

Hill Street Beverage Company Inc. Announces Major New Licensing Partnership to Expand Cutting-Edge DehydraTECH(TM) Technology into US Cannabis Markets

Dehydr8 Michigan, LLC becomes Hill Street's first US licensee to sell DehydraTECH(TM) with B2B market scale

Toronto, Ontario--(Newsfile Corp. - July 27, 2021) - Hill Street Beverage Company Inc. (TSXV: BEER) ("Hill Street" or the "Company") is pleased to announce a new partnership with DeHydr8 MI, LLC - a Michigan-based team of cannabis industry professionals. DeHydr8 will bring Hill Street's usage rights to cutting-edge DehydraTECH™ technology for THC products to the Michigan cannabis industry for use in the manufacturing of edibles, infused beverages, topicals, tinctures, sublingual products, and concentrates. These usage rights were acquired from Lexaria CanPharm ULC, a subsidiary of Lexaria Bioscience Corp. in 2020.

Michigan ranks among the top five states in the US for cannabis sales and growth is soaring. Now in its second year of adult use and 11th year of medical use, Michigan is on track to surpass \$1.5 billion in annual cannabis sales in 2021.

"Michigan is the ideal market for this partnership, which dramatically accelerates our commercialization of the DehydraTECH™ technology", said Craig Binkley, Co-CEO of Hill Street. "Following our transactions with the Lexaria group of companies for global usage rights to DehydraTECH™ intellectual property for incorporation into adult use CBD and THC products, we have already recorded our first revenues from licensees operating in California, Colorado, Illinois, Massachusetts and Oklahoma. Add Michigan, and we are present in some of the largest cannabis markets in the world".

"With this new partnership, Hill Street is also making our important B2B strategy a reality for the Company," continued Craig Binkley. "As we continue our expansion in the US, our approach will be to assess each legal state to determine the overall market potential based on scale, regulatory environment, existing relationships and competitive situation."

Hill Street chose to partner with DeHydr8 because of their deep cannabis market knowledge and strong relationships in the state, as well as their cultural fit with the Company.

DeHydr8 was founded by Todd Webber, a serial entrepreneur from Birmingham, Michigan. The Dehydr8 Team is comprised of top legal counsel in the cannabis industry combined with premier marketing and sales professionals. DeHydr8 has existing relationships with leading medical use and adult use extractors and manufacturers as well as recognized experts in wellness provisioning and R&D.

"This move furthers our growth agenda to expand the Company's commercial opportunities in three key areas: beyond Canada into global markets, beyond beverages into cannabis technology and beyond B2C into B2B scale opportunities," said Lori Senecal, Co-CEO of Hill Street. "We're thrilled to be working with DeHydr8 as their expertise helps us deliver on all three of these growth strategies. In addition to the strategic fit, we felt a powerful connection with this dynamic group and a shared passion to team-up and win."

"Working with Hill Street and their executive team to move the market and lead the industry with internationally recognized IP is an amazing opportunity." said Todd Webber, founder of Dehydr8. "Culture is a key ingredient to success and the culture we have created between these two executive

teams, from the very first meeting, has been outstanding. We had a level of trust and respect right from the first conversation that has allowed us to achieve great strides in short order. We couldn't be more excited to get started".

Patented DehydraTECH™ technology improves the way active pharmaceutical ingredients (APIs) enter the bloodstream, delivering a host of competitive advantages and providing better, more predictable experiences for consumers. Findings from extensive scientific studies performed by 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

"We're delighted to see that our partnership with Hill Street is delivering the intended vision," said Chris Bunka, CEO of Lexaria Bioscience Corp. "As Lexaria aggressively drives ground-breaking scientific advancements and extensive R&D, Hill Street is rapidly advancing commercialization of the DehydraTECH™ platform. This new relationship with DeHydr8 provides direct benefits to all by driving scale, royalties and commercial gain".

The initial term of the licensing agreement with DeHydr8 is for a period of two years and the territory is currently limited to the state of Michigan.

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

Hill Street Beverage Company 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's** ground-breaking **DehydraTECH™** patent portfolio for product development, licensing and B2B sales of Cannabis ingredients.

Hill Street Beverages brands include **Hill Street Craft Brewed Lager, and Vin(Zero)**, and have won numerous medals and accolades around the world. **Hill Avenue Cannabis Brands** include **(V)ia Regal** Pink and White Grape Sparklers.

Check out **Hill Street's** award-winning alcohol-free line-up and order product to be delivered straight to your home at www.hillstreetbeverages.com, and cannabis related business activities and products at www.hillavenuecannabis.com.

For more information:

Lori Senecal, Interim Co-Chief Executive Officer Hill Street Beverage Company Inc.,
lori@hillstreetbevco.com

Craig Binkley, Interim Co-Chief Executive Officer Hill Street Beverage Company Inc.,
craig@hillstreetbevco.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.

For more information:

Todd Webber, Chief Executive Officer, DeHydr8
Todd@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", "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.

Not for dissemination in the United States.

Follow Hill Street on Twitter <https://twitter.com/hillstreetbevco>
and on Facebook <http://facebook.com/hillstreetbevco>



To view the source version of this press release, please visit
<https://www.newsfilecorp.com/release/91310>