

Hill Street Announces New DehydraTECH U.S. State Expansion and Licensing Deal in Oregon, and Expiry of Warrants

Toronto, Ontario--(Newsfile Corp. - May 24, 2022) - Hill Street Beverage Company Inc. (TSXV: HILL) ("**Hill Street**", or the "**Company**") is pleased to announce that its patented DehydraTECH™ fast-acting cannabis delivery technology is now available for license by cannabis licensed producers, contract manufacturers and brands in the State of Oregon. The addition of Oregon represents a new licensing expansion deal between Hill Street and Dehydr8, LLC ("**Dehydr8**"), Hill Street's DehydraTECH™ commercialization partner already driving operations in Michigan, Massachusetts, and Illinois.

Blazing the Oregon trail by being first in the state to enter into a licensing deal with Dehydr8 to produce DehydraTECH™-powered THC products is [Folium Farms](#), LLC, an Oregon vertically integrated cannabis producer "with soul, driven by data and science" with distribution in over 300 dispensaries across the state, the Company also announces today. The deal involves multi-year licensing of the DehydraTECH™ technology by Folium Farms and related services to be provided by Dehydr8, to power a range of THC-infused consumer products by Folium Farms utilizing the patented DehydraTECH™ process.

DehydraTECH™ is a patented drug delivery technology developed by Lexaria Bioscience Corp. ("**Lexaria**"). DehydraTECH™ improves the way active pharmaceutical ingredients (APIs) enter the bloodstream by promoting more effective oral delivery. DehydraTECH™ has repeatedly demonstrated the ability to increase bio-absorption with cannabinoids in some instances by as much as 27x compared to standard industry formulations, to reduce time of onset from 1 - 2 hours to minutes, and to mask unwanted tastes, addressing several of the key issues with cannabis-infused edible products. Lexaria operates a licensed in-house research laboratory and holds a robust intellectual property portfolio with 23 patents granted and over 50 patents pending worldwide. Hill Street acquired the usage rights to DehydraTECH™ fast-acting cannabinoid delivery system technology in connection with non-pharmaceutical products containing 0.30% or greater THC in December 2020.

"The expansion of DehydraTECH™ licensing operations into Oregon continues to demonstrate the ability to work with our Dehydr8 team to build strong relationships with quality LPs in key U.S. states," said Hill Street CEO Craig Binkley. "Bringing Folium Farms into our licensing ecosystem right away shows how quickly we can move in additional launch states, leveraging the foundation and approaches that we have built from our original launch with Dehydr8 in Michigan. With this announcement today, we are excited to be adding a market with a population of 4.25MM and over USD\$1.18B in annual cannabis sales to the Company's US footprint".

Update on Warrants Expiry Extension

The Company also announces that, further to its [announcement](#) that it applied to the TSX Venture Exchange to extend the expiry date of 12,993,000 warrants ("**Warrants**") of the Company that were set to expire on May 1, 2022, it did not receive the approval of the TSX Venture Exchange to such extension, and hence, the Warrants expired on May 1, 2022.

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.

Hill Street Beverages brands include **Vin(Zero)** alcohol-free wines, and **Hill Avenue Cannabis Brands** include **(V)ia Regal** Pink and White Grape Sparklers.

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.

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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.

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