

Top Strike Announces 2021 First Quarter Financial Results, Renewal of its NCIB, and Provides Corporate Activity and Update

CALGARY, AB, Sept. 29, 2020 /CNW/ - Top Strike Resources Corp. d.b.a. "Vencanna Ventures" (the "**Corporation**" or "**Vencanna**") (CSE: VENI) (OTCQB: TPPRF) is pleased to provide a summary of its financial results as of July 31, 2020. Selected financial information is outlined below and should be read in conjunction with the Corporation's financial statements and management's discussion and analysis for the three ended July 31, 2020, which are available on SEDAR at www.sedar.com.

Financial Highlights

The following table summarizes key financial highlights associated with the Corporation's financial performance for the last eight quarters.

	July 31, 2020	Apr 30, 2020	Jan 31, 2020	Oct 31, 2019	Jul 31, 2019	Apr 30, 2019	Jan 31, 2019	Oct 31, 2018
Revenue	127,166	950,424	307,630	281,650	113,548	222,857	900	95
Gain (Loss) for the period	(253,263)	712,761	59,196	(60,828)	(205,824)	(1,390,478)	(232,744)	(286,799)
Gain (Loss) per share - basic	0.00	0.00	0.00	(0.00)	(0.00)	(0.02)	(0.00)	(0.00)
Total assets	10,873,139	9,293,961	8,671,208	8,438,837	8,468,446	8,603,826	8,633,369	9,231,900
Total liabilities	1,870,846	76,132	66,268	37,109	58,138	58,370	14,829	449,524

As of the date hereof, a major portion of the Corporation's business was derived from material ancillary involvement in US cannabis-related activities. As at July 31, 2020, 64% of the Corporation's assets and 100% of other income was directly related to US cannabis activities.

Corporate Activity and Update

On July 3, 2020, the Corporation announced the purchase of a US\$1.3 million Convertible Promissory Note issued by Galenas LLC (the "**\$1.3 MM Note**") for a cost of US\$1.3 million. The purchase price was satisfied through the issue of an Unsecured Convertible Debenture ("**Debenture**") to the sellers of the \$1.3 MM Note. The \$1.3 MM Note has an interest rate of US\$10,400 per month, matures August 1, 2021, and converts, at the Corporation's option, into 223 membership units of Galenas LLC (approximately 10.3% equity interest).

The Debenture matures on July 3, 2022, has an interest rate of 8.0%, and is convertible at the option of the holder into 26,000,000 common shares of the Corporation ("**Shares**"). The Corporation may, in its sole discretion, extend the maturity date an additional two years, in which case the interest rate shall be 9.2% and the holder may convert the Debenture at its option into 29,900,000 Shares. Interest shall accrue and be payable on January 31, April 30, July 31, and October 31 of each year with the initial payment being due July 31, 2020. The Corporation may elect to defer the accrued interest or pay the accrued interest in cash or Shares at the prevailing share price (or any combination thereof). The Corporation may force conversion if the Corporation's 20-day VWAP equals or exceeds US\$0.075 per Share. Further, if the \$1.3 MM Note is retired or sold at less than the outstanding amount under the \$1.3 MM Note, the amount owing under the Debenture shall be reduced by the same amount.

Normal Course Issuer Bid ("**NCIB**")

On September 16, 2019, the Corporation was approved for and commenced its NCIB. As of September 16, 2020, the NCIB has expired. During the current period the Corporation purchased nil Shares under its NCIB. To date the Corporation has purchased a total of 6,197,000 Shares at an average price of \$0.02.

The Corporation announces its intention to re-commence its NCIB (the "**Bid**"). Under the Bid, the Corporation may purchase up to 5% of the Corporation's Shares. The Bid is expected to commence no sooner than October 5, 2020, and will terminate on the earlier of one year from commencement of the Bid or on the date on which the maximum number of Shares that can be acquired pursuant to the Bid have been purchased. The Corporation reserves the right to revoke the Bid earlier if it determines that it is appropriate to do so. The actual number of Shares that may be purchased under the Bid and the timing of any such purchases will be determined by the Corporation.

Vencanna is executing the Bid because it believes that, from time to time, the market price of its Shares does not reflect the underlying value of the Corporation and its prospects, and that depending on the trading price of its Shares and other relevant factors, purchasing its own Shares represents an attractive investment opportunity and is in the best interests of the Corporation and its shareholders.

All Shares will be purchased under the Bid on the open market and through the facilities of the CSE and payment for the Shares will be made in accordance with CSE policies. The timing and extent of repurchases will depend upon several factors, including market and business conditions, valuation of Shares, regulatory requirements and other corporate considerations. The price paid for Shares will be the prevailing market price at the time of purchase and all Shares acquired by the Corporation will be cancelled. The Corporation has 181,991,390 Shares issued and outstanding as of today's date. Purchases may be suspended at any time, and no purchases will be made other than by means of open market transactions during the term of the Bid. The Corporation has engaged Independent Trading Group (ITG) Inc. to act as the broker through which the Bid will be conducted.

"This Bid reflects, through investing in ourselves, our high confidence in the Corporation's growth prospects and its ability to execute," said Vencanna CEO David McGorman. "Due to our careful management of the Corporation's capital, we have the cash available to acquire our own shares when the market volatility presents itself. We continually remain focused on creating value in multiple ways for our shareholders."

COVID-19

The Corporation 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 Corporation. While the precise impact of the COVID-19 virus on the Corporation 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 Corporation's current and future investments and other factors relevant to the Corporation.

About Vencanna

On September 24, 2018, the Corporation 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 Corporation from an oil and gas issuer to a merchant capital firm, rebranded as "Vencanna Ventures". The recapitalized Corporation aims to be a go-to capital provider for early-stage global cannabis initiatives with an emphasis on strong management operating in state compliant jurisdictions with barriers to entry. The Corporation looks to provide investors with a diversified, high-growth, cannabis investment strategy through strategic investments focused through-out the value chain (cultivation, processing and distribution, and including ancillary businesses).

Forward-Looking Statements

This news release may include forward-looking statements including opinions, assumptions, estimates, the Corporation's assessment of future plans and investment strategy, and, more particularly, statements concerning the business plan of the Corporation including future global cannabis investments, the effects of the COVID-19 pandemic and the Bid. When used in this news release, the words "will," "anticipate," "believe," "estimate," "expect," "intent," "may," "project," "should," and similar expressions are intended to be among the statements that identify forward-looking statements. The forward-looking statements are founded on the basis of expectations and assumptions made by the Corporation, including the impact of increasing competition; timing and amount of capital expenditures; the legislative and regulatory environments of the jurisdictions where the Corporation will carry on business, has operations or plans to

have operations; the ability of the Corporation to enter into contracts with companies to provide financing on acceptable terms; conditions in general economic and financial markets; and the Corporation's ability to obtain additional financing on satisfactory terms or at all. Forward-looking statements are subject to a wide range of risks and uncertainties, and although the Corporation believes that the expectations represented by such forward-looking statements are reasonable, there can be no assurance that such expectations will be realized.

Any number of important factors could cause actual results to differ materially from those in the forward-looking statements including, but not limited to, changes to global cannabis laws, how the developing U.S. legal regime will impact the cannabis industry, potential negative impacts from the COVID-19 pandemic, the ability of the Corporation to implement its corporate strategies, the state of domestic and international 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 Corporation with securities regulatory authorities. Except as required by applicable laws, the Corporation does not undertake any obligation to publicly update or revise any forward-looking statements."

Neither the Canadian Securities Exchange nor its Market Regulator (as that term is defined in the policies of the Canadian Securities Exchange) accepts responsibility for the adequacy or accuracy of this news release.

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CNW 09:00e 29-SEP-20