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Lexaria Bioscience Applies for NIH Grant for COVID-19 Therapy Studies and Receives New Expanded Health Canada License

KELOWNA, BC / ACCESSWIRE / June 18, 2020 /Lexaria Bioscience Corp. (OTCQX:LXRP)(CSE:LXX) (the "Company" or "Lexaria"), a global innovator in drug delivery platforms, announces it has submitted a grant application to the U.S. National Institutes of Health (NIH) entitled "*In vitro* and *in vivo* animal exploratory pharmacokinetic and preliminary efficacy modelling of select orally administered antiviral compounds following DehydraTECH formulation enhancement." pursuant to their National Institute of Allergy and Infectious Diseases (NIAID) Funding Opportunity Announcement (FOA) RFA-AI-20-028 - Partnerships for Countermeasures against Select Pathogens.

This grant application is for funding to support Lexaria's second round of planned studies related to COVID-19 treatment possibilities.

The purposes of FOA RFA-AI-20-028 is to receive research applications for milestone-driven projects focused on preclinical development of lead candidate therapeutics, vaccines and related countermeasures against select NIAID emerging infectious diseases/pathogens of interest including COVID-19 caused by SARS-CoV-2 infection. The NIAID supports extramural research focused on understanding, controlling and preventing diseases caused by virtually all infectious agents. FOA RFA-AI-20-028 encourages research and development projects that advance identified lead candidate vaccine and therapeutic compounds with a view of significantly advancing these compounds toward clinical or field usefulness.

Lexaria's application included a detailed summary of its research plans to investigate the potential effectiveness of its patented DehydraTECH drug delivery platform technology in enabling improved safety and efficacy of certain poorly water soluble antiviral drugs against SARS-CoV-2 infected cells and animals. Lexaria has not publicly disclosed the identity of the antiviral drugs it plans to investigate in this program, but, it has made its selections from drug classes that have shown early promise in COVID-19 therapeutic utility from research recently conducted by other researchers in the field. Lexaria's application also provided the NIH/NIAID reviewers with an overview of Lexaria's preclinical and clinical findings to-date evidencing the ability of its DehydraTECH technology to improve the absorption and effectiveness of the range of other poorly water soluble bioactive drug compounds it has previously studied.

The Company cautions that, across all sectors, many research grant applications are not

successfully granted and Lexaria cannot predict whether this NIH grant application will be successful or not.

On March 19, 2020 Lexaria announced plans to conduct a pilot safety and pharmacokinetic study in healthy human volunteers of certain DehydraTECH antiviral drug formulations in order to perform a preliminary evaluation of the extent of oral bioabsorption enhancement DehydraTECH can offer for antiviral drugs, where a study design and plan have been submitted for pending ethics board approval. If successful, this study together with the expanded efficacy modelling in SARS-CoV-2 infected cells and animals described herein are expected to produce a compelling data set for Lexaria to present to prospective pharmaceutical industry strategic partners consistent with its business model of commercializing its scientific advancements through third-party out-licensing arrangements.

Additionally, the Company also reports that its subsidiary Lexaria CanPharm ULC has successfully received a new license from Health Canada, issued in accordance with the Cannabis Act and Cannabis Regulations, that allows for expanded testing capabilities including sensory testing of cannabis oral products for taste, smell, and additional research and evaluation. The license is effective now and expires August 9, 2023. The Company expects that its expanded new evaluation capabilities will enable it to more quickly advance its technology for use in various product categories.

About the NIH and NIAID

The National Institutes of Health (NIH) and other agencies in the Department of Health and Human Services (DHHS) support development of countermeasures to protect the public from infectious diseases. In 2002, the NIH initiated development of strategic plans to counter threats presented by emerging infectious diseases. As a component of these plans, NIAID was assigned responsibility for research leading to and development of candidate countermeasures against a growing list of emerging pathogens. NIAID established the Partnerships program to support discovery, preclinical research, product development and eventual commercialization of candidate products that address specific pathogens/agents. This FOA reflects current priorities outlined in the NIAID Strategic Plan for Biodefense Research, the HHS Public Health Emergency Medical Countermeasures Enterprise (PHEMCE) Strategy and Implementation Plan, the National Strategy for Combating Antibiotic-Resistant Bacteria (CARB), the National Action Plan for Combating Multi-drug Resistant Tuberculosis, the HHS 2010 Medical Countermeasure Review, and Homeland Security Presidential Directive 18: Medical Countermeasures against Weapons of Mass Destruction.

About Lexaria

Lexaria Bioscience Corp. is a global innovator in drug delivery platforms. Its patented DehydraTECH™ drug delivery technology changes the way Active Pharmaceutical Ingredients enter the bloodstream, promoting healthier ingestion methods, lower overall dosing and higher effectiveness for lipophilic active molecules. DehydraTECH increases bio-absorption; reduces time of onset; and masks unwanted tastes for orally administered bioactive molecules including cannabinoids, vitamins, non-steroidal anti-inflammatory drugs (NSAIDs), nicotine and other molecules. Lexaria has licensed DehydraTECH to multiple companies in the cannabis industry for use in cannabinoid beverages, edibles and oral products; and to a world-leading tobacco producer for the development of smokeless, oral-

based nicotine products. Lexaria operates a licensed in-house research laboratory and holds a robust intellectual property portfolio with 16 patents granted and over 60 patents pending worldwide.

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Forward-Looking Statements

Statements in this release concerning Lexaria's future expectations and plans, including, without limitation, the use of proceeds from the offering, financial needs of the Company and potential uplisting onto a national stock exchange may constitute forward-looking statements for the purposes of the safe harbor provisions under the Private Securities Litigation Reform Act of 1995 and other federal securities laws and are subject to substantial risks, uncertainties and assumptions. You should not place undue reliance on these forward-looking statements, which include words such as "could," "believe," "anticipate," "intend," "estimate," "expect," "may," "continue," "predict," "potential," "project" or similar terms, variations of such terms or the negative of those terms. Although Lexaria believes that the expectations reflected in the forward-looking statements are reasonable, Lexaria cannot guarantee such outcomes. Lexaria may not realize its expectations, and its beliefs may not prove correct. Actual results may differ materially from those indicated by these forward-looking statements as a result of various important factors, including, without limitation, market conditions and the factors described in the section entitled "Risk Factors" in Lexaria's most recent Annual Report on Form 10-K and Lexaria's other filings made with the SEC. All such statements speak only as of the date made. Consequently, forward-looking statements should be regarded solely as Lexaria's current plans, estimates, and beliefs. Lexaria cannot guarantee future results, events, levels of activity, performance or achievements. Lexaria does not undertake, and specifically declines, any obligation to update, republish, or revise any forward-looking statements to reflect new information, future events or circumstances or to reflect the occurrences of unanticipated events, except as may be required by applicable law.

The CSE has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

SOURCE: Lexaria Bioscience Corp.