Top Strike Resources Corp.
Management's Discussion & Analysis
Three and Nine Months Ended January 31, 2020 and 2019

The following Management's Discussion & Analysis ("MD&A") as provided by the management of Top Strike Resources Corp. ("Top Strike" or the "Company") should be read in conjunction with the Company's unaudited condensed interim financial statements and accompanying notes for the three and nine months ended January 31, 2020 and 2019 and audited financial statements and accompanying notes for the years ended April 30, 2019 and 2018. All financial measures are expressed in Canadian dollars unless otherwise indicated. Top Strike's MD&A and financial statements were prepared under International Financial Reporting Standards ("IFRS"). The reader should be aware that historical results are not necessarily indicative of future performance. The effective date of this MD&A is March 30, 2020.

Management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls and to ensure that information used internally or disclosed externally, including the financial statements and MD&A, is complete and reliable. The Company's board of directors follows recommended corporate governance guidelines for public companies to ensure transparency and accountability to shareholders. The board's audit committee meets with management on a quarterly basis to review the financial statements including the MD&A and to discuss other financial, operating and internal control matters.

Statements in this report that are not historical facts are forward-looking statements involving known and unknown risks and uncertainties, which could cause actual results to vary considerably from these statements. Readers are cautioned not to put undue reliance on forward-looking statements. See "Forward Looking Statements" on page 6 of this report.

The reader is encouraged to review the Company's statutory filings on www.sedar.com.

DESCRIPTION OF BUSINESS AND OVERVIEW

The Company trades under the symbol "VENI" on the Canadian Securities Exchange ("CSE") and "TPPRF" on the OTCQB Venture Market ("OTCQB"), a US trading platform that is operated by the OTC Markets Group in New York.

Prior to September 24, 2018, the Company had no activity and had not earned significant revenues.

On September 24, 2018, the Company 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 Company from an oil and gas issuer to a merchant capital firm, rebranded as "Vencanna Ventures", providing capital to early-stage global cannabis initiatives including state compliant opportunities in the United States.

The Company's principal place of business is located in Calgary, Alberta. The address of the Company's head office is Suite 310, 250 6th Avenue SW, Calgary, Alberta, T2P 3H7.

HIGHLIGHTS AND RECENT DEVELOPMENTS

The Company continues to be active with regards to repurchasing common shares under the Normal Course Issuer Bid ("NCIB"). Under the bid the Company may purchase up to 5% of the issued and outstanding common shares of the Company ("Common Shares"). The Company believes that, from time to time, the market price of its shares does not reflect the underlying value of the Company. It is the opinion of management that in these circumstances purchasing of its own common shares represents an attractive investment opportunity and is in the best interest of the Company and its shareholders.

During the period the Company purchased 136,000 Common Shares under the NCIB program. To date the Company has purchased a total of 2,939,000 Common Shares. Also during the period, the Company cancelled 2,803,000 of these Common Shares and holds the remaining 136,000 Common Shares as at the period end January 31, 2020.

On December 17, 2019 the Company announced its Common Shares had commenced trading on the OTCQB. On February 12, 2020 the Company issued an error to this statement and provided the following clarification. The Common Shares instead had commenced trading on the Pink Open Market, also operated by the OTC Markets group, effective December 16, 2019 and that as of February 12, 2020 the Common Shares had been approved to commence trading on the OTCQB under the symbol TPPRF.

On January 14, 2020 the Company announced it had increased its additional interest in the cultivation and dispensary licence applications held by Galenas New Jersey LLC ("Galenas NJ"). On August 8, 2019 the Company's interest was 15% of a cultivation licence application and 13.5% of a dispensary license application. In exchange for US$100,000 and the issuance of 2,222,222 Common Shares the Company increased its interest in the cultivation and dispensary licence applications. If the licenses are successful, the Company would now earn a 60% interest in a cultivation license and a 54% interest in a dispensary license. The additional interest was purchased from Medical Investor Holdings, LLC (d.b.a Vertical Companies) ("Vertical") and Medical Investment Fund A LP ("MIF"). Smoke Wallin and Jon Sharun, both directors of the Company, are the Chairman of Vertical and general partner of MIF respectively. The investment was a related party transaction and both Mr. Sharun and Mr. Wallin abstained from voting at the director's meeting.

On February 21, 2020 the Company announced a subsequent investment in Galenas, LLC ("Galenas Ohio"). The Company purchased a convertible promissory note. ("GOH Note") with a face value and cost of US$3.3 million. As of this date, total outstanding including accrued interest on this note is approximately US$3.8 million. The GOH Note was purchased from Vertical. The GOH Note is convertible upon the holder's option and subject to regulatory approvals, into a 35% non-dilutive equity interest in Galenas Ohio. Interest on the GOH Note accrues at a rate of 8% per annum and the note matures on July 1, 2021. On July 22, 2019, the company loaned Vertical $4 million for inventory and general working capital purposes (the "Vertical Loan"). The purchase price was satisfied through the release and discharge of all amounts owing to the Company under the Vertical Loan, resulting in the retirement and settlement of the Vertical Loan.

Ohio is the seventh most populous state in the United States. Ohio initiated medical cannabis sales April 2019. According to the Ohio Medical Marijuana Control Program, sales in 2019 reached US$56 million, and patient count as of January 31, 2020 was over 84,000. For the first two months of 2020, sales have averaged over $11 million per month. Galenas Ohio has the only certified organic grow in the state thereby enjoying premium pricing to a robust pricing environment.

New Jersey is the eleventh most populous state in the United States. On December 16, 2019 New Jersey lawmakers approved, by supermajority, an adult use referendum on their 2020 ballot. If the ballot is successful, New Jersey would be the 4th largest adult use state. A poll conducted last year by Monmouth University found that 62% of New Jersey residents are in favor of ending cannabis prohibition.

The impact of the COVID-19 pandemic and jurisdictional policies put into effect to counter the virus (including social distancing and the closure of non-essential services) are unknown at this time. While most US states have deemed access to medical cannabis an "essential" service (as Ohio has stated), it is unknown if this will be continued or how future policies will impact US cannabis businesses.

The global cannabis industry continues to rapidly expand with increasing demand for cannabis as various jurisdictions are increasing access to cannabis for both medical and recreational purposes. The Secure and Fair Enforcement (SAFE) of Banking Act and The Strengthening the Tenth Amendment Through Entrusting States (STATES) Act are two of a number of pieces of legislation seeking to reform cannabis laws in the United States. Management believes that the Company is on track to accomplish its stated business objectives, though continued reform and global legalization of cannabis will create a more competitive environment for cannabis-based companies and its service providers thereby potentially affecting market conditions and hence affecting our previously disclosed milestones.

SUMMARY OF QUARTERLY RESULTS

The following financial data is selected information for the Company for the eight most recently completed financial quarters:

($)	Jan 31, 2020	Oct 31, 2019	Jul 31, 2019	Apr 30, 2019	Jan 31, 2019	Oct 31, 2018	July 31, 2018	Apr 30, 2018
Gain (Loss) for the period	59,196	(60,828)	(205,824)	(120,048)	(232,744)	(286,799)	(3,285)	(10,488)
Gain (Loss) per share - basic	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total assets	8,671,208	8,438,837	8,468,446	8,603,826	8,633,369	9,231,900	74,211	73,551
Total liabilities	66,268	37,109	58,138	58,370	14,829	449,524	13,088	9,143

As of the date hereof, a major portion of the Company's business was derived from material ancillary involvement in US cannabis-related activities. As at January 31, 2020, 51% of the Company's assets and 100% of other income was directly related to US cannabis activities.

RESULTS OF OPERATIONS

Financial results

Overall, the Company recorded a net gain of $59,196 ($0.00 gain per share) and net loss of $207,455 ($0.00 loss per share) for the three and nine months ended January 31, 2020, as compared to a net loss of $232,744 ($0.00 loss per share) and $522,828 ($0.00 loss per share) for the three and nine months ended January 31, 2019.

The Company had no operating revenue for the three months ended January 31, 2020 and 2019. The net gain is comprised of general and administrative expenses of $229,648 (January 31, 2019 - $185,636), share-based compensation of $18,786 (January 31, 2019 - $48,008) less finance income of $307,630 (January 31, 2019 - $900).

Significant expenses during the three months ended January 31, 2020 were professional fees of $19,268 (January 31, 2019 - $5,662), corporate communication expenses of $31,662 (January 31, 2019 - $8,792) consisting of transfer agent fees, listing and filing fees and press release fees, rent and parking of $8,985 (January 31, 2019 - $10,857), travel of $6,537 (January 31, 2019 - $11,159), salaries and benefits of $147,370 (January 31, 2019 - $132,212) and share-based compensation of $18,876 (January 31, 2019 - $48,008).

LIQUIDITY, FINANCINGS AND CAPITAL RESOURCES

At January 31, 2020, the Company had a cash and cash equivalent balance of $4,145,117 (April 30, 2019 - $4,856,455) to settle current liabilities of $67,167 (April 30, 2019 - $58,370). As at January 31, 2020, the Company's cash and cash equivalents decreased by $99,267 from October 31, 2019, which is the aggregate of the $113,360 net cash provided by operating activities, $2,720 used in financing activities and $209,907 net cash used in investing activities.

CAPITAL COMMITTMENTS

The Company has no commitments for property and equipment expenditures for fiscal 2020. The Company anticipates that any property and equipment expenditures based on future needs, will be funded from cash on hand and the issuance of equity securities.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The timely preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities and income and expenses. Accordingly, actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Critical judgments in applying accounting policies

The following are the critical judgments, apart from those involving estimations (see below), that management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in these financial statements.

Areas requiring a significant degree of estimation and judgement relate to fair value measurements for financial instruments and share-based payments and other equity-based payments, and the recoverability and measurement of deferred tax assets and liabilities. Actual results may differ from those estimates and judgements.

ACCOUNTING POLICIES

The accounting policies of Top Strike used in the determination of the results for the three months ended January 31, 2020 are described in detail in Note 3 of the Company's audited financial statements for the year ended April 30, 2019 with the exception of the adoption of new accounting standards effective May 1, 2019. These policies have been applied in preparing the financial statements for the three months ended January 31, 2020 and the comparative information presented in the financial statements for the three months ended January 31, 2019.

Adoption of IFRS 16, Leases

Effective May 1, 2019, the Company adopted IFRS 16 Leases ("IFRS 16"), which replaces previous IFRS guidance on leases: IAS 17 Leases ("IAS 17"). Under IAS 17, lessees were required to determine if the lease was a finance or operating lease, based on specified criteria of whether the lease transferred significantly all the risks and rewards associated with ownership of the underlying asset. Finance leases were recognized on the statement of financial position while operating leases were recognized in net income (loss) and comprehensive income (loss) in the statements of comprehensive income (loss). IFRS 16 introduced a single lease accounting model for lessees which requires a right-of-use asset and liability to be recognized on the statement of financial position for contracts that are, or contain, a lease. The Company adopted IFRS 16 using the modified retrospective approach, whereby the cumulative effect of initially applying the standard was recognized as nil.

On adoption of IFRS 16, the Company's lease liability related to contracts classified as leases are measured at the discounted present value of the remaining minimum lease payments, excluding short-term and low-value leases. The right-of-use assets recognized are measured at amounts equal to the present value of the lease obligations. The weighted average incremental borrowing rate is used to determine the lease liability at adoption. At May 1, 2019, the Company had a revocable licence for office services on a month-to-month basis.

OFF- BALANCE SHEET ARRANGEMENTS

The Company has not entered into any off-balance sheet arrangements.

PROPOSED TRANSACTIONS

As at the date of this MD&A, there are no proposed transactions that the board of directors or senior management have decided to proceed with and that have not been publicly disclosed.

RELATED PARTY TRANSACTIONS

Jon Sharun and Smoke Wallin, directors of the Company, are a partner of MIF and Vertical, respectively. Both Mr. Sharun and Mr. Wallin has abstained form voting at the directors meeting regard the additional investment in Galenas NJ.

SHARE CAPITAL

The Company has an unlimited number of Common Shares authorized for issuance. At January 31, 2020, there were 185,385,390 shares issued, 185,249,390 shares outstanding, and 136,000 held in treasury. There are also 117,701,057 warrants and 17,466,740 stock options outstanding.

The Company is authorized to purchase up to 9,298,308 shares under its NCIB program until Sep 16, 2020. The Company has purchased 2,939,000 shares, representing approximately 32% of the authorized purchases.

RISKS AND UNCERTAINTIES

The Company's financial success will be dependent upon the Company's ability to raise equity. There is no assurance that the Company will be able to raise the equity required to meet the obligations of the Company and the Company has no source of financing other than those identified in the previous section. Additionally, given the illegality of cannabis under U.S. federal law (discussed below), the Company's ability to raise equity in the U.S. may be limited. However, these barriers to participation in U.S. capital markets also serve as the Company's competitive advantage when supplying alternative sources of capital to state compliant U.S. cannabis businesses.

Marijuana is illegal under U.S. federal law and the enforcement of such laws poses significant risk to the Company. As at the date hereof, 33 states of the United States plus the District of Columbia, Puerto Rico and Guam have laws and/or regulations that recognize, in one form or another, legitimate medical uses for cannabis and consumer use of cannabis in connection with medical treatment and ten states of the United States have legalized recreational cannabis. Many other states are considering similar legislation.

However, the position of the federal government and its agencies is that cannabis has no medical benefit and, accordingly, a range of activities including cultivation and the personal use of cannabis are prohibited. Unless and until Congress amends the *U.S. Controlled Substances Act of 1970* with respect to medical and recreational cannabis, there is a risk that federal authorities may enforce current federal law and the Company may be deemed to be producing, cultivating or dispensing cannabis in violation of federal law or facilitating the selling or distribution of drug paraphernalia in violation of federal law. Active enforcement of the current federal regulatory position on cannabis may thus indirectly and adversely affect the Company's future cash flows, earnings, results of operations and financial condition. As of the date hereof, the Company has not obtained legal advice, either in the form of a legal opinion or otherwise, regarding compliance with applicable state regulatory frameworks and potential exposure and implications arising from U.S. federal law. See the AIF for more information, including a discussion of U.S. federal cannabis laws, guidance given by federal authorities or prosecutors regarding the risk of enforcement action and risks associated with providing financing to U.S. state compliant cannabis businesses.

Impacts of the COVID-19 coronavirus outbreak. The Company cautions that current global uncertainty with respect to the spread of the COVID-19 virus and its effect on the broader global economy may have a significant negative effect on the Company. While the precise impact of the COVID-19 virus on the Company and its US cannabis related investments remain unknown, rapid spread of the COVID-19 virus may have a material adverse effect on global economic activity, and can result in volatility and disruption to global supply chains, operations, mobility of people, consumer spending and the financial markets, which could in turn affect interest rates, credit ratings, credit risk, inflation, business, financial conditions, results of operations for the Company's current and future investments and other factors relevant to the Company.

FORWARD-LOOKING STATEMENTS

This MD&A may contain "forward-looking statements" which reflect the Company's current expectations regarding the future results of operations, performance and achievements of the Company, including but not limited to: statements with respect to the Company's plans or future financial or operating performance; the success of the Company's investments, including Galenas NJ and Galenas Ohio; Galenas NJ's applications for a cultivation licence and dispensary licence; future market prospects for medical cannabis in Ohio and New Jersey; the Company's NCIB program; conclusions of economic assessments of projects; requirements for additional capital and sources thereof; and timing of additional financing.

The Company has tried, wherever possible, to identify these forward-looking statements by, among other things, using words such as "anticipate," "believe," "estimate," "expect", "budget", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved".

The statements reflect the current beliefs of the management of the Company, and are based on currently available information. Accordingly, these statements are subject to known and unknown risks, uncertainties and other factors, which could cause actual results, performance, or achievements of the Company to differ materially from those expressed in, or implied by, these statements. These uncertainties are factors that include, but are not limited to, risks related to: regulatory and third party approvals being obtained in the manner or timing anticipated by the Company, including Galenas NJ's cultivation and dispensary licence applications; enforcement of U.S. federal law governing cannabis; changes in how the developing U.S. legal regime will impact the cannabis industry; changes in the global cannabis market; potential negative impacts from the global COVID-19 outbreak; increases in competition from industry participants; the ability to implement the corporate strategy of the Company; the Company's investment strategy; the success and timely payment of current and future investments; the state of United States and Canadian 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 Company with securities regulatory authorities.

The Company's management reviews periodically information reflected in forward-looking statements. The Company has and continues to disclose in its Management Discussion & Analysis and other publicly filed documents, changes to material factors or assumptions underlying the forward-looking statements and to the validity of the statements themselves, in the period the changes occur.

Historical results of operations and trends that may be inferred from the above discussions and analysis may not necessarily indicate future results from operations.

ADDITIONAL INFORMATION

Additional information relating to the Company can be found on SEDAR at www.sedar.com.