

Top Strike Resources Corp. Announces Strategic Loan and Business Combination with Blacklist Holdings, Inc.

January 30, 2019 – Calgary, Alberta – Top Strike Resources Corp. d.b.a. Vencanna Ventures Inc. ("**Vencanna**" or the "**Corporation**") (CSE: VENI) announces that it has entered into an agreement with Blacklist Holdings, Inc. ("**Blacklist**", and together with Vencanna, the "**Parties**") whereby Vencanna will loan Blacklist up to \$3,250,000 for inventory expansion into its markets and general working capital purposes (the "**Loan**"). The Loan matures on May 15, 2019, at which time Blacklist will repay the Loan in its entirety along with an additional payment of \$260,000, for aggregate gross proceeds of \$3,510,000.

Blacklist owns the IONIC brand which is a leading cannabis vape pen and cannabis cartridge producer and distributor in Washington State, Oregon and now in California.

The Parties have also entered into a non-binding letter of intent (the "**LOI**") pursuant to which Blacklist will, through a public company ("**PubCo**") listed on the facilities of the Canadian Securities Exchange ("**CSE**") (see Blacklist's press release dated December 27, 2018): (i) acquire all of the common shares in the capital of Vencanna (the "**Vencanna Shares**") through the issuance of an aggregate of 37,193,234 common shares of PubCo (the "**PubCo Shares**"); and (ii) complete a business combination with Vencanna pursuant to a plan of arrangement (the "**Plan of Arrangement**") under the Alberta *Business Corporations Act* (the "**Transaction**") which will result in the combination of Blacklist and Vencanna (the "**Combined Company**"). Pursuant to the Transaction, each holder of Vencanna Shares shall exchange such Vencanna Shares for PubCo Shares on the basis of 0.2 of a PubCo Share for each Vencanna Share held by such shareholder (the "**Exchange Ratio**"). In addition, all options and share purchase warrants of Vencanna shall be exchanged for options and share purchase warrants of PubCo, as adjusted to reflect the Exchange Ratio.

The completion of the Transaction is subject to the satisfaction of a number of conditions, including, but not limited to: (i) the execution of a definitive agreement among PubCo, Blacklist and Vencanna (the "**Arrangement Agreement**"); (ii) receipt of the approval of shareholders of Vencanna (and minority shareholder approval, as may be required pursuant to the policies of the CSE); (iii) receipt of Court approval of the Transaction; (iv) receipt of CSE conditional approval for the Transaction and the issuance of PubCo Shares pursuant to the Transaction; (v) all conditions under the Arrangement Agreement having been satisfied or waived; and (vi) receipt of all other required regulatory, governmental and third party approvals.

It is anticipated that the Arrangement Agreement will be executed on or about March 15, 2019 and the Transaction is expected to be completed on or about May 15, 2019. Pursuant to the LOI, Blacklist has agreed to deal exclusively with Vencanna with regard to the Transaction.

The closing of the Transaction is anticipated to occur after the completion of Blacklist's business combination with PubCo (the "**RTO**"). As part of the RTO, Blacklist has raised approximately \$7.15 million through the issuance of subscription receipts at an issue price of \$0.50 per subscription receipt, \$1.72 million in convertible debentures and \$1.23 million in debt settlement for aggregate gross proceeds of approximately \$10.1 million. The RTO is expected to close in March 2019.

Management and board of directors will be comprised of professionals from both Parties, creating a dynamic Canada and the United States integrated team, with the full capabilities to execute on all aspects of its business plan. The combined entity will be well capitalized with strong revenues and cash flow, thereby further enabling it to exploit and accelerate on additional accretive transactions that have been identified.

In connection with the Transaction, it is expected that Vencanna will hold a meeting to seek shareholder approval of the Arrangement.

Vencanna intends to submit all requisite filings with the CSE in due course, including a management information circular in respect of the Transaction.

The Arrangement will not result in the creation of a new "control person", as such term is defined by the policies of the CSE.

Message from Vencanna's CEO, David McGorman

"The US cannabis market continues to expand as additional states legalize medical and recreational use. Currently, over 65% of the US population in 33 states has access to medical marijuana, and 10 of those states have given the green light for recreational use. The combination of Vencanna and Blacklist offers our shareholders immediate participation in the largest and most dynamic cannabis market in the world."

Message from Blacklist's President, John Gorst

"Blacklist has been growing at an exponential rate, and we currently have a number of acquisitions targeted and secured. Combining with Vencanna strengthens our capital markets presence, deepens our M&A expertise, and will greatly help to facilitate access to additional capital and deal flow."

Blacklist Strategic Advantage

Blacklist operates in 3 states, either through its own licenses or through third party co-manufacturing arrangements, and owns the IONIC brand which is the leading cannabis vape pen and cannabis cartridge producer and distributor in Washington State, Oregon and now in California. Blacklist has built and reinforced a dominant leadership in the fast-growing concentrate segment. Blacklist has a professional management team with a proven history of sales and marketing success in the alcohol and beverage industries and has applied the same methods to dominate in its markets. Launched in 2015, IONIC Premium Vape Pens are Blacklist's flagship recreational product, finishing 2018 with US\$9.9 million in sales, which is 110% of Blacklist's 3-year compound annual growth rate (CAGR). Blacklist has entered into 4 non-binding acquisition agreements, including Zoots Edibles Company ("**Zoots**"), with whom Blacklist has executed an operating agreement. Zoots is one of the first major players in the infused products market.

About Vencanna

On September 24, 2018, the Corporation announced the completion of a recapitalization financing, the appointment of a new management team and board of directors and commencement of trading on the CSE. 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 strong management operating in state compliant jurisdictions with barriers to entry. The Corporation looks 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).

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Reader Advisory

Completion of the Transaction may be subject to a number of conditions, including, but not limited to, the acceptance of the CSE, Court approval and shareholder approval. The Transaction cannot close until the required shareholder approval, if any, is obtained. There can be no assurance that the Transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the management information circular to be prepared in connection with the Transaction, any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon.

This press release is not an offer of the securities for sale in the United States. The securities have not been registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an exemption from registration. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any state in which such offer, solicitation or sale would be unlawful.

The CSE has in no way passed upon the merits of the Transaction and has neither approved nor disapproved of the contents of this press release.

Neither the CSE nor the Market Regulator (as that term is defined in the policies of the CSE) accepts responsibility for the adequacy or accuracy of this release.

Forward-Looking Statements

This news release contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. The use of any of the words "expect", "anticipate", "continue", "estimate", "objective", "ongoing", "may", "will", "project", "should", "believe", "plans", "intends" and similar expressions are intended to identify forward-looking information or statements. More particularly, and without limitation, this news release contains forward looking statements and information concerning the Loan, the Transaction, the RTO, the expected composition of the board of directors and management of the Combined Company, the application to the CSE in respect of the Transaction, the completion and timing of the transactions contemplated herein, the Combined Company's corporate strategy, the expansion of Blacklist's brands and products, Blacklist's potential transactions including a transaction with Zoots and the anticipated benefits of the Transaction. In addition, statements relating to Vencanna's, Blacklist's and the Combined Company's business, strategies, expectations, sales forecasts, planned operations or future actions, the performance of Vencanna's, Blacklist's and the Combined Company's business and operations; the competitive conditions of the industry in which the Combined Company will operate and the competitive advantages of the Combined Company; and the Combined Company's future business.

The forward-looking statements and information are based on certain key expectations and assumptions made by Makena, including expectations and assumptions concerning: Vencanna, Blacklist and the Combined Company; the Transaction, including CSE, Court and shareholder approvals and the execution of the Arrangement Agreement and the satisfaction of other closing conditions in accordance with the terms of the Arrangement Agreement; the future operations of, and transactions completed by, the Combined Company; the successful completion of Blacklist's potential transactions; the availability of sufficient capital; the availability of and access to qualified personnel; the expected growth in the cannabis market, including demand for cannabis products; the expected regulatory and competitive environment experienced by companies in the vape pen, cartridge and concentrate segment of the cannabis industry; expectations regarding the regulatory framework; the benefits, viability, safety, efficacy and social acceptance of cannabis; the securities markets and the general economy; the legalization of the use of cannabis for medical and/or adult use in jurisdictions outside of Canada; and applicable laws not changing in a manner that is unfavorable to Vencanna or the Combined Company.

Although Vencanna believes that the expectations and assumptions on which such forward-looking statements and information are based are reasonable, undue reliance should not be placed on the forward looking statements and information because Vencanna can give no assurance that they will prove to be correct. By its nature, such forward-looking information is subject to various risks and uncertainties, which could cause the actual results and expectations to differ materially from the anticipated results or expectations expressed. Without limitation, these risks and uncertainties include: the parties being unable to obtain the required CSE, Court and shareholder approvals; the failure to complete the Transaction on satisfactory terms; the failure of Blacklist to complete the RTO; the failure of Blacklist to repay the Loan as contemplated above; the failure of Blacklist to complete its potential transactions; risks associated with the cannabis industry in general; infringement on intellectual property; failure to benefit from partnerships or successfully integrate acquisitions; actions and initiatives of federal, state and provincial governments and changes to government policies and the execution and impact of these actions, initiatives and policies, import/export and other restrictions for cannabis based operations; the size of the medical-use and adult-use cannabis market; competition from other industry participants; adverse U.S., Canadian and global economic conditions; failure to comply with certain regulations; and departure of key management personnel or inability to attract and retain talent. Vencanna undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by law.