



PRESS RELEASE

FOR IMMEDIATE RELEASE

NEX SYMBOL: AXQ

OCTOBER 29, 2018

**CSE CONDITIONAL APPROVAL AND
UPDATE ON THE ACQUISITION OF TERRANUEVA PHARMA**

- *Special Shareholders Meeting to be held November 23, 2018 to approve the Transaction with Terranueva Pharma Corporation (medical cannabis)*
 - *New Proposed Experienced Members to the Board of Directors*

LAVAL – QUÉBEC – AXE EXPLORATION INC (the “Corporation”) In an effort to reposition the mining company in a growing industry such as the medical cannabis industry, the Corporation is pleased to announce that it has obtained conditional approval from the Canadian Securities Exchange (“CSE”) for the listing of its common shares on the exchange under the symbol “TEQ” if the transaction involving Terranueva Pharma Corporation (“Terranueva Pharma”) and the concurrent private placement, as announced in its press release of July 25, 2018 (the “Transaction”), are completed.

Furthermore, the Corporation announces that the special meeting of its shareholders will be held at 10:30 a.m. (Montréal time) on Friday, November 23, 2018, at the Château Champlain, 1 Place du Canada, Montréal, Québec, Canada (the “Meeting”). The proxy circular (the “Information Circular”) with respect to the Transaction and related matters has been filed on SEDAR (www.sedar.com).

The Corporation’s Shareholders of record on September 27, 2018 will be entitled to receive notice of, and vote at, the Meeting. The Information Circular, which shareholders are expected to receive in the coming days, provides important information on the Transaction and related matters, including voting procedures.

Mr. David McDonald, President of the Corporation, underlined that, “Here is an advantageous transaction for our shareholders. Axe knew how to be patient and our board analyzed the cannabis market over a considerable period of time. Terranueva Pharma's development plan is perfect for the geopolitical environment of Québec (Eastern Canada) and will generate excellent added value for Axe’s shareholders.”

The board of directors of the Corporation has determined that the Transaction is in the best interests of its shareholders. The board of directors of the Corporation has thus unanimously approved the terms of the Transaction and recommends that the shareholders of the Corporation vote in favor of the Transaction.

Composition of the Future Board of Directors of the Resulting Issuer

As set out in the Information Circular, the Corporation proudly announces the following candidates as the expected future directors of the resulting issuer resulting from the Transaction, effective following completion of the Transaction:

Sylvain Aird is a seasoned law practitioner who has been acting as legal counsel for almost 25 years of which the last 13 years have been at Boralex Inc., a TSX listed company and a renewable energy Company present in both North America and Europe. From September June 2012 to June 2017, Mr. Aird held the position of Vice-President, Europe, Chief Legal Officer and Secretary at Boralex Inc. He also held the position of Vice President Business Development at Boralex Inc. from June 2017 to March 2018. During his career, Mr. Aird has acted in multiple transactions and financings which value has reached more than \$2 billion, both in Canada and internationally and, has acquired an unparalleled experience in mergers and acquisitions, financing, securities and corporate governance sectors. Since April 2018, Mr. Aird is a lawyer at Séguin Racine, Attorneys.

Marc-André Aubé holds since January 2017 the position of President and COO of Walter Surface Technologies, a leader in surface treatment technologies established in 7 countries in North America, South America and Europe. He oversees the company's strategic corporate direction with a focus on global expansion. Before joining Walter, Mr. Aubé was, from May 2007 to January 2017, President and Chief Operating Officer of GardaWorld's protective services division.

Pierre Ayotte is the President and Chief Executive Officer of Terranueva Pharma (CEO) since May 2018. Mr. Ayotte is a graduate in mechanical engineering and flight test engineer. Pierre Ayotte has more than 40 years of experience in the business world with a strong component for aeronautics. He has worked internationally and developed extensive expertise ranging from engineering and operations management to business development and business management.

Patrice Boily is currently Chief Executing Officer of Lune Rouge 360 since January 2017 after he joined it as a consultant in January 2016. From May 2003 till June 2014, Mr. Boily was strategic advisor, cash services, Canada and United-States, for the multinational Garda World Security Corporation. Previously, he held the position of Chief Operating Officer for the same corporation. He has extensive North American experience in the security field. Patrice Boily is an industrial engineer graduated from the École Polytechnique of Université de Montréal.

Alain Bureau is currently President and Chief Executive Officer of Toachi Mining since January 2018, a mineral exploration company listed on the TSX Venture Exchange. Alain Bureau was trained as an officer in the Canadian Armed Forces and holds a Bachelor of Engineering degree from Royal Military College of Canada. Mr. Bureau has over 15 years of mining and construction experience in Canada and Latin America. In the past, he has been involved in major international projects such as Pinos Altos Mexico, La Ronde, Raglan, Altonorte, Izcaycruz, Yauliyacu and Escondida, the largest copper mine in the world, located in Chile. Mr. Bureau acted as a director and President and Chief Executive Officer of Pershimco Resources Inc. (now Orla Mining Ltd.).

Louis Doyle is the Chief Compliance and Security Officer (CSO) of Terranueva Pharma since May 2018. Mr. Doyle has over 30 years of experience in the capital markets with expertise in operations management, stock market listing and governance problem resolution. From October 1999 to December 2015, Mr. Doyle was Vice President, Montreal, of the TSX-V. In this capacity, he was responsible for all business development and listing activities for Quebec and the Maritime Provinces. Until his departure from the TSX Venture Exchange, he was Chair of the Registration Committee, a member of the Policy Committee and also responsible for the TSX Venture Exchange mentorship program at a national level. Louis Doyle is also a director of Abitibi Royalties Inc., a corporation listed on the TSX-V.

Rafael Percopo is Chief Scientific Officer, quality assurance of Terranueva Pharma (QP) since May 2018. Mr. Percopo holds a Bachelor of Science in Chemistry from Concordia University. He has been working for more than 24 years in the generic pharmaceutical industry. He has held several key positions including 16 years as a Pilot Plant Manager (R&D) at Pharmascience Inc. from July 2001 to September 2016, scientific business division, Production Manager at Odan Laboratories from then to May 2018 and Pangeo Pharma, as well as quality assurance, validation and engineering for various companies.

Francisco Junior Perez is the Chief Operations Officer and founder of Terranueva Pharma (COO). Mr. Perez has 15 years of experience as a Director of Specialized Operations in policy integration, new accreditation and new technologies in an ever-changing environment from an international perspective. His proactive expertise in preventive measures has allowed him to provide permanent solutions to recurring problems and improve the fluidity of the company's operations.

Completion of the transaction is subject to a number of conditions, including but not limited to, Exchange acceptance and if applicable pursuant to Exchange Requirements, majority of the minority shareholder approval. Where applicable, the transaction cannot close until the required shareholder approval 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 Information Circular or listing statement 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. Trading in the securities of a capital pool company should be considered highly speculative.

Neither the NEX nor the TSX Venture Exchange Inc. has passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release.

Neither the CSE, the TSX Venture Exchange/NEX nor their respective regulation services provider (as that term is defined in their respective policies) accepts responsibility for the adequacy or accuracy of this news release.

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