

CREST RESOURCES INC.

**EARLY WARNING NEWS RELEASE ISSUED PURSUANT TO NI 62-103
ACQUISITION OF COMMON SHARES OF RAIN CITY RESOURCES INC.**

Vancouver, B.C. – August 21, 2020 – This news release is being disseminated by Crest Resources Inc. (the “**Acquiror**”) pursuant to National Instrument 62-103, *The Early Warning System and Related Take-Over Bid and Insider Reporting Issues*, in connection with the acquisition of certain common shares of Rain City Resources Inc. (the “**Issuer**”), a British Columbia corporation whose common shares are listed for trading on the Canadian Securities Exchange under the symbol “RAIN”.

On August 21, 2020, the Acquiror acquired ownership and control over 4,100,000 common shares of the Issuer (the “**Common Shares**”) at a price of \$0.018 per Common Share for consideration of \$74,000 in a private purchase from three arm’s length vendors.

Prior to the Transaction, the Acquiror owned and controlled nil Common Shares of the Issuer representing 0% of the then issued and outstanding Common Shares of the Issuer based on a total of 19,909,001 Common Shares outstanding as of August 20, 2020.

Subsequent to the Transaction, the Acquiror owned and controlled 4,100,000 Common Shares of the Issuer representing 20.59% of the then issued and outstanding Common Shares of the Issuer based on a total of 19,909,001 Common Shares outstanding as of August 21, 2020.

Volatus Capital Corp. (“**Volatus**”) is a joint actor by reason that the Acquiror holds 25.71% of Volatus and Michael Collins (“**Collins**”) is the President, Chief Executive Officer and a director of both the Acquiror and Volatus. The Acquiror together with Volatus owns and controls 7,100,000 common shares of the Issuer representing 35.66% of the issued and outstanding Common Shares of the Issuer based on a total of 19,909,001 Common Shares outstanding as of August 21, 2020; or 10,100,000 Common Shares of the Issuer representing 44.09% of the outstanding shares assuming exercise of the 3,000,000 warrants held by the joint actor.

The Acquiror is entitled to nominate one representative for election as a director of the Issuer at each annual shareholder’s meeting of the Issuer, for so long as the Acquiror holds at least 5% of the outstanding shares of the Issuer.

The Shares were acquired in a private transaction from three vendors pursuant to the private agreement exemption from the formal take-over bid requirements of National Instrument 62-104, *Take-Over Bids and Issuer Bids*, on the basis that the Shares were acquired from less than five vendors at a purchase price not exceeding 115% of the then market price of the Issuer’s shares.

The Acquiror has acquired the Common Shares for investment purposes and in accordance with applicable securities laws. The Acquiror may, from time to time, acquire additional common shares and/or other equity, debt or other securities or instruments (collectively, “**Securities**”) of the Issuer in the open market or otherwise, and reserves the right, subject to applicable securities law, to dispose of any or all of its Securities in the open market or otherwise at any time and from time to time, and to engage in similar transactions with respect to the Securities, the whole depending on market conditions, the business and prospects of the Issuer and other relevant factors.

A copy of the early warning report dated August 21, 2020 to be filed by the Acquiror in connection with the acquisition of the Common Shares of the Issuer will be available on SEDAR at www.sedar.com under the Issuer’s profile. Copies of such reports will also be available from the Acquiror upon written request to Crest Resources Inc. at 1100 - 595 Howe Street, Vancouver, B.C. V6C 2T5 Tel: 604-681-3170.

For additional information, contact:
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