe  OU minimum et maximum  1  10

7. The director(s) is/are: / Administrateur(s) First name, middle names and surname Prénom, autres prénoms et nom de famille	Address for service, giving Street & No. or R.R. No., Municipality, Province, Country and Postal Code Domicile élu, y compris la rue et le numéro ou le numéro de la R.R., le nom de la municipalité, la province, le pays et le code postal	Resident Canadian State 'Yes' or 'No' Résident canadien Oui/Non
Terence Donnelly	c/o 480 University Ave., Suite 1401, Toronto, ON., M5G 1V2	Yes
Kevin Ruddle	c/o 480 University Ave., Suite 1401, Toronto, ON., M5G 1V2	Yes
Paul Rosen	c/o 480 University Ave., Suite 1401, Toronto, ON., M5G 1V2	Yes
Jack Fraser	c/o 480 University Ave., Suite 1401, Toronto, ON., M5G 1V2	Yes
Craig Binkley	c/o 480 University Ave., Suite 1401, Toronto, ON., M5G 1V2	No
Rudy Sawatzky	c/o 480 University Ave., Suite 1401, Toronto, ON., M5G 1V2	Yes

8. Restrictions, if any, on business the corporation may carry on or on powers the corporation may exercise.  
 Limites, s'il y a lieu, imposées aux activités commerciales ou aux pouvoirs de la société.  
 None

9. The classes and any maximum number of shares that the corporation is authorized to issue:  
Catégories et nombre maximal, s'il y a lieu, d'actions que la société est autorisée à émettre :

**An unlimited number of shares of one class designated as "Common Shares".**

10. Rights, privileges, restrictions and conditions (if any) attaching to each class of shares and directors authority with respect to any class of shares which may be issued in series:  
Droits, privilèges, restrictions et conditions, s'il y a lieu, rattachés à chaque catégorie d'actions et pouvoirs des administrateurs relatifs à chaque catégorie d'actions qui peut être émise en série :

N/A



11. The issue, transfer or ownership of shares is/is not restricted and the restrictions (if any) are as follows:  
L'émission, le transfert ou la propriété d'actions est/n'est pas restreint. Les restrictions, s'il y a lieu, sont les suivantes :

None.

12. Other provisions, (if any):  
Autres dispositions s'il y a lieu :

(1) The directors of the Corporation may from time to time on such terms as they deem expedient:

(a) borrow money upon the credit of the Corporation;

(b) issue, reissue, sell or pledge debt obligations of the Corporation;

(c) charge, mortgage, hypothecate, pledge or otherwise create a security interest in any property of the Corporation, real or personal, or moveable or immovable, to secure any present or future indebtedness, liabilities or other obligations of the Corporation, by trust deed or in any other matter;

(d) subject to the Business Corporations Act (Ontario), give a guarantee on behalf of the Corporation to secure performance of an obligation of any person; and

(e) by resolution, delegate to one or more of the directors of the Corporation all or any of the foregoing powers.

(2) The powers conferred on the directors and the Corporation in the preceding paragraphs are in addition to and not in substitution for any powers possessed by the Corporation and its directors independently of such provisions.

13. The corporation has complied with subsection 180(3) of the *Business Corporations Act*.  
La société s'est conformée au paragraphe 180(3) de la *Loi sur les sociétés par actions*.

14. The continuation of the corporation under the laws of the Province of Ontario has been properly authorized under the laws of the jurisdiction in which the corporation was incorporated/amalgamated or previously continued on  
Le maintien de la société en vertu des lois de la province de l'Ontario a été dûment autorisé en vertu des lois de l'autorité législative sous le régime de laquelle la société a été constituée ou fusionnée ou antérieurement maintenue le

2018/10/29

Year, Month, Day  
année, mois, jour

15. The corporation is to be continued under the *Business Corporations Act* to the same extent as if it had been incorporated thereunder.  
Le maintien de la société en vertu de la *Loi sur les sociétés par actions* a le même effet que si la société avait été constituée en vertu de cette loi.

These articles are signed in duplicate.  
Les présents statuts sont signés en double exemplaire.

**HILL STREET BEVERAGE COMPANY INC.**

\_\_\_\_\_  
Name of Corporation / Dénomination sociale de la société

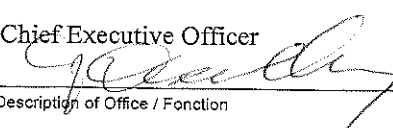
By / Par

\_\_\_\_\_  
Signature / Signature

**Terry Donnelly**

\_\_\_\_\_  
Print name of signatory / Nom du signataire en lettres moulées

Chief Executive Officer

  
\_\_\_\_\_  
Description of Office / Fonction

These articles **must** be signed by a director or officer of the corporation (e.g. president, secretary)  
Ces statuts doivent être signés par un administrateur ou un dirigeant de la société (p. ex. : président, secrétaire).