

FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: Lexaria Bioscience Corp. (the "Issuer").

Trading Symbol: LXX

Number of Outstanding Listed Securities: 5,104,332

Date: February 3, 2021.

This Monthly Progress Report must be posted before the opening of trading on the fifth trading day of each month. This report is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by Exchange Policies. If material information became known and was reported during the preceding month to which this report relates, this report should refer to the material information, the news release date and the posting date on the Exchange website.

This report is intended to keep investors and the market informed of the Issuer's ongoing business and management activities that occurred during the preceding month. Do not discuss goals or future plans unless they have crystallized to the point that they are "material information" as defined in the Policies. The discussion in this report must be factual, balanced and non-promotional.

General Instructions

- (a) Prepare this Monthly Progress Report using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the items must be in narrative form. State when the answer to any item is negative or not applicable to the Issuer. The title to each item must precede the answer.
- (b) The term "Issuer" includes the Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

Report on Business

1. Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.

The Issuer has developed and out-licenses its proprietary drug delivery technology, DehydraTECH™, that 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 Issuer'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.

During the month of January 2021, the Issuer successfully accomplished the following transactions:

- January 11, 2021 - a one share for thirty shares reverse stock split whereby the Issuer achieved the required initial share listing price for the purposes of a NASDAQ listing;
- January 12, 2021 – NASDAQ listing under the symbol LEXX for all of its common shares and LEXXW for warrants to be issued pursuant to an underwritten offering;
- January 14, 2021 – closing of an underwritten offering that had both an upside option and an over-allotment option exercised for aggregate gross proceeds of approximately US\$11.04 million;
- January 14, 2021 – appointment of an additional independent director who fulfils the criteria of a financially sophisticated audit committee member pursuant to NASDAQ Rule 5605(c)(2)(A).

These transactions have positioned the Issuer with sufficient funding to commence and/or continue the Issuer's strategic initiatives as announced in its November 5, 2020 news release and as updated in its February 1, 2021 news release.

2. Provide a general overview and discussion of the activities of management.

Please refer to #1 above.

3. Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.

Not Applicable.

4. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.

Not Applicable.

5. Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.

Not Applicable

6. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced.

Not applicable.

7. Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship.

Not Applicable.

8. Describe the acquisition of new customers or loss of customers.

Not Applicable.

9. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks.

Not Applicable.

10. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.

Not Applicable.

11. Report on any labour disputes and resolutions of those disputes if applicable.

Not Applicable.

12. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.

Not Applicable.

13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.

Not Applicable.

14. Provide details of any securities issued and options or warrants granted.

Security	Number Issued	Details of Issuance	Use of Proceeds
Common shares	2,102,856	Public offering	US\$3,700,000 - R & D studies and associated patent costs US\$2,500,000 – Wages, salaries and consulting fees US\$1,700,000 – General and Administrative expenses US\$1,000,000 – Marketing and Investor Relations US\$300,000 - Sales
Warrants	2,102,856	Public offering	N/A
Warrants	227,161	Underwriter Compensation	N/A

15. Provide details of any loans to or by Related Persons.

Not Applicable.

16. Provide details of any changes in directors, officers or committee members.

The Board of Directors of the Issuer was increased from five (5) members to six (6) members with the appointment of Albert Reese Jr. The Board now consists of four (4) members who are classified as independent directors. With the appointment of Mr. Reese, the following changes to the Issuer’s committees occurred:

- 1. Chris Bunka, a member and the Chair of the audit and finance committee was replaced by Mr. Reese who was also appointed as the Chair of the committee by the other audit and finance committee members. The audit and finance committee now consists entirely of independent directors of which Mr. Reese acts as a qualified financial expert pursuant to Regulation S-K and a financially sophisticated member pursuant to NASDAQ rules;**
- 2. The Issuer struck a governance and nominating committee as required pursuant to NASDAQ rules. This committee is comprised of Messrs. Baxter, Quigley and Reese, all of whom are independent directors.**

17. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.

On January 20, 2021, a member of the Democratic Party assumed presidency of the United States. This change in government could potentially result in an increased focus on clarifying the use of CBD in food and beverage products in the US which in turn could result in increased licensees for the Issuer.

The Covid-19 Coronavirus has resulted in states of emergency being implemented throughout the world resulting in distress and general uncertainty as has been seen in financial market trends globally. While vaccines to combat the Covid-19 Coronavirus have begun to be injected into the most vulnerable populations, new, more easily transmissible strains of the virus have also been identified which may result in market instability and/or funding opportunities for the Issuer's research of its DehydraTECH with antivirals. The Issuer continually monitors market conditions.

The Issuer is not aware of any other trends that manifested themselves in the past month that have an impact on its business or markets.

Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there were is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated February 3, 2021.

Chris Bunka
Name of Director or Senior
Officer



Signature _____

Chief Executive Officer

Official Capacity

Issuer Details	For Month End	Date of Report
Name of Issuer LEXARIA BIOSCIENCE CORP.	January 31, 2021	YY/MM/DD 21/02/03
Issuer Address #100, 740 McCurdy Road		
City/Province/Postal Code Kelowna, BC V1X 2P7	Issuer Fax No. (250) 765-2599	Issuer Telephone No. (250) 765-6424
Contact Name Christopher Bunka	Contact Position Chief Executive Officer	Contact Telephone No. (250) 765-6424
Contact Email Address ir@lexariabioscience.com	Web Site Address www.lexariabioscience.com	