

**NOT FOR DISTRIBUTION TO UNITED STATES NEWS WIRE SERVICES OR
DISSEMINATION IN THE UNITED STATES**

**EXITO ENERGY II INC. ENTERS INTO LETTER OF INTENT
TO ACQUIRE PRIVATE EQUITY INVESTMENTS AND MAKE CERTAIN
MANAGEMENT CHANGES FOR ITS QUALIFYING TRANSACTION**

FOR IMMEDIATE RELEASE

CALGARY, ALBERTA – June 3, 2016 – Exito Energy II Inc. ("Exito" or the "Corporation") (TSX-V: EXI.P) announces that it has entered into a letter of intent (the "Letter Agreement") with Andrew Osis and Kevin Spall (the "Vendors") to acquire all of the Vendors' interests in various private equity investments (the "Assets") (as outlined below). Concurrently, the Vendors will become the management of the Corporation (the "Transaction") and Exito will change its name to MagneticNorth Partners Corp. The Transaction is intended to constitute and fulfill Exito's qualifying transaction obligation and will be an arm's length transaction in accordance with the policies of the TSX Venture Exchange Inc. (the "TSX Venture").

Pursuant to the terms of the Letter Agreement, the Transaction will be subject to the following terms and conditions:

- (i) all of the issued and outstanding common shares of Exito (the "Exito Shares") shall be consolidated on a 2-for-1 basis (the "Consolidation") such that the issued and outstanding Exito Shares prior to closing of the Transaction shall be 5,000,000;
- (ii) as a result of the Consolidation, there shall be 500,000 issued and outstanding options to acquire Exito Shares at an exercise price of \$0.20 per Exito Share;
- (iii) the Assets shall be acquired by the Corporation through the issuance of 40,400,000 post-Consolidation Exito Shares at a deemed price per Exito Share of \$0.25 for a total purchase price of \$10,100,000;
- (iv) the Corporation shall complete a non-brokered private placement of Exito Shares for gross proceeds of at least \$1,300,000 at a price per Exito Share of \$0.25 (the "Common Share Private Placement"), or as otherwise determined in the context of the market. The net proceeds of the Common Share Private Placement will be used for general corporate purposes, and if suitable opportunities are identified may also be used to make additional investments in one or more private companies. Finder's fees may be paid to eligible arm's length parties that assist with securing subscribers for the Common Share Private Placement, as permitted by the TSX Venture;
- (v) the current management of the Corporation shall resign and Andrew Osis and Kevin Spall shall be appointed as the new management of the Corporation as Co-Chief Executive Officers, and the Vendors shall appoint a Chief Financial Officer and a Corporate Secretary;
- (vi) at least five of the current directors of the Corporation shall resign and may be replaced by nominees chosen by the Vendors, which shall include those individuals listed below under "About New Management & Directors", meaning that up to two of

the Corporation's current directors may remain on the board of directors following closing of the Transaction, at the Corporation's sole discretion; and

- (vii) the Transaction shall close on or before July 29, 2016.

Following closing of the Transaction and the Common Share Private Placement, there will be at least 50,600,000 Exito Shares issued and outstanding.

About the Assets

Pursuant to the terms of the Letter Agreement, the Transaction will be subject to the Assets including at least the following private equity investments that are owned by the Vendors (the "Investee Companies"):

- (i) Company A is a disinfectant technologies company that has a patented technology that provides cleaning solutions to the food services, medical and garment industries. The Vendors own 15% of the common shares;
- (ii) Company B is a professional communication services organization that works with Telco's and corporate customers to improve and maintain communications infrastructure. The Vendors own 1.2% of the common shares;
- (iii) Company C is an energy storage technology company that has power storage capabilities beyond existing chemical batteries. The technology can store energy like computer memory, and is fast to charge and fast to discharge for thousands of cycles. The Vendors own 40% of the common shares; and
- (iv) Company D is a Los Angeles, California based media production company focused on monetizing its intellectual property (IP) for mass-market distribution through global theatrical movie release. The Vendors own 25% of the common shares.

Additional information regarding the Investee Companies will be provided in a subsequent news release or in the disclosure document required to be filed by the Corporation relating to the Transaction.

About the New Management & Directors

Andrew Osis (Calgary, Alberta) – Co-Chief Executive Officer & Director, Mr. Osis has a 20-year career working in investment banking and commercial operations having managed teams with up to 100 people. Over the length of his career Mr. Osis has been involved in more than \$25 billion in transactions. Mr. Osis formerly held positions as Vice President, Global Banking with RBC Dominion Securities Inc., Canada's largest investment banking firm, as well as positions with Peters & Company and Newcrest Capital where he focused on mergers, acquisitions, and equity and debt financings. Since leaving the investment banking business, Mr. Osis has served on numerous Boards of Directors, and as CEO and CFO of public and private organizations, covering technology, media and entertainment, energy and oilfield services, manufacturing, life sciences, and other sectors. Mr. Osis currently sits on the Board of Directors of Delphi Energy (TSX: DEE).

Kevin Spall (Toronto, Ontario) – Co-Chief Executive Officer & Director, Mr. Spall has 15 years of financial services and alternative energy experience primarily working in the areas of corporate finance, mergers and acquisitions and business development. From 2000 to 2004, Mr. Spall

worked at Yorkton Securities (now Macquarie Capital Markets Canada) as an investment banker where he focused on diversified industries. From 2004 to 2008, Mr. Spall was the Head of Investment Banking & Managing Director at Versant Partners Inc., a leading Canadian independent investment dealer focused on diversified industries including alternative energy. From 2008 to 2010, Mr. Spall was Head of Diversified Industries Investment Banking at Blackmont Capital Inc. where he focused most of his attention on the alternative energy sector. Mr. Spall has been involved in over \$5 billion of financings and \$2.5 billion of merger and acquisition activity. Currently, Mr. Spall consults with a number of private and public companies within the diversified industries sector with a particular focus on alternative energy.

Trent Larson (Calgary, Alberta) – Director, Mr. Larson has over 25 years of experience with a proven track record of developing and implementing growth strategies to improve performance and profitability in telecom, media, technology, healthcare, retail, energy and financial services companies. He is a recognized digital pioneer, author of various thought leadership papers and has been an advisor to the European Commission on digital policy. Mr. Larson has served as CEO and Managing Director with leading international organizations and benefits from an extensive global network. Mr. Larson is an active member of the technology startup investment community and serves as an advisor to a number of organizations. He holds a Bachelor's degree from DeVry University in California and an MBA from the University of London.

In addition to the potential for up to two of the Corporation's current directors to remain on the board of directors, it is anticipated that additional directors will be added to the board of directors of the Corporation in conjunction with or following closing of the Transaction. Detailed biographies for the additional individuals that will comprise the new management team and board of directors of the Corporation will be disclosed in a subsequent news release.

Sponsorship of the Transaction

The policies of the TSX Venture stipulate that unless Exito is able to obtain an exemption or waiver, it will be required to engage a TSX Venture member or participatory organization to act as sponsor in connection with the Transaction. Exito intends to apply for such an exemption or a waiver of the TSX Venture's sponsorship requirements, however there is no assurance that it will be obtained.

About the Corporation's Go Forward Business

The Vendors' expertise is inherent in their disciplined investment model, which seeks businesses within a variety of industries that require management expertise and funding to improve their business operations, strategy and geographic reach. Their investment criteria include a review of market characteristics, risks, strategy, competition, customer focus, deal quality, product and financial characteristics. The Vendors target companies that are near positive cash flow, have the ability to generate sustainable cash flow, and where improvements in structure or operations can create a positive impact on value. Market segments focused on include clean power technology, oilfield service, consumer products, and technology (software and hardware).

The Vendors intend to operate the Corporation going forward as MagneticNorth Partners Corp.

A finder's fee will be payable to Optimal Capital Advisors Ltd. or its nominee upon closing of the Transaction. The amount of the finder's fee shall be subject to a number of factors, including the final value of the Transaction.

The Transaction continues to be subject to the approval of the TSX Venture and the policies of the TSX Venture relating to qualifying transactions, as well as shareholder approval of the Corporation. In addition, the shareholders of the Corporation must also approve the Corporation changing its name and the creation of new control persons that will result upon completion of the Transaction.

Trading of the Exito Shares is currently halted and trading will remain halted in accordance with the TSX Venture's policies until all required documentation with respect to the Transaction has been received and the TSX Venture is otherwise satisfied that the halt should be lifted.

For further information, contact Brad Docherty, President, Chief Executive Officer and Director of Exito at (403) 472-5767 and Andrew Osis, at (403) 470-4355.

As indicated above, completion of the Transaction is subject to a number of conditions, including but not limited to, TSX Venture acceptance and shareholder approvals. The Transaction cannot close until the required shareholder approvals are 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 disclosure document of Exito 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 Exito should be considered highly speculative.

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

This news release contains forward-looking statements relating to the Transaction, including statements regarding the anticipated acquisition of the Assets, the anticipated election of directors for Exito, the completion of the Common Share Private Placement, the receipt of all necessary regulatory approvals and satisfaction of all other closing conditions in connection with the Transaction and other statements that are not historical facts. Readers are cautioned not to place undue reliance on forward-looking statements, as there can be no assurance that the plans, intentions or expectations upon which they are based will occur. By their nature, forward-looking statements involve numerous assumptions, known and unknown risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and other forward-looking statements will not occur, which may cause actual performance and results in future periods to differ materially from any estimates or projections of future performance or results expressed or implied by such forward-looking statements. These assumptions, risks and uncertainties include, among other things: the risk that the Transaction will not be completed if a formal agreement is not reached or that the necessary approvals and/or exemptions are not obtained or some other condition to the closing of the Transaction is not satisfied; the risk that closing of the Transaction could be delayed if the Vendors are not able to obtain the necessary approvals on the timelines planned; the assumptions relating to the parties entering into the formal agreement in respect of the Transaction, its structure, and the timing thereof, the timing of obtaining required approvals and satisfying closing conditions for the Transaction, state of the economy in general and capital markets in particular, investor interest in the business and future prospects of Exito.

The forward-looking statements contained in this press release are made as of the date of this press release. Except as required by law, Exito and the Vendors disclaim any

intention and assume no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable securities law. Additionally, Exito and the Vendors undertake no obligation to comment on the expectations of, or statements made, by third parties in respect of the matters discussed above.

The securities of Exito being offered have not been, nor will be, registered under the United States Securities Act of 1933, as amended, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons absent U.S. registration or an applicable exemption from U.S. registration requirements. This release does not constitute an offer for sale of securities in the United States.