



Hill Street Announces a New Letter of Intent with Licensee DeHydr8 for the Commercialization of DehydraTECH™ Patented Technology in the Illinois Cannabis Market

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TORONTO, Oct. 13, 2021 /CNW/ - Hill Street Beverage Company Inc. ("**Hill Street**" or the "**Company**") (TSXV: BEER), is pleased to announce that it has signed a non-binding Letter of Intent to enter a new geographic territory with DeHydr8, LLC ("**DeHydr8**"), under which DeHydr8 would be granted semi-exclusive rights to develop, make, sell and distribute cannabis products containing 0.3% or greater THC content ("**THC cannabis products**") using [the patented DehydraTECH™ technology](#) in Illinois. The grant of Illinois rights to DeHydr8 is subject to the parties entering into definitive agreements. This move advances Hill Street's mission to rapidly expand cutting-edge DehydraTECH™ into US cannabis markets thereby accelerating commercialization of this patented technology.

While Hill Street already had licensing arrangements for the DehydraTECH™ technology directly with top cannabis brands in several US states, [on July 27, 2021, DeHydr8 became Hill Street's first US licensee](#) to gain rights to market DehydraTECH™ for THC cannabis products within the B2B market. Since then, DeHydr8 has leveraged both its deep relationships and years of experience in the cannabis market to enter into agreements with top quality LPs to produce consumer products Powered by DehydraTECH™. With the addition of this new mandate, DeHydr8 would bring Hill Street's usage rights to the cutting-edge DehydraTECH™ technology not only to Michigan, but now to the Illinois cannabis market, for use in the manufacturing of edibles, infused beverages, topicals, tinctures, sublingual products, and concentrates.

"The US market is critical to the growth of DehydraTECH™ given both the rapid, scaled expansion of the legal market and consumer demand for better cannabis experiences", said Craig Binkley, Co-CEO of Hill Street. "DeHydr8 has quickly and effectively leveraged its cannabis network and introduced top quality LPs to the benefits of using DehydraTECH™ in the production of their products. By adding Illinois, we would be fueling their momentum and reinforcing our commitment to focus resources on activities that have the greatest scale and growth potential".

The DeHydr8 team continues to leverage their relationships in the cannabis legal, retail, manufacturing and processing space with leading medical use and adult use licensed LPs across the country. They continue to work on form factor development and enhancement with their recognized experts in wellness and provisioning R&D.

"Over the past 60 days we have seen the power of DehydraTECH™ first-hand as we have introduced the technology to LPs in Michigan and worked with them on developing the best

formulations using this technology. We could not be more excited to unleash it across a broader geography", said Todd Webber, founder of DeHydr8. "The research credibility and continuous scientific advancements that Lexaria Bioscience Corp., a publicly traded drug and bioscience company, bring to DehydraTECH™ provide significant advantages over other competitors in the 'fast-acting' space".

Michigan and Illinois were chosen as early DehydraTECH™ markets not only on the basis of absolute scale and growth potential, but also in recognition of DeHydr8's deep relationships with LPs in these geographies. The DeHydr8 team continues to develop and leverage relationships in additional states for opportunities in licensing and manufacturing.

Michigan is on track to surpass \$1.5 billion in annual cannabis sales in 2021¹. Similarly, July marked the fifth consecutive month that sales in the Illinois's adult-use market topped \$100 million putting it on track to realize [more than \\$1 billion in adult-use marijuana sales](#) in 2021².

Hill Street and DeHydr8 will be attending the annual industry event MJ BizCon this month in Las Vegas, where they will continue to introduce DehydraTECH™ to the broader industry. This expo brings together investors, retailers, manufacturers, and cultivators from around the world who are seeking industry innovation and thought leadership.

Findings from extensive scientific studies on the DehydraTECH™ technology performed by its creator Lexaria Bioscience Corp. include:

- **Increased bioavailability up to 5-10x** – to equate to blood absorption by inhalational delivery
- **Increased brain permeation up to 19x** – as demonstrated in animal studies
- **Avoids first-pass liver metabolism** - mitigating unwanted side effects
- **Reduced time of onset** – effects are felt within 15-20 min vs. 60-120 min
- **Masks unwanted tastes** – eliminating the need for sugar-filled edibles

Patented DehydraTECH™ technology improves the way active pharmaceutical ingredients (APIs) enter the bloodstream, delivering advantages including faster onset and more predictable cannabis experiences for consumers.

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

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 Street Craft Brewed Lager**, and have won numerous medals and accolades around the world. **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

About DeHydr8

DeHydr8 is focused on delivering the premier fast-acting and most bioavailable technology, DehydraTECH™, to our manufacturer partners in the US market for application in Cannabis 2.0 products.

Visit us at <https://DeHydr8.com>

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.

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¹ Michigan's Marijuana Regulatory Agency (MRA)

² The Illinois Department of Financial and Professional Regulation (IDFFR)

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