TOP STRIKE RESOURCES CORP.

Operating as "Vencanna Ventures"
Condensed Interim Financial Statements (unaudited)

Three months ended October 31, 2023 and 2022

(Expressed in Canadian dollars)

TOP STRIKE RESOURCES CORP.
Operating as “Vencanna Ventures”
Condensed Interim Statements of Financial Position
(Expressed in Canadian dollars)
(unaudited)

As at	Notes	October 31, 2023	April 30, 2023
ASSETS			
Current Assets			
Cash		**$ 4,319,469**	$ 5,179,361
Note receivable	4	**3,995,450**	3,756,213
Due from related parties	8	**927,298**	310,323
Trade and other receivables		**8,509**	12,323
Prepaids		**-**	1,838
		9,250,726	9,260,058
Non-Current Assets			
Deposits		**2,500**	2,500
Equipment		**2,673**	3,054
TOTAL ASSETS		**$ 9,255,899**	$ 9,265,612
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		**621,591**	534,037
		621,591	534,037
Non-Current liabilities			
Loan		**29,499**	27,986
Convertible debenture	5	**2,310,023**	2,252,204
TOTAL LIABILITIES		**2,961,113**	2,814,227
SHAREHOLDERS' EQUITY			
Share capital	6	**21,967,258**	21,967,258
Warrants	6	**-**	4,556,922
Contributed surplus		**6,442,239**	1,885,317
Deficit		**(22,114,711)**	(21,958,112)
TOTAL SHAREHOLDERS’ EQUITY		**6,294,786**	6,451,385
TOTAL LIABILITIES AND SHAREHOLDERS’ EQUITY		**$ 9,255,899**	$ 9,265,612

See accompanying notes to the condensed interim financial statements.

TOP STRIKE RESOURCES CORP.
Operating as "Vencanna Ventures"
Condensed Interim Statements of Income (Loss) and Comprehensive Income (Loss)
(Expressed in Canadian dollars)
(unaudited)

	Notes	Three months ended October 31 **2023**	Three months ended October 31 2022	Six months ended October 31 **2023**	Six months ended October 31 2022
Revenues					
Interest income		**$ 145,171**	$ 120,346	**$ 295,165**	$ 218,288
Change in fair market value of investments and financial instruments:					
Unrealized change in fair value	**8**	**60,592**	-	**25,032**	-
Unrealized gain/loss on investments, and derivative instruments	**5**	**(113,582)**	(38,411)	**(57,819)**	56,972
Unrealized gain/(loss) on foreign exchange		**205,882**	290,922	**76,499**	283,498
		298,063	372,857	**338,877**	558,758
Expenses					
Office and miscellaneous		**4,763**	4,531	**7,195**	6,647
Depreciation		**184**	243	**382**	504
Professional fees		**31,376**	28,961	**73,636**	74,472
Consulting fees		**-**	124,617	**-**	144,030
Corporate communication		**21,019**	18,290	**26,809**	34,472
Rent and parking		**8,550**	9,606	**16,600**	18,032
Travel		**5,810**	4,672	**5,829**	12,694
Salaries and benefits		**129,676**	130,429	**260,280**	264,569
Meals and entertainment		**1,517**	4,238	**4,322**	5,343
Interest and bank charges		**55,684**	50,441	**100,423**	93,259
		258,578	376,028	**495,476**	654,022
Income (loss) and comprehensive income (loss) for the period		**39,485**	$ (3,171)	**$ (156,599)**	$ (95,264)
Earnings (loss) per share					
Basic and diluted	**9**	**$ 0.00**	$ (0.00)	**$ (0.00)**	$ (0.00)
Weighted average number of common shares outstanding					
Basic		**181,283,390**	181,283,390	**181,283,390**	181,283,390
Diluted		**186,283,390**	181,283,390	**181,283,390**	181,283,390

See accompanying notes to the condensed interim financial statements.

TOP STRIKE RESOURCES CORP.
Operating as "Vencanna Ventures"
Condensed Interim Statements of Changes in Shareholders' Equity
(Expressed in Canadian dollars)
(unaudited)

	Shares outstanding	**Share capital**	**Warrants**	**Contributed surplus**	**Deficit**	**Treasury stock**	**Total shareholders' equity**
Balance at May 1, 2023	**181,283,390**	**$21,967,258**	**$4,556,922**	**$1,885,317**	**$(21,958,112)**	**-**	**$6,451,385**
Expiry of warrants			(4,556,922)	4,556,922			-
Loss and comprehensive loss for the period	-	-	-	-	(156,599)	-	**(156,599)**
Balance at October 31, 2023	**181,283,390**	**$21,967,258**	**$ -**	**$6,442,239**	**$(22,114,711)**	**-**	**$6,294,786**

Balance at May 1, 2022	181,283,390	$21,968,258	$4,556,922	$1,885,317	$(21,131,149)	(1,000)	$7,278,348
Shares cancelled-NCIB	-	(1,000)	-	-		1,000	-
Income and comprehensive income for the period	-	-	-	-	(95,264)	-	(95,264)
Balance at October 31, 2022	181,283,390	$21,967,258	$4,556,922	$1,885,317	$(21,226,413)	-	$7,183,084

See accompanying notes to the condensed interim financial statements.

TOP STRIKE RESOURCES CORP.
Operating as “Vencanna Ventures”
Condensed Interim Statements of Cash Flows
(Expressed in Canadian dollars)
(unaudited)

		Three months Ended October 31		Six months Ended October 31	
		2023	2022	**2023**	2022
	Notes				
Operating activities					
Net income (loss) for the period		**$ 39,486**	$ (3,171)	**$ (156,599)**	$ (95,264)
Adjustments for:					
Interest income		**(120,401)**	(104,563)	**(236,521)**	(202,505)
Depreciation		**184**	244	**381**	504
Share-based compensation		**-**	-		-
Unrealized change in fair value		**(60,592)**	-	**(25,032)**	
Unrealized gain on investments and financial instruments		**113,582**	41,209	**57,819**	(54,173)
Unrealized foreign exchange loss (gain)		**(205,882)**	(290,922)	**(76,499)**	(283,498)
Gain on CEBA loan	6	**-**	(2,798)	**-**	(2,798)
Loan accretion	6	**757**	605	**1,513**	1,361
Prepaids		**1,750**	7,059	**1,837**	14,120
Due to from related parties	10	**(179,965)**	(64,610)	**(591,943)**	(64,610)
Trade and other receivables		**(6,054)**	(3,600)	**3,814**	3,918
Unearned interest		**-**	-	**-**	-
Accounts payable and accrued liabilities		**18,184**	46,874	**74,366**	59,756
		(398,951)	(373,673)	**(946,864)**	(623,189)
Changes in non-cash working capital items:					
Issuance of notes receivable		**(119,785)**	-	**(152,822)**	-
Interest received		**122,637**	-	**234,395**	-
Net cash from (used) in operating activities		**(396,099)**	(373,673)	**(865,291)**	(623,189)
Net change in cash for the period		**(396,099)**	(373,673)	**(865,291)**	(623,189)
Exchange differences on cash and cash equivalents		**40,795**	105,463	**5,400**	105,463
Cash and cash equivalents, beginning of period		**4,674,773**	6,394,707	**5,179,361**	6,644,223
Cash and cash equivalents, end of period		**$ 4,319,469**	$ 6,126,497	**$ 4,319,469**	$ 6,126,497

See accompanying notes to the condensed interim financial statements.

1. Nature and continuance of operations

Prior to September 24, 2018, Top Strike Resources Corp. (“Top Strike”, the "Company") had no activity and had not earned significant revenues. The Company has evaluated several oil and gas as well as other opportunities. The Company had previously focused on international and domestic oil and gas projects but has expanded its scope to consider other industries as well.

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 Canadian Securities Exchange. The transactions have transitioned the Company from an oil and gas issuer to a merchant capital firm, operating as “Vencanna Ventures Inc.”, and aims to provide capital to early-stage global cannabis initiatives, including state compliant opportunities in the United States.

The Company trades under the symbol “VENI” on the Canadian Securities Exchange and under the symbol TTPRF on the OTCQB Venture Market (“OTCQB”), a US trading platform operated by the OTC Market Group in New York. The Company’s principal place of business is located in Calgary, Alberta. The address of the Company’s head office is Suite 200, 622 5th Avenue SW, Calgary, Alberta, T2P 0M6.

2. Basis of presentation

(a) Statement of compliance

These condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) in accordance with International Accounting Standard (“IAS”) 34, *Interim Financial Reporting*. These condensed interim financial statements do not include all the information required for full annual financial statements.

These condensed interim financial statements are stated in Canadian dollars and have been prepared following the same accounting policies and methods of computation as the financial statements for the year ended April 30, 2023. These condensed interim financial statements should be read in conjunction with the financial statements and notes thereto in the Company’s annual filings for the year ended April 30, 2023. The condensed interim financial statements were approved and authorized for issuance by the board of directors of Top Strike on December 29, 2023.

(b) Basis of measurement

These unaudited condensed interim consolidated financial statements have been prepared on a historical cost basis, except for due from related parties balances and convertible debentures and derivative instruments which have been recorded at fair market value.

(c) Functional currency

The Company’s presentation currency is Canadian dollars. The functional currency of the Company is Canadian dollars.

(d) Management Judgments and Estimates

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.

There are no new critical accounting estimates and judgments for the three-month period ended October 31, 2023, other than those previously disclosed in the annual financial statements for the year ended April 30, 2023.

(Expressed in Canadian dollars)

2. Basis of presentation (continued)

(e) Significant accounting policies

These condensed interim financial statements have been prepared following the same accounting policies and methods of computation as the annual financial statements for the year ended April 30, 2023.

3. Cash and cash equivalents

Cash and cash equivalents at the end of the reporting period as shown on the statement of financial position are comprised of:

	October 31, 2023	April 30, 2023
Bank and demand deposits	$ 4,319,469	$ 5,179,361
	$ 4,319,469	**$ 5,179,361**

The Company periodically purchases short-term treasury bills with an initial maturity of less than 90 days. They are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value. Bank and demand deposits include $555,650 (April 30, 2023 - $937,275) held in US denominated accounts.

4. Note receivable

Can-x note

On November 14, 2022, the Company entered into a $75,000 facility loan agreement with CanX CBD processing Corp. ("Can-x"). The interest rate is an annual non-compounded interest rate of 18%. The principal and interest of the note are payable upon demand.

During the period, the Company accrued $3,403 in interest. As at October 31, 2023, the principal and interest balance of the CAN-X note is $80,482 (April 30, 2023 - $81,177).

Cannavative note

On March 11, 2021, the Company entered into a US$2,000,000 facility loan agreement with the Cannavative Group LLC ("Cannavative") to facilitate planned capital expansion initiatives or other uses as agreed by the Company (the "Cannavative Note"). On March 31, 2023, the parties signed an Amended Restated Letter Loan Agreement, where the Cannavative Note is due within 90 days upon demand with interest payable monthly. The commencement date of the Cannavative Note was March 19, 2021. Interest on the Cannavative Note is 12.5% per annum. Prior to the execution of the Definitive Agreement, the interest rate was 17.5% per annum.

During the period, the Company received $115,137 in interest and advanced Cannavative $119,785. As at October 31, 2023, the principal and interest balance of the note is $3,914,968 (April 30, 2023 - $3,675,036).

5. Convertible debenture

On July 3, 2020, the Company issued a US$1,300,000 convertible debenture maturing July 3, 2022 (the "Debenture"). The Debenture was convertible at the holder's option at a conversion rate of US$0.05 per common share totaling 26,000,000 common shares of the Company (the "Conversion Right"). The Debenture carried an interest rate of 8.0%. Interest is accrued and payable on January 31, April 30, July 31, and October 31 of each year; interest is paid in cash, common stock, a combination thereof, or accrued. On June 24, 2022, the Company extended the Debenture to July 3, 2024 at an interest rate of 9.2% and common share conversion rate of 29,900,000 common shares (the "Conversion Right"). The Company may elect to force Conversion if the Company's 10-day weighted average closing price of its common shares traded through the facilities of the Canadian Stock Exchange prior to that date equals or exceeds US$0.075 per common share or upon the event of a Change of Control.

(Expressed in Canadian dollars)

5. Convertible debenture (continued)

The Black Sholes option pricing model is used to value the derivative component up to a maximum value of the Company's forced conversion option. The derivative component is valued upon the initial issuance date July 3, 2020 and at each period end date. The Debenture carries an implied interest rate of 14.35%

Convertible debenture	**October 31, 2023**	**April 30, 2023**	July 3, 2020
Debt component (US)	$ 1,275,436	$ 1,245,117	$ 1,174,622
Foreign exchange rate	~1.39	~1.35	~1.36
Debt component	1,769,157	1,686,287	1,593,375
Derivative component	540,866	565,917	170,075
	$ 2,310,023	**$ 2,252,204**	**$ 1,763,450**

6. Share capital

a) Authorized:

Unlimited number of common shares with no par value.

b) Issued

	Number of shares	**Amount**
Balance May 1, 2022	181,308,390	$ 21,968,258
Cancelled	(25,000)	(1,000)
Balance at April 30, 2023	181,283,390	21,967,258
Balance at October 31, 2023	**181,283,390**	**$ 21,967,258**

c) Warrants

	Number of warrants	**Amount**
Balance May 1, 2022,	53,552,577	$ 4,556,922
Granted, exercised, expired	-	-
Balance at April 30, 2023	53,552,577	4,556,922
Expired	(53,552,577)	(4,556,922)
Balance at October 31, 2023	**-**	**$ -**

Each whole Warrant entitled the holder to acquire one Common Share as follows:

Number of warrants	**Purchase price**	**Expired**
31,497,766	$0.06	September 24, 2023
22,054,811	$0.06	Oct 19. 2023
53,552,577		

During the period both a total of 53,552,577 warrants expired. As at October 31, 2023, the Company has Nil (2022 – 53,552,577) warrants outstanding.

(Expressed in Canadian dollars)

6. Share capital (continued)

d) Options

The Company has a share option plan for directors, officers, employees and consultants of the Company whereby share options representing up to 10% of the issued and outstanding common shares can be granted by the Board of Directors. Commencing September 2018 and August 2019, the Company granted 12,466,740 and 5,000,000 share options for a term of five years which 1/3 vest immediately, 1/3 vest on the first anniversary and 1/3 on the second anniversary. The exercise price of each option equals no less than the market price of the Company's common shares on the date of grant.

The Company accounts for share-based compensation granted to directors, officers, employees and consultants using the Black-Scholes option-pricing model to determine the fair value of the plan at grant date. Share-based compensation expense is recorded and reflected as share-based compensation expense over the vesting period with a corresponding amount reflected in contributed surplus.

A summary of stock options outstanding as at October 31, 2023 and 2022 is as follows:

	Number of options	Weighted average exercise price
Balance, May 1, 2022	17,466,740	$ 0.05
Exercised, expired, granted	-	-
Balance, April 30, 2023	17,466,740	0.05
Expired	(12,466,740)	-
Balance, October 31, 2023	5,000,000	$0.03

During the period 12,466,740 options expired. As at October 31, 2023, 5,000,000 (2022 – 17,466,740) options are exercisable at $0.03 with a remaining life of 0.8 years (2022 – 1.2 years).

7. Per share amounts

Basic and diluted earnings per share is calculated based on net loss and the weighted-average number of common shares outstanding.

Three months ended October 31,	2023	2022
Net income (loss) for the period	**$ 39,485**	$ (96,853)
Weighted average number of common shares:		
Basic	**181,283,390**	181,283,390
Diluted	**186,283,390**	181,283,390
Earnings per share:		
Basic and diluted	**$ 0.00**	$ (0.00)

(Expressed in Canadian dollars)

8. Related party transactions

During the period ended October 31, 2023, the Company incurred legal expenses from a law firm for $26,818 (2022 - $63,444) of which the corporate secretary of the Company is a partner. As at October 31, 2023, accounts payable and accrued liabilities included amounts payable to the law firm of $7,886 (2022 - $15,023).

Convertible Debenture

On July 3, 2020, the Company issued a debenture for US$1,300,000 to Jon Sharun, a director of the Company. During the period, the Company elected to accrue US$38,969 in interest related to the debenture (Note 5). As at October 31, 2023, the Company has accrued $581,813 (US$419,446) to accounts payable and accrued liabilities on the Condensed Interim Statement of Financial Position.

New Jersey Entities

On April 20, 2022, the Company announced that it was assisting community groups in New Jersey in joint submissions of cannabis business applications. The applications were submitted by the New Jersey Entities. The New Jersey Entities include TGC New Jersey LLC ("TGC"), CGT New Jersey LLC ("CGT"), and October Gold ("October Gold", collectively with TGC and CGT, the "NJ Entities").

The New Jersey Cannabis Regulatory Commission ("CRC") awarded TGC a Conditional Class 3 Cultivation and a Class 2 Manufacturing License, and each of CGT and October Gold a Conditional Retail License. A Conditional cannabis license holder must still secure a site for operations, and obtain municipal approval for the cannabis business, before submitting their Conversion application for its respective annual license. During the period TGC has received its annual cultivation and manufacturing licenses. It has also submitted its conditional retail application during the period. TGC has until Oct 25, 2024, subject to extensions, to request a final onsite assessment. An annual license will be issued 30 days after the onsite assessment provided all conditions have been satisfied. It is the Company's intent, but not its obligation, to assist in the development and the operations of the NJ Entities. Amounts spent by the Company to support the NJ Entities will be under financial arrangements typical for businesses of this nature, such terms subject to CRC regulations.

Insiders of the Company, including the CEO; VP Originations; and an independent director, are equity holders of TGC, CGT, and October Gold respectively. Due to the combination of insider ownership interest, the occurrence of transaction activity, and the signing of an operating agreement with the NJ Entities, the insiders of the Company are deemed to exert significant influence over the NJ Entities.

During November 2022, the NJ Entities signed their respective shareholder operating agreements. At this time the Company also executed purchase options, at the option of the Company, with the shareholders of the NJ Entities, subject to regulatory approvals and final issuance of a license.

During the period, the Company incurred costs on behalf of the NJ entities for development initiatives and other expenditures including consulting, and professional fees. Below is the breakdown of incurred costs advanced to related parties during the period:

	TGC	CGT	October Gold	Total
Development initiatives	$ 116,273	$ 1,823	$ -	$ 116,273
Consulting	36,151	-	-	36,151
Professional fees and other	5,701	20,880	960	27,541
	$ 156,302	**$ 22,703**	**$ 960**	**$ 179,965**

As at October 31, 2023, the due from related parties balance is $927,298; comprised of a $862,876 receivable from TGC, $64,422 from CGT, and $Nil from October Gold. The due from related parties balance included a fair value adjustment of $60,592 to account for the probability of recovery.

8. Related party transactions (continued)

During the period the Company signed as Guarantor for TGC's lease related to its site for operations. The lease is dependent upon TGC obtaining its annual licenses for cultivation, manufacturing and retail by May 31, 2024. TGC may exit the lease if the operating licenses are not obtained by May 31, 2024, subject to the payment of six months rent of US$92,187 which will be charged against TGCs security deposit and the remaining security deposit shall be returned to TGC, and the lease will be discharged. If TGC receives its annual licenses prior to May 31, 2024, the Company's guarantee will extend to the end of the lease February 29, 2036. Annual base rent for 2024 is ~US$250,000 and increasing to ~US$350,000 by 2036.

9. Management of capital

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support its activities as a merchant capital firm. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and to maintain a flexible optimized capital structure in order to pursue state compliant cannabis investments focused throughout the value chain. In the management of capital, the Company includes its cash balances and components of shareholders' equity. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt, acquire or adjust the amount of cash and cash equivalents and investments.

At this stage of the Company's development, in order to maximize on-going development efforts, the Company does not pay out dividends. Management reviews its capital management approach on an on-going basis and believes that this approach, given the relative size of the Company, is reasonable.

There were no changes in the Company's approach to capital management during the period ended October 31, 2023. The Company is not subject to externally imposed capital requirements.

As at October 31, 2023, the carrying values of cash and cash equivalents, deposits, prepaid expense, trade and other receivables and accounts payable and accrued liabilities approximate their fair values due to their short terms to maturity.

10. Financial risk management

The Company has exposure to the following risks from its use of financial instruments:

Credit risk

Credit risk represents the risk associated with the inability of a counterparty to fulfill its financial obligations. The Company's credit risk consists of cash and cash equivalents, trade and other receivables including amounts due from related parties, investments and notes receivable.

The cash and cash equivalents balance is primarily held in chequing accounts and short-term treasury bills at reputable financial institutions. Trade and other receivables consist of amounts due from government agencies. the Company has no significant concentration of credit risk from cash, cash equivalents and other receivables.

The collectability of related party loans is dependent upon the NJ Entities' ability to generate revenue. There is no assurance the NJ Entities will generate revenue. The loan balance to the NJ Entities includes a one year US$245,832 lease security deposit used to secure TGC a facility related to the issuance of its annual licenses. The Company's has signed as guarantor of the lease on behalf of TGC; if TGC does not receive its annual licenses by May 31, 2024, the lease becomes cancellable upon payment of 6 months base rent payable from the security deposit.

10. Financial risk management (continued)

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company endeavors to ensure that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holding of cash.

As at October 31, 2023, the Company had cash and cash equivalents of $4,319,469 (April 30, 2023 - $5,179,361) to settle current liabilities of $621,591 (2023 - $534,037). The Company earns investment income and historically, the Company's sole sources of funding has been the issuance of equity securities for cash, primarily through private placements and loans from related and other parties. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

a) *Interest risk*

The Company is exposed to interest rate risk to the extent that the cash maintained at its banking institution is subject to floating rates of interest. The interest rate risk of cash is not considered significant.

b) *Foreign currency risk*

As of October 31, 2023, the Company holds cash, a note receivable and a convertible debenture denominated in American Dollars. The Company's objective in managing its foreign currency risk is to minimize its net exposure to foreign currency cash flows by transacting with third parties in the functional currency when possible. The Company is exposed to currency rate risk from fluctuations in the value of cash and notes receivable and convertible debentures which are denominated in $US. The Company does not currently use foreign exchange contracts to hedge its exposure to foreign currency risk.

As at October 31, 2023, a 1% foreign exchange differential in the American Dollar, with all other factors remaining constant, would result in $33,000 change in income (loss).