

**Top Strike Resources Corp. Announces Closing of Recapitalization Financing,  
Appointment of New Management Team and Board of Directors and  
Commencement of Trading on the Canadian Stock Exchange**

**September 24, 2018 - Calgary, Alberta** – Top Strike Resources Corp. (the "**Corporation**") (CSE: VENI) is pleased to announce: (i) the completion of an initial tranche of its previously announced non-brokered private placement of units ("**Units**") of the Corporation for gross proceeds of \$5.6 million (the "**Private Placement**"); (ii) the completion of an initial tranche of its previously announced non-brokered private placement of insider units ("**Insider Units**") of the Corporation for additional gross proceeds of \$1.6 million (the "**Insider Private Placement**", and together with the Private Placement, the "**Private Placements**"); (iii) the resignation of the current board of directors and management team of the Corporation and the concurrent appointment of a new management team (the "**New Management Team**") and board of directors (the "**New Board**"); and (iv) the delisting of the common shares of the Corporation ("**Common Shares**") from the NEX Board of the TSX Venture Exchange and the concurrent listing of the Common Shares on the facilities of the Canadian Securities Exchange (the "**CSE**") (collectively, the "**Transactions**"). The Common Shares commenced trading under the ticker symbol "**VENI**" on the CSE today.

The Transactions have transitioned the Corporation from an oil and gas issuer to a merchant capital firm, rebranded as "Vencanna Ventures Inc.". The recapitalized Corporation aims to be a go-to capital provider for early-stage global cannabis initiatives with an emphasis on state compliant opportunities in limited licensed jurisdictions in the United States. We look to provide investors with a diversified, high-growth, cannabis investment strategy through strategic investments focused through-out the value chain (cultivation, processing and distribution, and including ancillary businesses). A listing statement dated September 20, 2018 (the "**Listing Statement**") with information about the Corporation and the Transactions, prepared in accordance with the policies of the CSE, is available under the Corporation's profile on SEDAR at [www.sedar.com](http://www.sedar.com).

**Private Placement and Insider Private Placement**

Pursuant to the initial tranches of the Private Placements, the Corporation raised aggregate gross proceeds of \$7.2 million. In order to capitalize on further demand, the New Management Team expects to complete second tranches of the Private Placement and the Insider Private Placement on or before October 12, 2018.

Pursuant to the Private Placement, the Corporation issued to subscribers an aggregate of 93,169,642 Units at a price of \$0.06 per Unit for aggregate gross proceeds of \$5.6 million. Each Unit is comprised of one Common Share and one-half of one Common Share purchase warrant (a "**Warrant**"). Each Warrant entitles the holder thereof to purchase one Common Share at a price of \$0.09 per Common Share until September 24, 2021. Provided that the average trading price of the Common Shares is equal to or exceeds \$0.14 for any consecutive 20-day trading period following September 24, 2019, the Corporation will be entitled to accelerate the expiry date of the Warrants.

Pursuant to the Insider Private Placement, the Corporation issued to the New Management, together with additional subscribers identified by the New Management, an aggregate of 31,497,766 Insider Units at a price of \$0.05 per Insider Unit for aggregate gross proceeds of \$1.6 million, representing an upside of \$0.1 million from the previous announcement. Each Insider Unit is comprised of one Common Share and one Common Share purchase warrant (an "**Insider Warrant**"). Each Insider Warrant entitles the holder thereof to purchase one Common Share at a price of \$0.06 per Common Share until September 24, 2023, provided that if the Common Shares are either: (i) listed on the facilities of a stock exchange other than the CSE; or (ii) acquired for cash or for the

securities of a public company not listed on the facilities of the CSE, then each Insider Warrant shall be exercisable for two Common Shares at a price of \$0.06 per Common Share.

Pursuant to applicable securities laws, all securities issued pursuant to the Private Placements are subject to a hold period until January 25, 2019.

Following completion of the Transactions, and after taking into account transaction and financing costs, the recapitalized Corporation has a net cash position of approximately \$6.5 million. The New Management Team intends to use the net proceeds from the Private Placements to execute on an international cannabis-focused investment strategy with an emphasis on state compliant opportunities in the United States. Please refer to the Listing Statement for additional details about the Corporation's new corporate strategy.

### **New Management Team and New Board**

Contemporaneous with the closing of the Private Placement, the previously announced appointment of the New Management Team and New Board was completed and the former board of directors and management team of the Corporation resigned. The New Management Team is led by David McGorman as Chief Executive Officer and a director, Jon Sharun, as Executive Director and a director, Jason Ewasuik as Vice President, Originations and Mike Tanasichuk as Chief Financial Officer, with Sony Gill serving as Corporate Secretary. Joining Messrs. McGorman and Sharun on the New Board are Matt Christopherson, Alan Gertner, Dr. Inbar Maymon-Pomeranchik and W. Scott McGregor. Trent Woloveck will serve on the advisory board of the Corporation.

The New Management Team has been extremely active in the legal cannabis sector; actively investing in Canada and the United States and having developed a deep network of contacts within the legal cannabis sector in North America and Europe. The New Management Team has significant investment banking and direct investing experience, and are skilled at identifying, evaluating and adding value to start-up companies.

The members of the New Board have strong track records, distinguished careers and have held prominent lead positions within a range of successful companies, including in the cannabis sector. Their combined experience and expertise will provide the New Management Team with invaluable advice, guidance and mentorship.

The Corporation also announces that, pursuant to the terms and conditions of its stock option plan, it has granted an aggregate of 12,466,740 stock options to purchase Common Shares to the New Management Team, New Board and employees of the Corporation. The options expire five years from the date of grant and are exercisable at a price of \$0.06 per Common Share. The options vest as to one third on the grant date and one third on each of the first and second anniversaries of the grant date.

### **About the Corporation**

The Corporation's recapitalized corporate structure will allow the Corporation to execute on its international cannabis-focused investment strategy as "Vencanna Ventures Inc."

It is anticipated that the shareholders of the Corporation will be asked to approve a change of the Corporation's name to "Vencanna Ventures Inc." at a special meeting called for such purpose.

Further information on the Corporation and the Transactions are provided in the Listing Statement which has been filed on SEDAR.

For further information regarding this news release, please contact:

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### **Forward-Looking Statements**

*This news release may include forward-looking statements including opinions, assumptions, estimates, the New Management Team's assessment of future plans and investment strategy, and, more particularly, statements concerning the completion of the Private Placements, future tranches of the Private Placements, the business plan of the Corporation, the anticipated benefits thereof and the value expected to be provided by the New Management Team to investors in the Corporation, the proposed change of name of the Corporation and use of proceeds of the Private Placements, including future global cannabis investments. When used in this document, the words "will," "anticipate," "believe," "estimate," "expect," "intent," "may," "project," "should," and similar expressions are intended to be among the statements that identify forward-looking statements. The forward-looking statements are founded on the basis of expectations and assumptions made by the Corporation which include, but are not limited to, the timing of the receipt of the required regulatory and third party approvals, the future operations of, and transactions completed by, the Corporation as well as the satisfaction of other conditions pertaining to the completion of the Private Placements. Forward-looking statements are subject to a wide range of risks and uncertainties, and although the Corporation believes that the expectations represented by such forward-looking statements are reasonable, there can be no assurance that such expectations will be realized.*

*Any number of important factors could cause actual results to differ materially from those in the forward-looking statements including, but not limited to, regulatory and third party approvals not being obtained in the manner or timing anticipated by the Corporation, changes to global cannabis laws, how the developing U.S. legal regime will impact the cannabis industry, the ability to implement corporate strategies and the Corporation's investment strategy, the state of domestic capital markets, the ability to obtain financing, changes in general market conditions and other factors more fully described from time to time in the reports and filings made by the Corporation with securities regulatory authorities. Additional information regarding other risks and uncertainties relating to the Corporation are contained under the heading "Risk Factors" in the Listing Statement dated September 20, 2018, filed on SEDAR at [www.sedar.com](http://www.sedar.com).*

*Except as required by applicable laws, the Corporation does not undertake any obligation to publicly update or revise any forward-looking statements.*

*Investors are cautioned that, except as disclosed in the Listing Statement, any information released or received with respect to the Transactions may not be accurate or complete and should not be relied upon.*

**Neither the Canadian Securities Exchange nor its Market Regulator (as that term is defined in the policies of the Canadian Securities Exchange) accepts responsibility for the adequacy or accuracy of this news release.**