Lexaria Receives Orders for 4.4 Million Servings of DehydraTECH-Enabled CBD Powders

Kelowna, British Columbia– September 23, 2020 – Lexaria Bioscience Corp. (OTCQX: LXRP) (CSE: LXX) (the "Company" or "Lexaria"), a global innovator in drug delivery platforms, is pleased to announce that it is in receipt of purchase-order commitments for approximately 4.4 million CBD servings of its patented DehydraTECH™ enabled CBD powders, to be processed during the Company's fiscal Q1 2021 which ends November 30, 2020.

Lexaria has also received verbal requests from existing licensees to prepare the Company's facilities to produce at least 56 million servings during the calendar year 2021. These indicative orders do not include any potential demand from other future clients.

This compares to approximately 1.2 million CBD servings already processed in the Company's fiscal Q4 ended August 31, 2020, and approximately 0.7 million CBD servings during the Company's fiscal Q3 ended May 31, 2020 (all figures unaudited). A serving generally ranges from 10mg to 20mg of CBD each, utilizing the Company's DehydraTECH patented processes.

"After a significant investment of time and operations optimization, Lexaria's DehydraTECH CBD business is gaining traction in the US market," said Chris Bunka, Lexaria's Chief Executive Officer. "The benefits offered to DehydraTECH corporate clients, and the performance advantages enjoyed by end users, are inescapable."

Lexaria's business operations includes both technology licensing wherein corporate licensees implement DehydraTECH under license within their own facilities under royalty agreements, and also corporate clients that purchase pre-processed DehydraTECH CBD-powders manufactured at a Lexaria-contracted GMP-certified food facility for shipment back to the client for integration into final product formats. Fees payable to Lexaria contain a mixture of both manufacturing charges as well as royalty and trademark fees.

The Company cautions that it cannot control the ability of third parties to fulfil their own business expectations and, as such, does not express any opinion as to the ability of its corporate customers to meet their own expectations. The Company has sufficient cash and human resources to support this increase in demand.

About Lexaria

Lexaria Bioscience Corp.'s (OTCQX: LXRP, CSE: LXX) proprietary drug delivery technology, DehydraTECH™, improves the way active pharmaceutical ingredients (APIs) enter the bloodstream by promoting healthier ingestion methods and increasing the effectiveness of fat-soluble active molecules, thereby lowering overall dosing. The Company's technology can be applied to many different ingestible product formats, including foods, beverages, oral suspensions, tablets, and capsules. DehydraTECH increases bio-absorption by up to 5-10x, reduces time of onset from 1 - 2 hours to 10 - 20 minutes, and masks unwanted tastes for orally administered bioactive molecules, including anti-virals, cannabinoids, vitamins, non-steroidal anti-inflammatory drugs (NSAIDs), nicotine, and other molecules. Lexaria has licensed DehydraTECH to multiple companies including a world-leading tobacco producer for the

development of smokeless, oral-based nicotine products and for use in industries that produce cannabinoid beverages, edibles, and oral products. Lexaria operates a licensed in-house research laboratory and holds a robust intellectual property portfolio with 17 patents granted and over 60 patents pending worldwide. For more information, please visit www.lexariabioscience.com.

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FORWARD-LOOKING STATEMENTS

This 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 process the CBD servings, recognize revenues from verbal orders including 4.4 Million Servings of DehydraTECH-Enabled CBD Powders during 2020 or the expectations of 56 million service of DehydraTECH-enabled powders in 2021; and the impact on the Company relating to the orders. 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, 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 existing capital is sufficient for the Company's needs or that it will be able to raise additional capital. There is no assurance the Company will be capable of developing, marketing, licensing, or selling edible products containing any active ingredient. There is no assurance that any planned corporate activity, scientific research or study, business venture, letter of intent, technology licensing pursuit, patent application or allowance, consumer study, or any initiative will be pursued, or if pursued, will be successful. 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.

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