Lexaria Proprietary DehydraTECH-Enabled CBD Powders Business Growing Faster than Expected

Growth now expected to exceed 500% from fiscal Q4 2020 to fiscal Q1 2021

Kelowna, British Columbia– October 22, 2020 – Lexaria Bioscience Corp. (OTCQX: LXRP) (CSE: LXX) (the "Company" or "Lexaria"), a global innovator in oral drug delivery platforms, is pleased to announce that it is exceeding expectations for volume of servings of its patented DehydraTECH™ enabled CBD powders, to be processed during the Company's fiscal Q1 2021 ending November 30, 2020.

On September 23 2020, Lexaria announced it had received purchase order commitments for the current quarter (September 1 – November 30) for approximately 4.4 million CBD servings of DehydraTECH-enabled CBD powders. Processing rates have exceeded expectations: as of October 21, Lexaria has already processed approximately 4.2 million servings and now has confirmed purchase orders to process a total of over 8.0 million servings during the current quarter.

The new estimate represents over 500% volume growth from approximately 1.2 million CBD servings processed in the Company's fiscal Q4 ended August 31, 2020, (all figures unaudited) which itself reflected growth of 71% from fiscal Q3, 2020. A serving generally ranges from 10mg to 25mg of CBD each, utilizing the Company's DehydraTECH patented processes

If existing activities and conditions continue, Lexaria's expectations to produce at least 56 million servings during the calendar year 2021, driven by the communications of existing customers, may prove to be conservative. These indicative orders do not include any additional demand from prospective future clients.

Lexaria's business divisions includes both technology licensing wherein corporate licensees implement DehydraTECH under license within their own facilities under royalty agreements and which generate our most profitable revenue streams; and also B2B operations where clients purchase pre-processed DehydraTECH CBD-powders manufactured at a Lexaria-contracted GMP-certified food facility for shipment back to the client for integration into their final product formats. Fees payable to Lexaria include a combination of manufacturing charges as well as royalty and trademark fees.

The Company continues to caution that it cannot control the ability of third parties to fulfil their own business expectations and, as such, does not express any opinion on the ability of its corporate customers to meet their own targets.

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 oral 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 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 18 patents granted and approximately 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 orders including 8 Million Servings of DehydraTECH-Enabled CBD Powders by November 30 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.