

**FORM 51-102F3
MATERIAL CHANGE REPORT**

Item 1. Name and Address of Company

2410 Lucknow Drive Unit #31
Mississauga, Ontario
L5S 1V1

Item 2. Date of Material Change

April 29, 2021 and May 9, 2021

Item 3. News Release

The news releases announcing the material change was released on April 29, 2021, and May 9, 2021, and *through Canadian newswires and subsequently filed on the System for Electronic Document Analysis and Retrieval*. Copies of the press releases are attached hereto.

Item 4. Summary of Material Change

Please see the attached press releases

Item 5.1. Full Description of Material Change

Please see the attached press releases.

Item 5.2. Disclosure of Restructuring Transactions

Not applicable.

Item 6. Reliance on subsection 7.1(2) of National Instrument 51-102

Confidentiality is not requested.

Item 7. Omitted Information

No information has been omitted in respect of the material change.

Item 8. Executive Officer

Hinta Chambers, CFO
Hinta@hillstreetbevco.com

Item 9. Date of Report

May 10, 2021

Hill Street Expands Board Level Talent

Toronto, Ontario--(Newsfile Corp. - April 29, 2021) - Hill Street Beverage Company Inc. (TSXV: BEER) ("**Hill Street**" or the "**Company**") is pleased to announce that it has made changes to its board of directors and has formed new board observer roles.

Hill Street is pleased to further announce in conjunction with the recently finalized capital raise, the appointment of Mr. Frank Vizcarra to its board, effective immediately.

"I am excited to be joining the Hill Street Board at a pivotal time, as this next stage of development is all about leveraging their world-class assets and focusing on disciplined execution to bring their plans to life on a global scale," said Mr. Vizcarra.

"Frank brings formidable expertise to the board of directors. His extensive experience leading global strategy and innovation for McDonald's Restaurants, coupled with his deep entrepreneurial experience in the food service and craft beverage categories are highly relevant to our business model," says Jack Fraser, chairman of the board. "Frank's direct experience in global markets including the US, Mexico and Europe will add distinct operational value as we leverage our usage rights to the DehydraTECH™ technology."

Also in conjunction with the recent capital raise, we are pleased to announce Ms. Monica Zaragoza as a board observer. The board observer role is a new resource to the company which will help in its strategic planning and governance.

"I am honored to join Hill Street as a board observer and will look to bring my B2B expertise to bear as the company augments its legacy consumer product business with progressive cannabis solutions in the commercial ingredient space," said Ms. Zaragoza.

Mr. Fraser continued, "We are very fortunate to be able to continue to attract such a high caliber of individuals to assist Hill Street in its development. We are very excited to have Monica join us as a new major investor and also as a board observer. Ms. Zaragoza's extensive leadership capabilities and B2B expertise as CEO of Gabza Mexico, will be a strong addition in experience and insight that will further expand the diversity of our board."

Major shareholder Mr. Rudy Sawatzky will be stepping off from his position on the Hill Street board of directors to assume a board observer role. Mr. Sawatzky has been a major investor and board director at Hill Street for more than five years. He intends to maintain his investment and shift into the role of board observer to allow for the addition of Mr. Vizcarra to the board.

"Over the years Rudy has been a key contributor to Hill Street, mentoring and guiding the board through complex discussions. We are very fortunate to have him continue as a board observer and want to thank him for his long history of supporting Hill Street, its board and its management team," continued Jack Fraser. "With the capital raise that we finalized in mid-April, the adjustment of the board and the creation of the new board observer roles, we are continuing to implement our strategy to create a deeper and more comprehensive team that will drive Hill Street and Hill Avenue forward. With the addition of Mr. Vizcarra and Ms. Zaragoza to our team alongside Lori Senecal and Craig Binkley as Co-CEOs, we believe our ability to continue building out the vision of Hill Street has never been stronger."

About Frank Vizcarra

President - The Vizcarra Consulting Group LLC

President & CEO Vizcarra Enterprises LLC dba LOLA 55

- Retired from professional soccer at the end of 1983 to begin his business career with Pizza Hut

where he worked for two years. He joined McDonald's Corporation in 1985 and worked there for over 20 years. Mr. Vizcarra held several posts in field operations and at the Corporate Headquarters including: National Director of Training, Ombudsman, VP of Franchise Relations, Strategy and innovation and the Restaurant Solutions Group which oversees operations around the world. He worked closely with Sr. Management for 14 years on a variety of areas of the business.

- In 2006 he founded The Vizcarra Consulting Group (VCG) to help CEOs define their strategies and leadership platform to drive their business. In 2015 he founded Vizcarra Enterprises LLC dba LOLA 55 to build a chain of Mexican food restaurants.
- Mr. Vizcarra has served on the Board of Directors of Ensequence, Oovoo Communications, Del Taco, National Advisory Board - Salvation Army and Tender Greens, Co-founded the Barrio Logan College institute College Success Program and founded The Opportunity Foundation.
- He says "During my life, I have had the good fortune of meeting a lot of great people that unselfishly helped me, influenced and inspired much of my growth as a businessman and as a human being. I believe that God wants me to put all the gifts he has given me for the purpose of making a difference in the life of others, especially those in need."
- He is a graduate of The Ohio State University with a Bachelors degree in Education.

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

Hill Street Beverage Company is a leading and award-winning company focused on alcohol-free beer, wine, and adult-format beverages. **Hill Street's** brands include **Hill Street Craft Brewed Lager, and Vin(Zero)**, and have won numerous medals and accolades around the world. **Hill Avenue Cannabis**, the Company's wholly owned subsidiary, will produce and sell Cannabis-infused adult beverages and other Cannabis products with expected distribution at licensed outlets in 2021, as well as commercializing Lexaria's patented *DehydraTECH™ fast-acting platform technology*

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:

Jack Fraser, Chairman of the Board, Hill Street Beverage Company Inc.,
jack@hillstreetbevco.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.

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HILL STREET ANNOUNCES STOCK OPTION GRANTS AND EXCHANGE APPROVALS

Toronto, Ontario, May 9, 2021 - Hill Street Beverage Company Inc. ("**Hill Street**" or the "**Company**") (TSXV:BEER), announces that it has granted options to purchase 3,378,500 common shares of the Company at an exercise price of \$0.09 per share pursuant to the stock option plan of the Company. The options were granted to existing officers, directors, and consultants of the Company. The stock options will expire five years from the date of the grant.

Hill Street also announces that further to its press release dated July 31, 2020, and the March 30, 2021, it has received the approval of the TSX Venture Exchange to amend the exercise price of up to 5,871,547 incentive stock options ("**Stock Options**") originally granted to certain insiders and employees of the Company on July 31, 2018 and May 23, 2019, which repricing was also approved by the Company's disinterested shareholders at its annual general meeting held on March 30, 2021. At the discretion of the Board of directors, the amended Stock Options will now be exercisable at \$0.075 with their original maturity date unchanged.

Hill Street also announces that the TSX Venture Exchange has indicated that it has no objection to HoldCo (St Catharines) Ltd. becoming a new control person of the Company, which new Control person was also approved by the Company's disinterested shareholders at its annual general meeting held on March 30, 2021.

For further information:

Jack Fraser, Chairman, Hill Street Beverage Company Inc.,
jack@hillstreetbevco.com



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