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Lexaria Signs Manufacturing and License Agreements with BevNology

- *Expands DehydraTECH™ B2B manufacturing capabilities to support Lexaria's growing corporate customer base*
- *Lexaria to also receive royalty revenue from DehydraTECH product sales through BevNology's commercial license rights*

KELOWNA, BC / ACCESSWIRE / June 21, 2022/ Lexaria Bioscience Corp. (NASDAQ:LEXX)(NASDAQ:LEXXW) (the "Company" or "Lexaria"), a global innovator in drug delivery platforms is pleased to announce the signing of two agreements with Atlanta-based BevNology LLC ("BevNology").

The first agreement is a manufacturing operating agreement that expands production capabilities for Lexaria's own growing list of business-to-business ("B2B") clientele interested in purchasing DehydraTECH-powered active ingredients for consumer packaged-goods brands. A new, state-of-the-art processing facility custom-built by [BevNology](#) is operational that increases and broadens production capacity and is currently serving Lexaria's corporate clients. Lexaria has moved and installed all required commercial DehydraTECH manufacturing equipment into BevNology's new facility as it prepares for future growth in its B2B ingredient processing business.

The second agreement is a commercial license agreement that empowers BevNology to offer DehydraTECH products with active ingredients derived from hemp including cannabidiol ("CBD") under BevNology and partnered brands. For powdered DehydraTECH formulations this agreement is non-exclusive. For liquid DehydraTECH formulations, where BevNology has highly specialized skills and capabilities, the license is non-exclusive in most areas of the world but includes limited exclusivity rights in the United States only, that require certain minimum fee payments in order to maintain those rights. Lexaria will receive royalties from BevNology as a result of their utilization of this license. The only countries specifically excluded under this license are Japan, the Republic of Korea, and the People's Republic of China.

"We are very excited about this expanded partnership with Lexaria, which will further strengthen our longtime relationship as well as boost our development and manufacturing capabilities through the addition of our new facility. This will allow us to expand our product and service offerings," said Gonzalo de Aristegui, partner and co-founder of BevNology.

Founded 10 years ago by Louis Heinsz and Gonzalo de Aristegui, BevNology is the product development and manufacturing arm of IBC ([InterContinental Beverage Capital](#)). It operates a state of the art lab and manufacturing facility outside Atlanta, Georgia

"These agreements build on a long standing and very successful product development consulting relationship between Lexaria and the expert scientists and personnel at BevNology," said Chris Bunka, CEO of Lexaria. "BevNology's formulation and production capabilities are class leading and we are confident that our new relationship with our trusted partner will propel new and exciting growth opportunities for both companies."

Bevnology has advanced capabilities that support best-in-class beverage formulations and, together with Lexaria's superior technology, could make industry-leading beverage products a reality for many brands. Lexaria's DehydraTECH™-CBD nanoemulsification formulation and processing techniques exhibited exceptional stability one year after production with less than 1% variability in CBD potency in fractions sampled from the top, middle and bottom of the beverage formulation without physical mixing or agitation; and, CBD content was verified at 93.4% of target potency and also evidenced excellent microbial purity after 12 months.

The latest stability testing occurred 25 months after originally bottling, with slightly higher variability but still retaining an average 78% of originally formulated CBD. As well, the microbiologic purity and cleanliness of the product exceeded all requirements 25 months after bottling.

Lexaria's DehydraTECH technology has been embraced by several consumer-packaged goods brands currently available in over 7,000 stores in the US and Japan, as well as through direct-to-consumer online retail portals.

About BevNology LLC

BevNology is a leading beverage development and advisory company with the focus on providing top-notch formulation and commercialization services of cutting-edge beverage products for both new and existing brands. BevNology's outside the box thinking as well as creative product development innovation has earned them the top position in the beverage industry. The team at BevNology each have over 30 years of beverage development and beverage design experience in the Beverage Industry.

About Lexaria Bioscience Corp.

Lexaria Bioscience Corp.'s patented drug delivery technology, DehydraTECH™, improves the way active pharmaceutical ingredients (APIs) enter the bloodstream by promoting more effective oral delivery. Since 2016, DehydraTECH has repeatedly demonstrated the ability to increase bio-absorption with cannabinoids, antiviral drugs, PDE5 inhibitors and more. DehydraTECH has also evidenced an ability to deliver some drugs more effectively across the blood brain barrier. Lexaria operates a licensed in-house research laboratory and holds a robust intellectual property portfolio with 25 patents granted and over 50 patents pending worldwide. For more information, please visit www.lexariabioscience.com.

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This press release includes forward-looking statements. Statements as such term is defined under applicable securities laws. These statements may be identified by words such as "anticipate," "if," "believe," "plan," "estimate," "expect," "intend," "may," "could," "should," "will," and other similar expressions. Such forward-looking statements in this press release include, but are not limited to, statements by the company relating the Company's ability to

carry out research initiatives, receive regulatory approvals or grants or experience positive effects or results from any research or study. Such forward-looking statements are estimates reflecting the Company's best judgment based upon current information and involve a number of risks and uncertainties, and there can be no assurance that the Company will actually achieve the plans, intentions, or expectations disclosed in these forward-looking statements. As such, you should not place undue reliance on these forward-looking statements. Factors which could cause actual results to differ materially from those estimated by the Company include, but are not limited to, government regulation and regulatory approvals, managing and maintaining growth, the effect of adverse publicity, litigation, competition, scientific discovery, the patent application and approval process, potential adverse effects arising from the testing or use of products utilizing the DehydraTECH technology, the Company's ability to maintain existing collaborations and realize the benefits thereof, delays or cancellations of planned R&D that could occur related to pandemics or for other reasons, and other factors which may be identified from time to time in the Company's public announcements and periodic filings with the US Securities and Exchange Commission on EDGAR. There is no assurance that any of Lexaria's postulated uses, benefits, or advantages for the patented and patent-pending technology will in fact be realized in any manner or in any part. No statement herein has been evaluated by the Food and Drug Administration (FDA). Lexaria-associated products are not intended to diagnose, treat, cure or prevent any disease. Any forward-looking statements contained in this release speak only as of the date hereof, and the Company expressly disclaims any obligation to update any forward-looking statements contained herein, whether as a result of any new information, future events, changed circumstances or otherwise, except as otherwise required by law.

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