

Lexaria Bioscience Corp.

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Lexaria Bioscience finalizes first phase of research program on DehydraTECH oral nicotine formulation with Altria Ventures

Lexaria Bioscience Corp (OTCQX:LXRP) (CSE:LXX) has concluded Phase I of a research program with Altria Ventures Inc that examined oral methods of nicotine delivery.

The research program utilized Lexaria's patented DehydraTECH technology, which increases bio-absorption by up to 10 times and reduces the time of onset to minutes while masking unwanted taste.

According to the findings, the oral nicotine formulation demonstrated "acceptable" chemical and microbiological stability and saw no issues with throat irritation in oral pouch and chew formats at standard commercial doses.

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The formulation showed no adverse effect on survival or organ weights in a seven-day, repeat-dose acute toxicology study in rats, and no test article-related histopathological tissue findings, the group noted.

The early-stage DehydraTECH formulation formed a unique mixture of nanoparticles without forming a covalently linked, new molecular entity construct upon molecular characterization by Canada's National Research Council (NRC), which Lexaria said should not prevent a Premarket Tobacco Product Application.

"The findings from this Phase I research and development program deliver many valuable insights about our DehydraTECH technology," said Chris Bunka, CEO of Lexaria in a statement. "We are pleased to have concluded the Phase I scientific program and we thank the joint researchers at both Altria and the NRC for their collaboration together with our own scientists."

The Vancouver-based firm said it was "highly positive" regarding the commercial future of DehydraTECH.

Altria agreement

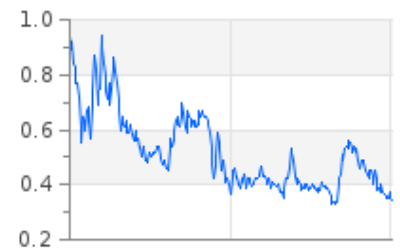
Lexaria and Altria Ventures, a wholly-owned subsidiary of tobacco giant Altria Group Inc (NYSE:MO), first partnered in January 2019 to pursue research in oral, reduced risk nicotine consumer products. Altria is funding a milestone-based research and development program in exchange for a minority equity interest in Lexaria's subsidiary Lexaria Nicotine and certain DehydraTECH license rights.

As part of the agreement, Altria may exercise its first tranche of warrants in Lexaria Nicotine by way of another staged payment to the subsidiary, which would allow Altria to maintain its current exclusivity over DehydraTECH for oral nicotine delivery in the US.

Price: 0.345

Market Cap: \$30.91 m

1 Year Share Price Graph



September 2019 March 2020 September 2020

Share Information

Code: LXX

Listing: CSE

52 week High Low
0.99 0.31

Sector: Cannabis

Website: www.lexariabioscience.com

Company Synopsis:

Lexaria Bioscience Corp has developed and out-licenses its disruptive and cost-effective DehydraTECH™ technology that promotes healthier administration methods, lower overall dosing and higher effectiveness of ingestible drugs and other beneficial molecules. Many vitamins, drugs, supplements and other beneficial molecules are lipophilic (i.e.

action@proactiveinvestors.com

Regardless of whether Altria exercises the first warrant tranche, Altria maintains its existing minority equity stake and board representation in Lexaria Nicotine as well as a non-exclusive license to use DehydraTECH worldwide outside of the US. The firm also agreed to an earlier-defined royalty payment schedule to Lexaria in the event it decides to utilize the technology commercially.

Contact Angela at angela@proactiveinvestors.com

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Contact us +44 (0)207 989 0813 action@proactiveinvestors.com

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