Zacks Small-Cap Research
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Lexaria Bioscience Corp. (LEXX: NASDAQ)

DehydraTECH CBD May Offer New Mechanism of Action

Our valuation methodology employs a DCF model and a 15% discount rate. The model applies a weighted average 13% probability of ultimate approval and commercialization of products employing DehydraTECH. The model includes contributions from the United States and Rest of World.

Current Price (4/19/2023)	$2.24
Valuation	**$14.00**

OUTLOOK

Lexaria is a biotechnology company seeking to enhance the bioavailability of multiple drug agents using DehydraTECH (DHT), its technology using oral and topical delivery. It combines lipophilic APIs with specific fatty acid and carrier compounds followed by dehydration.

DHT offers several attractive features: substantial improvement in bioabsorption in terms of time to measurable plasma levels & AUC, brain permeation, taste masking & side effect reduction. As DHT does not employ a covalent bond, DHT is not a new molecular entity and can rely on previously conducted safety and efficacy data to obtain regulatory approval.

Lexaria receives revenues from licensing & product sales which can in part fund R&D operations. R&D activities are pursuing both preclinical and clinical programs. The lead program is investigating CBD for the reduction of hypertension with four clinical trials conducted. Other DHT candidates include antivirals, nicotine, PDE5 inhibitors, NSAIDS, hormones, colchicine & others.

We forecast penetration into global markets for hypertension, nicotine delivery and antiviral product categories.

SUMMARY DATA

52-Week High	**4.12**
52-Week Low	**1.80**
One-Year Return (%)	**-44.8**
Beta	**1.1**
Average Daily Volume (sh)	**21,165**
Shares Outstanding (mil)	**5.99**
Market Capitalization ($mil)	**13.4**
Short Interest Ratio (days)	**14.1**
Institutional Ownership (%)	**11.7**
Insider Ownership (%)	**18.4**
Annual Cash Dividend	**$0.00**
Dividend Yield (%)	**0.00**
5-Yr. Historical Growth Rates	
Sales (%)	**N/A**
Earnings Per Share (%)	**N/A**
Dividend (%)	**N/A**
P/E using TTM EPS	**N/A**
P/E using 2023 Estimate	**N/A**
P/E using 2024 Estimate	**N/A**
Zacks Rank	**N/A**

Risk Level	**Above Average**
Type of Stock	**Small-Growth**
Industry	**Medical**

ZACKS ESTIMATES

Revenue

(In millions of USD)

	Q1 (Nov)	Q2 (Feb)	Q3 (May)	Q4 (Aug)	Year (Aug)
2022	$0.0 A	$0.0 A	$0.1 A	$0.1 A	$0.3 A
2023	$0.1 A	$0.0 A	$0.1 E	$0.2 E	$0.5 E
2024					$1.1 E
2025					$1.4 E

Earnings per Share

	Q1 (Nov)	Q2 (Feb)	Q3 (May)	Q4 (Aug)	Year (Aug)
2022	-$0.35 A	-$0.24 A	-$0.41 A	-$0.24 A	-$1.24 A
2023	-$0.30 A	-$0.22 A	-$0.28 E	-$0.27 E	-$1.07 E
2024					-$0.84 E
2025					-$0.77 E

WHAT'S NEW

Lexaria Bioscience Corporation (NASDAQ: LEXX) has traversed considerable ground with its drug development program and study result reports in FY:23.[1] Since our previous update, Lexaria has identified a potential novel mechanism for DehydraTECH CBD in hypertension and shared its diabetes study data. Over the last quarters, a new board member and strategic advisor were added to help navigate the development of DehydraTECH. On the regulatory front, the company expects to submit its investigational new drug (IND) application for the hypertension program mid-year followed by a Phase Ib in 2H:23. See below for a summary of second quarter financial performance, Lexaria's study results and additional detail on the company's operations.

2Q:23 Results

Lexaria filed its second quarter fiscal year 2022 Form 10-Q on April 14, 2022. The company reported 2Q:23 revenues of $35,000, and total operating expense of $1.3 million resulting in net loss of ($1.3) million or ($0.22) per basic and diluted common share.

For the second quarter ending February 28, 2023 and versus the same prior year period in 2021:

- Revenue totaled $35,000, up 15% from $31,000 on an increase in other revenues. Intellectual property licensing fees related to Premier Wellness Science and royalty fees contributed to the balance;
- Research and development expenses totaled $696,000, increasing from $276,000 reflecting expenditures for analysis and execution of the hypertension, nicotine and diabetes studies;
- General and administrative expenses totaled $647,000, down by almost half from $1.2 million due primarily to lower consulting fees, salary and stock-based compensation. Decreased legal fees, advertising and promotion, and investor relation spending were all lower. This was partially offset by an increase in office expenses;
- Net loss was ($1.3) million, or ($0.22) per share, compared to net loss of ($1.4) million or ($0.24) per share.

As of February 28, 2023, cash and marketable securities totaled $3.5 million - a sequential $1.3 million decline from the end of 1Q:23. Cash burn for the first six months of FY:22 was approximately ($2.5) million. Following the end of the reporting period, Lexaria took advantage of its at-the-market facility, raising gross proceeds of $115,000.

Addition of Strategic Advisor

Julian Gangolli has been added to the Lexaria roster as Strategic Advisor. He was previously President of GW Pharmaceuticals USA and has substantial experience in commercial development and the cannabinoid field. Mr. Gangolli led GW's US team during the approval process for Epidiolex and its commercialization. His prior roles included senior positions at Allergan and other distinguished biotechnology companies. We expect Mr. Gangolli to help Lexaria navigate the regulatory and commercial waters as DehydraTECH CBD advances through upcoming clinical trials.

DehydraTECH and Diabetes

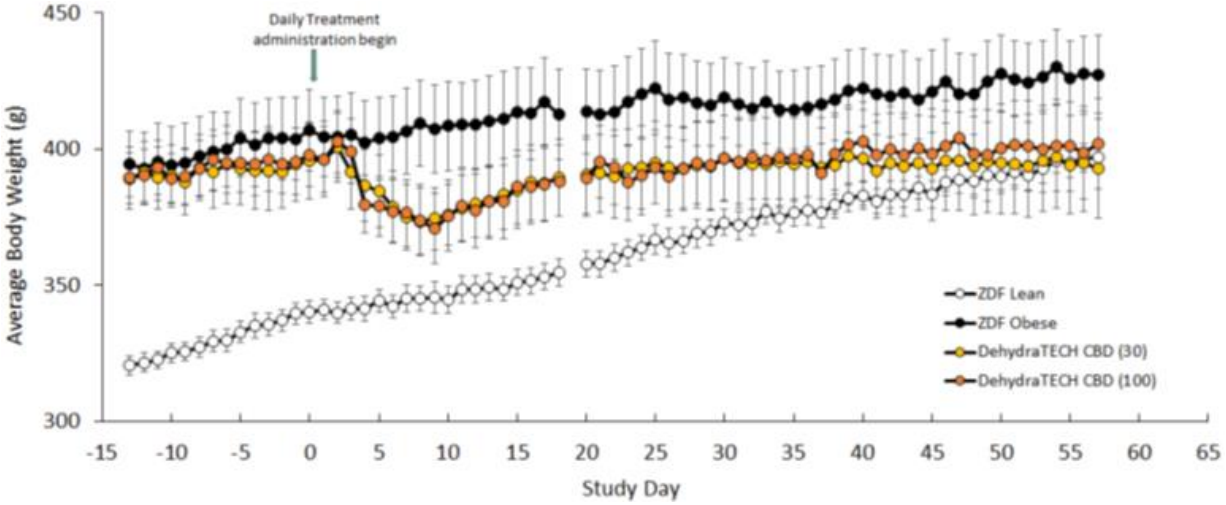
In its consistent effort to expand into new therapeutic areas, Lexaria launched an animal study in diabetes in November 2022 designated DIAB-A22-1. It has evaluated the DehydraTECH-processed cannabidiol (CBD) molecule and how it impacts diabetes-related biomarkers in rats. The associated press release highlighted the relationship between heart disease, hypertension and diabetes and the prevalence of diabetes, as the seventh most common cause of death. Impetus for the study has come from other work cited in the press release supporting CBD efficacy in reducing the incidence of diabetes.

A dose ranging study was conducted over 56 days that evaluated 32 male Zucker rats. 24 of the rats were obese and eight lean. The two groups were compared with respect to weight gain, blood glucose, cholesterol and triglyceride levels between those administered DHT-CBD and those which were not. Blood was drawn six times over the course of the study. It was conducted in Canada with initial data provided in an early March press release.

[1] Lexaria fiscal year begins September 1.

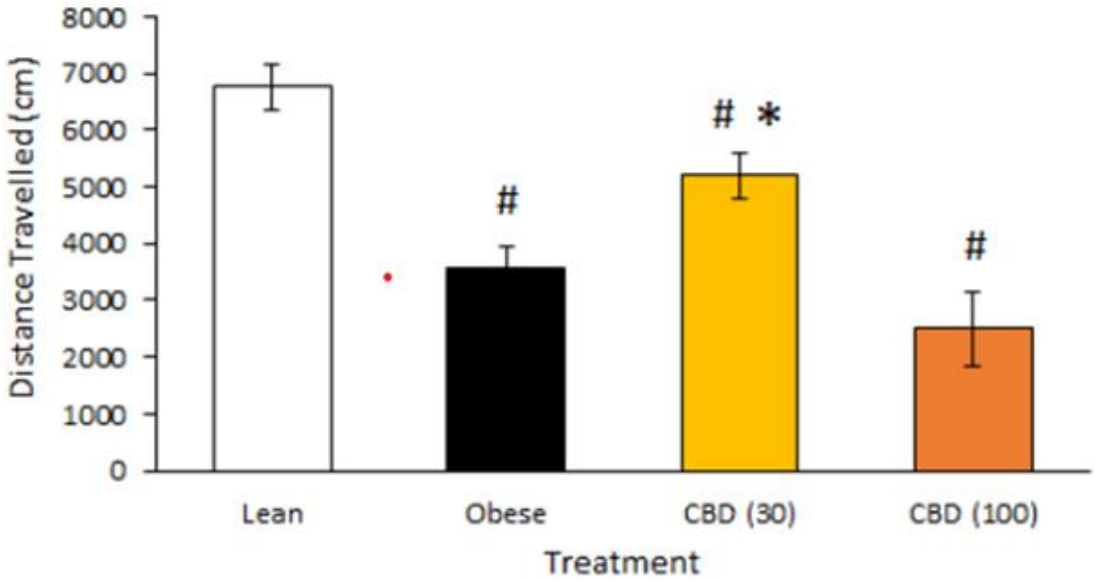
Results from the study generated multiple outcomes including weight loss in obese diabetic-conditioned animals, improved triglyceride and variable cholesterol levels. These biomarkers are all associated with diabetes and improvements can be associated with better outcomes for diabetic patients. Weight loss was observed four days after initial dosing of DehydraTECH-CBD. Maximum weight loss was achieved nine days after dosing began and was maintained for the 8-week duration of the study. The weight loss averaged 7% of body weight for both of the doses used in the study (30 mg/Kg and 100 mg/Kg). Only the DehydraTECH-CBD-dosed animals weighed less at the end of the study than at the beginning, whereas the weight of the untreated obese animals trended upwards throughout. Food and water intake for all groups was similar, supporting the hypothesis that weight loss is, at least in part, attributable to enhanced metabolic function.

Exhibit I – Body Weight Trends for DehydraTECH CBD Subjects[2]



Activity levels were also measured in the animal subjects. An open field test[3] was used to measure distance and by extension, activity. Lean rats travel the greatest distance, followed by obese rats administered the 30 mg/Kg dose. Untreated obese rats travelled the next longest distance and obese rats administered a 100 mg/Kg dose produced the least distance. Relative distances for each of the groups are provided below.

Exhibit II – Distance Travelled for DehydraTECH CBD Subjects[4]

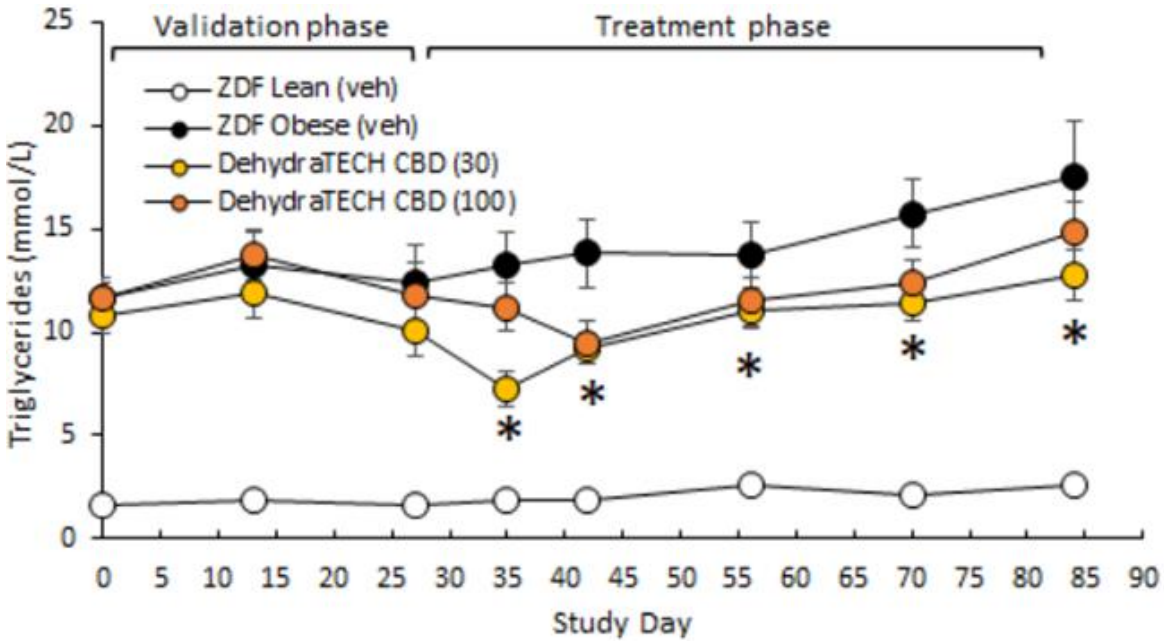


[2] Source: Lexaria Press Release - Lexaria's DehydraTECH-CBD Diabetes Study Demonstrates Weight Loss, Improved Triglyceride and Cholesterol Levels. March 2, 2023.
[3] The open field test is a commonly used method to measure behaviors in animal models, including anxiety and movement.
[4] Source: Lexaria Press Release - Lexaria's DehydraTECH-CBD Diabetes Study Demonstrates Weight Loss, Improved Triglyceride and Cholesterol Levels. March 2, 2023.

Study investigators hypothesize that the higher 100 mg/Kg dose may produce sedative effects, triggering hypolocomotion and the lesser distance for the higher dosed animals. This effect has been observed in other studies, including a rat study published in Psychopharmacology.[5]

Triglyceride and cholesterol levels responded to DehydraTECH CBD in test subjects. The effect was more pronounced for triglycerides and for the lower 30 mg/Kg dose. For the 30 mg/Kg dose, DehydraTECH CBD was more than 25% lower than the untreated obese animals.

Exhibit III – Triglyceride Levels[6]



Cholesterol readings were less remarkable than those for triglycerides. However, the lower dose cohort outperformed the higher dose cohort for total cholesterol, low density lipoprotein (LDL) and high-density lipoprotein (HDL) cholesterol.

Lexaria's first foray in to diabetes with DehydraTECH CBD provided some notable insights into the mechanism of action for the candidate. Weight loss was the primary benefit identified in the diabetic rats as well as increased mobility and reduced triglycerides relative to obese models. The study used two doses in the preclinical evaluation which showed better efficacy at the lower 30 mg/Kg dose. Next steps for this program may include further investigation potentially with other drugs that help control glucose levels directly.

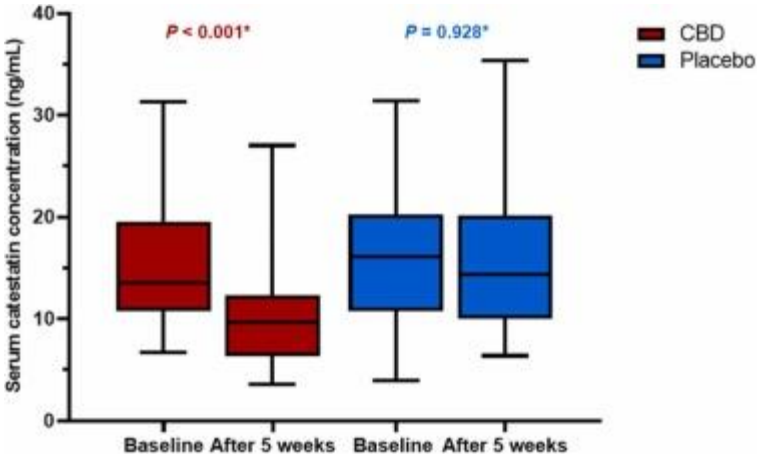
Hypertension

Hypertension grabbed the spotlight in early 2023 with AstraZeneca's (NASDAQ: AZN) bid for the recently IPOed CinCor Pharma (NASDAQ: CINC). CinCor recently provided top-line data from its Phase II study that evaluated baxdrostat in hypertension patients. Baxdrostat is a selective aldosterone synthase inhibitor shown to lower aldosterone levels without affecting cortisol. The primary endpoint of the study was not met; however, there were large reductions in systolic blood pressure. AstraZeneca saw enough promise in the data to support further trials in hypertension and chronic kidney disease. Merger and acquisition activity in the space accentuates the unmet need for effective control of hypertension and provides a healthy backdrop for further work by Lexaria in this area.

Lexaria's latest update on its hypertension program was in late February 2023, where a potential novel mechanism of action was identified. The press release highlighted the FDA's desire to review anti-hypertensive medicines that offer complementary mechanisms. Based on observations from the HYPER-H21-4 hypertension study using DHT-CBD, CBD may stimulate the production of catestatin via its interaction with the sympatho-chromaffin system which can favorably affect hypertension and may represent a novel mechanism of action for treating hypertension.

[5] Monti, J.M. Hypnoticlike effects of cannabidiol in the rat. Psychopharmacology. December 1977.
[6] Source: Lexaria Press Release - Lexaria's DehydraTECH-CBD Diabetes Study Demonstrates Weight Loss, Improved Triglyceride and Cholesterol Levels. March 2, 2023.

Exhibit IV – Serum Catestatin Levels at Baseline & Five Weeks[7]



Catestatin is a peptide and a potent inhibitor of nicotinic cholinergic-stimulated catecholamine secretion. It is a 21-amino acid residue, cationic and hydrophobic peptide that is produced in the adrenal gland's chromaffin cells and adrenergic neurons. Catestatin regulates the cardiovascular system, immune system and metabolic homeostasis.

Hypertension Study Details

Lexaria has launched four human hypertension studies that are evaluating the use of DHT-CBD in reducing blood pressure. The first human study enrolled 24 subjects and examined diastolic pressure over a three-hour period and found that the pressure was lower in those administered DHT-CBD. The second study was conducted in 16 volunteers and confirmed that DHT can reduce arterial stiffness. The fourth study began in early April 2022, enrolled 66 subjects and has now reported several data sets to investors.

Exhibit V – Summary of DehydraTECH CBD Studies for Hypertension[8]

Study	Type	Report Date	Detail	Location	Dose
HYPER-A21-1	Animal	May-21	Absorption rate, speed & tolerability	USA	
HYPER-A21-2	Animal	May-21	Absorption rate, speed & tolerability	USA	
HYPER-H21-1	Human	Jul-21	24 subject BP & heart rate analysis, PK	Europe	1x300 mg/day
HYPER-H21-2	Human	Sep-21	16 subject BP & heart rate analysis, other	Europe	3x150 mg/day
HYPER-H21-3	Human	Apr-22	16 subject stress test, acute pulmonary HTN	Europe	1x300 mg/day
HYPER-H21-4	Human	Oct-22	66 subject RCT w/ placebo control	Europe	3/150 mg/day

Hypertension Study HYPER-H21-3 Results

The third study evaluating DHT-CBT in hypertension was designed to measure acute pulmonary hypertension and cardiovascular effects under severe stress. Patients were exposed to lower levels of oxygen during their treatment to measure the effect on hypoxic pulmonary vasoconstriction. It was designed to evaluate the effect of DHT-CBD on pulmonary vascular function in normotensive individuals exposed to hypoxia. On April 14, 2022, Lexaria issued a press release announcing that the HYPER-H21-3 study had generated positive results with positive safety and efficacy findings.

Third study findings indicated a tendency (p=0.1) during 15 minutes of simulated low levels of oxygen (hypoxia) for reduced pulmonary artery systolic pressure (PASP) with DHT-CBD treatment versus placebo. Most notably, PASP was reduced by ~5 mmHg or 41% overall (p=0.045) in male participants specifically suggesting differences by sex in responsiveness to CBD treatment under hypoxic stress conditions. Males made up eight of the 16 subjects enrolled. Results for female participants was not provided.

Results from the study will be used to direct future research of DHT-CBD for management of pulmonary arterial pressure under hypoxic conditions (altitude exposure), related hypoxemic pathologies (severe lung disease) and pulmonary hypertension. The data will also support efforts to seek FDA approval via an investigational new drug (IND) application to begin formal, registered clinical testing in the treatment of hypertension.

[7] Source: Lexaria Press Release - Lexaria Discovers Potential Novel Mechanism From Hypertension Study HYPER-H21-4. February 21, 2023.
[8] Source: Company press releases and Zacks analyst compilation

Study design included eight female and eight male subjects aged from 18 to 35 years. Participants were given 30 minutes of rest following dosing where they inhaled normal 21% oxygen air followed by a 40-minute period of simulated hypoxia (12% oxygen) in order to simulate hypoxic pulmonary vasoconstriction and pulmonary hypertension. The results were intended to simulate conditions at high altitude or activities with diminished oxygen availability that could lead to hypoxic pulmonary vasoconstriction.

Hypertension Study HYPER-H21-4
Lexaria announced that the HYPER-H21-4 trial began enrolling in an April 19 press release. The 60-subject study, later increased to 66, was designed as a randomized, double blinded, placebo-controlled, cross-over study with elevated, mild or moderate hypertension. The primary endpoint is 24-hour ambulatory blood pressure. Secondary endpoints include vascular health including arterial stiffness and autonomic balance, electrocardiogram analysis, brain structure and function through MRI testing, blood biomarkers, renal and hepatic analysis, sleep quality, geriatric depression scale, perceived stress and Beck anxiety inventory.

Dosing began ahead of schedule and was announced as complete on July 27th. Maximum dose levels used in the study reached 5 mg/kg/day, which matches the lowest daily starting dose of CBD used in children for the approved treatment of Dravet syndrome.[9] No serious adverse events were reported during the study and DHT-CBD was well tolerated. Data from the study will be used to support an Investigational New Drug (IND) application with the FDA.

Next steps for the hypertension program are the submission of an IND, which is expected mid-year 2023. If the IND is cleared by the FDA, we then expect the start of a Phase Ib study in the late third or early fourth quarter. Trial design has not yet been shared with investors; however, we expect details will emerge after IND finalization.

Seizure Study Program

In June 2018, the FDA approved GW Pharmaceuticals' Epidiolex, a CBD oral solution for treatment of seizures in children with Lennox-Gastaut or Dravet syndrome. This was the first drug approved that included an active ingredient from the cannabis plant. GW Pharmaceuticals was later acquired by Jazz Pharmaceuticals (NASDAQ: JAZZ) in early 2021 and has generated an estimated $750 million in revenues for 2022 and is further expected to break the billion-dollar mark by 2024.

The success of Epidiolex spurred Lexaria to perform its own studies evaluating the efficacy of CBD for seizures using its DHT delivery technology. Animal seizure study program EPIL-A21-1 was designed to evaluate whether DHT-CBD could provide similar seizure inhibiting efficacy at lower doses than those used in Epidiolex. The goal would be to achieve similar efficacy while reducing systemic exposure and related side effects with the lower dose.

In the animal study, Lexaria provided initial results in a November 29th, 2022 press release. An initial electrical stimulation pilot study in animals that examined three different doses revealed that, at the lower doses of 50 mg/kg and 75 mg/kg, DHT-CBD was more effective than Epidiolex in reducing or eliminating seizure activity. While Epidiolex was better than DHT-CBD in eliminating seizure activity at the highest dose tested in the pilot study of 100 mg/kg, only DHT-CBD demonstrated some reduction in seizure activity at the 50 mg/kg dose. At the 75 mg/kg dose DHT-CBD demonstrated full elimination of seizure activity in two thirds of the animals compared to 50% of the Epidiolex treated animals. In this regard, there was an apparent trend for DHT-CBD to work better at lower doses than Epidiolex.

Following the pilot experiment, a second electrical stimulation animal seizure study was performed where time to peak efficacy was measured at various post-dosing time points. DHT-CBD demonstrated an apparent trend toward enhanced effectiveness, in this case based on rapidity of action. After 30 minutes, 50% of the animals dosed with DHT-CBD showed partial reduction or full elimination of seizure activity whereas 100% of the Epidiolex-dosed animals were exhibiting full seizure activity at 30 minutes. After 60 minutes, 87.5% of the animals dosed with DHT-CBD showed partial reduction or full elimination of seizure activity compared to 62.5% of the Epidiolex-dosed animals showing partial reduction or full elimination of seizure activity. Epidiolex demonstrated enhanced seizure reduction capabilities at later time points in the study.

The results are supportive of further study for DHT-CBD in the clinic, providing the benefits of the drug at lower doses and more quickly than the approved medication. However, we caution that these are preclinical, animal studies and that clinical work may produce different results.

[9] Dose is recommended to start at 2.5 mg/kg twice per day which is doubled after one week and increased to 20 mg/kg/day inappropriate circumstances. Source: Epidiolex FDA Label

Patents

Lexaria was granted its first Canadian patent and 28th patent worldwide in late December 2022. The patent, entitled "Transdermal and/or dermal delivery of lipophilic active agents" relates to improved compositions and methods for transdermal and dermal delivery of cannabinoids, including cannabidiol (CBD) and tetrahydrocannabinol (THC). Similar patents in other jurisdictions remain pending. Skin-based delivery is an alternative to oral and inhalation routes and can provide advantages for localized treatment and reduce systemic exposure. Lexaria's 2018 study demonstrated improved CBD permeability using DehydraTECH compared with a control and the best performing commercial penetration enhancer.

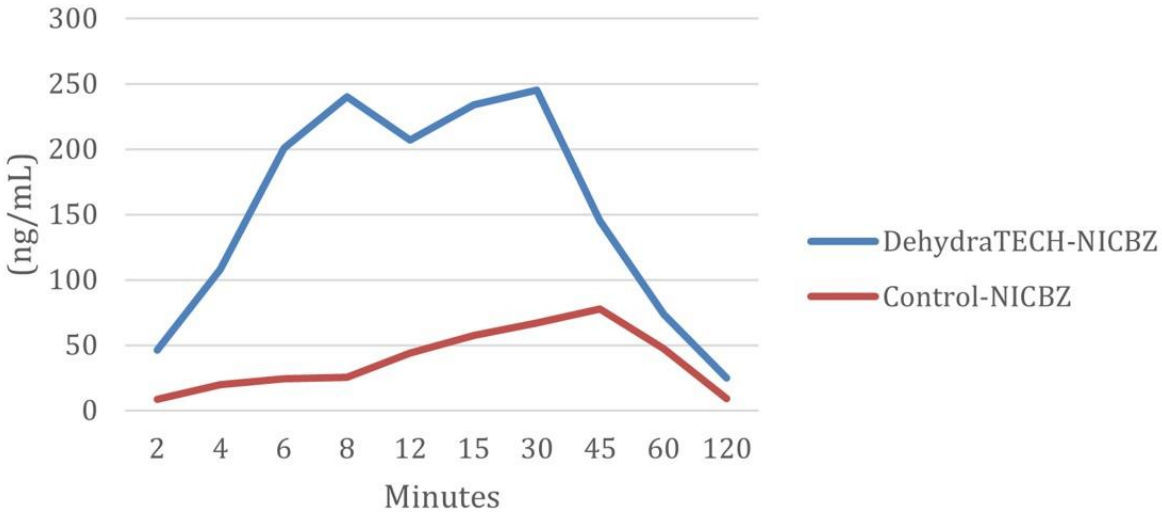
Nicotine Updates

In an November 1st press release, Lexaria announced its receipt of Independent Review Board (IRB) approval for its human nicotine study designated NIC-H22-1. The study, which expects to enroll 36 subjects, is designed to be a randomized, double-blind, cross over study in cigarette smokers. The pharmacokinetic (PK) evaluation will dose each individual three times over a period of several weeks using an oral nicotine pouch. The pouch will be either DHT nicotine, or competing brands On! or Zyn.

Dosing for the trial began in December 2022, and will produce results that are evaluated with questionnaires and eight blood samples to evaluate nicotine delivery to the bloodstream. Other biomarkers including blood pressure and heart rate will also be taken. The goal of the study is to show whether or not DHT is able to provide better oral-tissue absorption and reduced negative experiences vs. the other participants in the study. Support for NIC-H22-1 was provided by previous animal model work demonstrating faster peak delivery of nicotine using DHT.

We anticipate that partner work with large global tobacco companies will accelerate when the results of the study are made public.

Exhibit VI – Nicotine Bloodstream Delivery vs. Control (NIC-A21-1)[10]



DehydraTECH and Dementia

Dementia has been a tough nut to crack over the last several decades, with several drugs approved to treat the symptoms of the disease in the early 2000s, and a long break until the next approval in mid-2021. This drug, Biogen's Aduhelm for Alzheimer's disease (AD), suffered several setbacks both before and after it was approved and is not expected to be an important contributor due to its limited benefit and negative side effects. More recently, in early January 2023, another disease modifying therapy was approved, Leqembi, which shows slightly better results, but lacks the clear-cut benefit desired. This leaves the dementia field wide open for therapies that can either slow or improve the symptoms of dementia, and shows that the FDA recognizes even marginal benefits in new candidates given the dearth of available therapies.

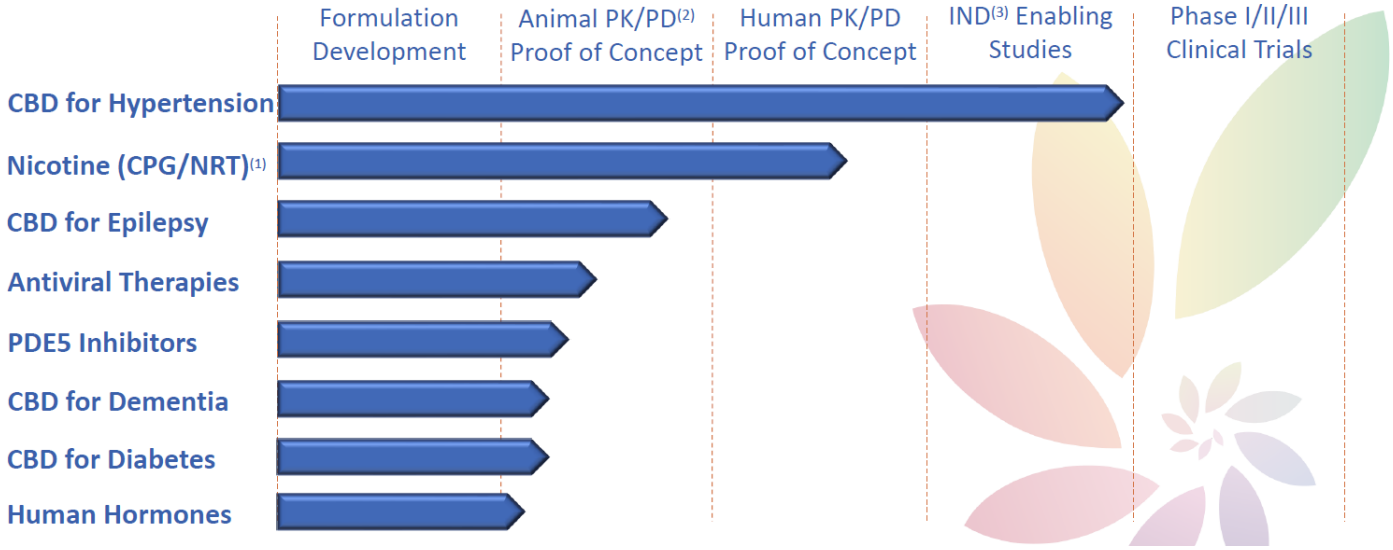
[10] Source: Lexaria Press Release, November 1, 2022. Lexaria Receives Independent Review Board Approval for its Upcoming Human Oral Nicotine Study.

In response to this unmet need and an anticipated benefit from DehydraTECH administered CBD, Lexaria is conducting a preclinical study designated DEM-A22-1 to measure the impact in 32 Long Evans rats. The rats will be dosed with DHT CBD and will employ a novel object recognition test to measure the impact of the investigational drug on cognitive performance. Lexaria outlines further details of the study and the potential market size for drugs used in dementia in a November 10, 2023 press release.

Support for launching the study is based on the benefit DHT-CBD shows in the reduction of blood pressure. Individuals with high blood pressure are more likely to develop vascular dementia, which is the second most common type.[11] Research cited by Lexaria in their press release[12] finds that the endocannabinoid system is associated with many neurodegenerative diseases including Alzheimer's disease, Huntington's disease, Parkinson's disease and vascular dementia. If DEM-A22-1 is successful in preclinical efforts, further studies will be considered.

Pipeline

Exhibit VII – DehydraTECH Pipeline[13]



Milestones (Calendar Quarters Used)

- Additional results from HYPER-H21-4 – 1Q:23
- Dosing completion in multiple studies – 1H:23
  - Dementia (DEM-A22-1)
  - Diabetes (DIAB-A22-1)
  - Nicotine (NIC-H21-1)
- Readouts from ongoing studies – 2023
- Outcomes for DIAB-A22-1 (diabetes) – March 2023
- DHT-CBD Phase Ib expected IND clearance – Summer 2023
- EPIL-A21-1 (seizures) final results – 3Q:23
- DEM-A21-1 (diabetes & dementia) study results – 4Q:23
- NIC-H22-1 (nicotine comparison with On! & Zyn) final results – 4Q:23
- DHT-CBD Phase Ib hypertension study – 2H:23

[11] Alzheimer's Society. High Blood Pressure and Dementia.
[12] Walther, S., Halpern, M. Cannabinoids and Dementia: A Review of Clinical and Preclinical Data. Pharmaceuticals. August 2010.
[13] Source: Lexaria January 2023 Corporate Presentation.

Summary

Lexaria has continued to generate new findings for its DehydraTECH CBD product with multiple readouts from its various studies. The lead programs in hypertension and nicotine have posted favorable results and support further clinical studies for the former and expanded relationships with partners for the latter. Lexaria's efficient use of capital has allowed the company's research and development activities to expand into new preclinical work including efforts in diabetes and dementia. While still early stage, these programs could be excellent partnership opportunities that will support further growth and potentially provide growth capital.

We expect additional data to emerge for all of the leading programs and could see topline from the nicotine study in the next few months. IND development, submission and clearance are all on the docket for the next two quarters for the hypertension program which will be the main value driver for the company's R&D platform. Further efforts include sharing the data with potential partners who will take the baton of the hypertension program for later-stage development and submission for approval with regulatory agencies.

PROJECTED FINANCIALS

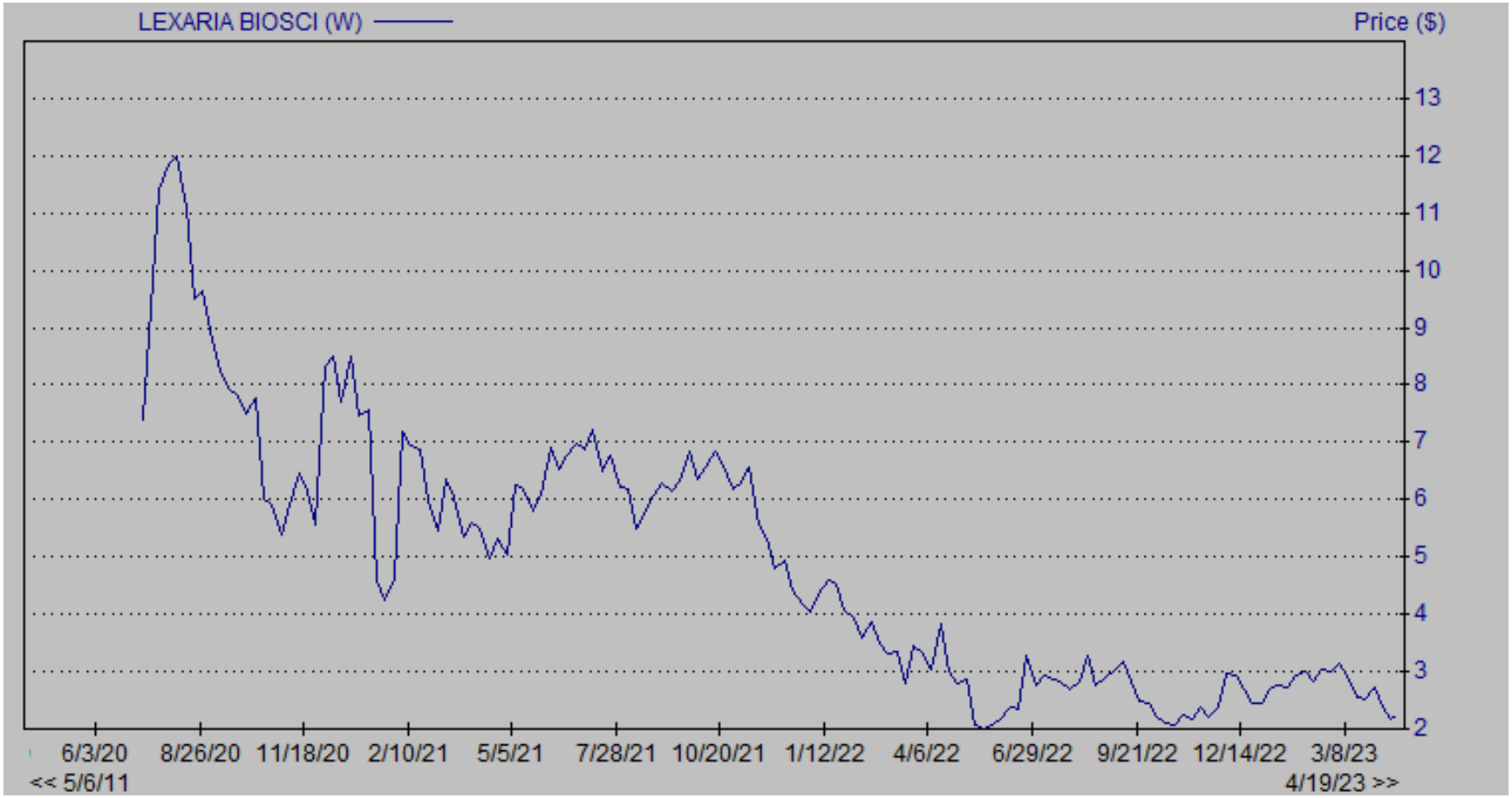
Lexaria Bioscience Corp. - Income Statement

Lexaria Bioscience Corp.	2022 A	Q1 A	Q2 A	Q3 E	Q4 E	2023 E	2024 E	2025 E
Total Revenues	**$255**	**$101**	**$35**	**$140**	**$175**	**$451**	**$1,129**	**$1,354**
YOY Growth	-65%	631%	15%	40%	57%	77%		
Gross Profit	$184	$86	$32	$125	$160	$403	$903	$1,084
Research & Development	$1,843	$829	$696	$870	$814	$3,210	$3,306	$3,405
General & Administrative	$5,725	$1,025	$647	$1,000	$1,053	$3,725	$3,874	$4,029
Income from operations	($7,384)	($1,769)	($1,311)	($1,745)	($1,707)	($6,532)	($6,277)	($6,351)
Discontinued operations	$0	$0	$0	$0	$0	$0	$0	$0
Non Controlling Interest	($114)	($13)	($13)	($7)	($7)	($40)	($37)	($38)
Pre-Tax Income	($7,269)	($1,756)	($1,298)	($1,738)	($1,700)	($6,492)	($6,277)	($6,351)
Net Income	**($7,269)**	**($1,756)**	**($1,298)**	**($1,738)**	**($1,700)**	**($6,492)**	**($6,277)**	**($6,351)**
Net Margin	*-2846%*	*-1730%*	*-3707%*	*-1241%*	*-971%*	*-1438%*	*-556%*	*-469%*
Reported EPS	**($1.24)**	**($0.30)**	**($0.22)**	**($0.28)**	**($0.27)**	**($1.07)**	**($0.84)**	**($0.77)**
YOY Growth								
Basic Shares Outstanding	5,885	5,951	5,951	6,150	6,300	6,088	7,500	8,250

Source: Company Filing // Zacks Investment Research, Inc. Estimates

HISTORICAL STOCK PRICE

Lexaria Bioscience Corp. – Share Price Chart[14]



[14] Source: Zacks Research System

DISCLOSURES

The following disclosures relate to relationships between Zacks Small-Cap Research ("Zacks SCR"), a division of Zacks Investment Research ("ZIR"), and the issuers covered by the Zacks SCR Analysts in the Small-Cap Universe.

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