

Hill Street Announces Fully Subscribed \$700,000 Private Placement of Units

Toronto, Ontario--(Newsfile Corp. - December 14, 2022) - **Hill Street Beverage Company Inc. (TSXV: HILL) (OTC Pink: HSEEF) ("Hill Street" or the "Company")**, a progressive bioscience implementation company that utilizes new technologies to provide innovative cannabis solutions and non-alcoholic beverage products, announces today that it intends to complete a non-brokered private placement for gross proceeds of up to \$700,000 (the "**Offering**"), subject to oversubscription at the option of the Company. The Offering is subject to TSX Venture Exchange approval. All dollar figures are quoted in Canadian dollars.

The Offering consists of a non-brokered private placement of up to 17,500,000 units (the "**Units**") at a price of \$0.04 per Unit. Each Unit will consist of one Common Share and one common share purchase warrant (the "**Warrants**") of the Company. Each Warrant will be exercisable to acquire one common share of the Company (a "**Common Share**") for a period of 24 months following the closing date of the Offering at an exercise price of \$0.05 per Common Share, subject to adjustment in certain events and acceleration by the Company in the event that the volume weighted average trading price of the Common Shares on the TSX Venture Exchange is greater than or equal to CDN\$0.08 for a period of ten consecutive days.

The Company intends to use the net proceeds of the Offering to fund marketing, sales and growth initiatives of the Company's DehydraTECH licensing and alcohol-free beverage business lines, for working capital and other general corporate purposes, and for investor relations activities not exceeding 10% of the proceeds. The proceeds will not be used to make any payments to non-arm's length parties. The Offering is already fully subscribed and closing of the Offering is expected to occur on or about December 21, 2022, subject to the final approval of the TSX Venture Exchange.

Insiders of the Company have subscribed for \$225,000 worth of Units in the Offering, representing 32% of the Offering. Participation by the insiders in the Offering is considered a "related party transaction" pursuant to Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions ("**MI 61-101**"). The transaction is exempt from the valuation and minority approval requirements of MI 61-101 on the basis that the fair market value of the consideration paid by such related parties does not exceed 25% of the market capitalization of the Company. A material change report will be filed in connection with the participation of insiders in the Offering.

All securities issued in Offering will be subject to a statutory four-month and one-day hold period under applicable Canadian securities laws.

Matthew Jewell, the Company's Chief Financial Officer stated: "*We are very pleased with the interest we have received in this Offering. The fact that we have received subscriptions for \$700K in financing at a 100% premium to the last closing price for our stock shows investor and insider confidence in the Company's new management team and transformed growth strategy. With this financing, Hill Street is well-positioned to advance the global growth agendas of both of its on-trend business lines with a solid balance sheet.*"

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

Hill Street is a progressive bioscience implementation company that utilizes new technologies to provide innovative cannabis solutions and non-alcoholic beverage products globally. We are pioneering the space where craft consumer products meet bioscience by leveraging our deep CPG expertise. We are currently developing the platform for our North American distribution around 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:

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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.

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