



## Hill Street signs CDL Inc. as Exclusive Sales Distributor in Quebec

**Toronto, Ontario - October 24, 2018.** Hill Street Beverage Company Inc. (“**Hill Street**” or the “**Company**”) (TSX-V: BEER) is pleased to announce it has signed an exclusive regional sales and distribution agreement with Clarke, Drouin, Lefebvre Inc. for the province of Quebec. Hill Street has also settled existing litigation with a prior distributor.

### **Exclusive Sales and Distribution Agreement with CDL**

On October 23, 2018, Hill Street entered into an exclusive regional sales and distribution agreement with Clarke, Drouin, Lefebvre Inc. (“**CDL**”) for the province of Quebec.

According to Nielsen, Quebec is the largest regional market for alcohol-free wine and beer in Canada, which is driven by higher-than-average per-capita consumption of such products. This new partnership will allow Hill Street to take advantage of this growing demand for world class alcohol-free beverages.

“Making our award-winning wine and beer brands -- including Vin(Zero), Vintense, and Hill Street Craft Brewed Lager -- readily available in the largest alcohol-free market in Canada is a significant win for our company,” said Terry Donnelly, Chairman and Chief Executive Officer of Hill Street. “Having an experienced local distributor in this market is critical to get our products into Quebec’s unique retail environment of over 3,000 store fronts. Signing this agreement helps move us significantly toward achieving our stated goal of having our award-winning alcohol-free wine and beer brands available in 7,000 stores by the end of the calendar year.”

“Hill Street has built an impressive portfolio of award-winning alcohol-free beverages, which complements the products we currently represent at retail. Joining forces with Hill Street helps our company capitalize on the incredible growth we are seeing in the alcohol-free beverage market ,” said Michel Doyon, VP Business Development at CDL.

### **Settlement of Lawsuit**

The Company also announces it has reached a settlement with one of its former distributors, KeHe Distributors, LLC (“KeHe”), concerning a lawsuit commenced by KeHe in the United States with respect to an alleged breach of contract. The commercial terms of the settlement are confidential. Management of Hill Street does not believe the amount of the settlement will significantly impact Hill Street’s growth plans.

### **About Clarke, Drouin, Lefebvre Inc.**

Founded in 1932, CDL specializes in the marketing and representation of consumer packaged goods. Their experience and expertise has led them to develop flexible and proven business development solutions for their valued vendor partners.

### **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, and 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. As a result of the Royal Assent of Canada’s Bill C-45, legislation to allow the sale of cannabis-infused beverages is expected to occur by October 17, 2019. Hill Street is currently applying for appropriate licenses to permit the production and sale of cannabis infused beverages in Canada, with the view of having infused products available for sale once the regulations permit. [www.hillstreetbeverages.com](http://www.hillstreetbeverages.com)

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