

# Top Strike Announces 2022 Third Quarter Financial Results ending January 31, 2022 and Corporate Update

CALGARY, AB, April 1, 2022 /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 January 31, 2022. 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 and nine months ended January 31, 2022, which are available on SEDAR at [www.sedar.com](http://www.sedar.com).

## Financial Highlights

The following financial data is selected information for the Company for the eight most recently completed financial quarters:

Quarter ended	Jan 31, 2022	Oct 31, 2021	Jul 30, 2021	Apr 30, 2021	Jan 31, 2021	Oct 31, 2020	Jul 31, 2020	Apr 30, 2020
(000's)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Revenue	154	294	510	1	(412)	138	(78)	960
Income (Loss) for the period	(124)	(290)	281	(301)	(663)	(135)	(253)	713
Income (Loss) per share	(0.00)	(0.00)	0.00	(0.00)	(0.00)	(0.00)	(0.00)	0.00
Total assets	9,801	9,957	10,130	10,009	10,464	10,790	10,873	9,294
Total liabilities	1,712	1,741	1,718	2,088	2,240	1,901	1,871	76

As of the date hereof, a major portion of the Company's business was derived from material ancillary involvement in US cannabis-related activities. As at January 31, 2022, 30% of the Company's assets and 100% of income was directly related to US cannabis activities.

The Company recorded a net loss of \$(124,045), \$0.00 per common share for the three months ended January 31, 2022 as compared to a net loss of \$(663,014), \$0.00 per share for the three months ended January 31, 2021.

Revenues for the three months ended January 31, 2022, were \$151,270 (2021 - \$(411,419)). Interest income was \$124,833 (2020 - \$142,842). The following changes in fair market value occurred in the quarter; unrealized foreign exchange gain (loss) \$89,507 (2021 - \$(203,260)) and unrealized loss on investments and derivative instruments of \$63,070 (2020 - \$351,000); including a \$59,500 loss on investments and a \$3,620 unrealized loss related to the change in fair market value of the convertible debenture.

At January 31, 2022, the Company had a cash balance of \$6,844,639 (April 30, 2021 - \$723,943) to settle current liabilities of \$244,249 (April 30, 2021 - \$186,363). As at January 31, 2022, the Company's cash increased by \$6,120,697 from April 30, 2021 related to operating activities.

## Corporate Update and Recent Developments

On March 12, 2021, the Company announced it had entered into a loan agreement with the Cannavative Group LLC ("Cannavative") for US\$2.0 million. Further, the Company announced that it had entered into an exclusive non-binding letter of intent with Cannavative (the "LOI"), pursuant to which the Company will acquire all the common shares in the capital of Cannavative in an all-share exchange through the issuance of an aggregate of 360,000,000 common shares at a deemed issuance price of US\$0.05 per common share. On March 15, 2022, the maturity date of the loan was extended to September 9, 2022. Prior to the execution of the Definitive Agreement, interest on the loan shall be 17.5% per annum. Upon execution of the Definitive Agreement, interest shall be reduced to 12.5% per annum.

As at January 31, 2022, the Company reduced the carrying value of its 60% interest in Galenas New Jersey LLC to \$Nil (from a carrying value of \$59,450 at the beginning of the period). The Company continues to review opportunities for cannabis licenses in new markets, and in this regard has been working with community leaders and social equity owned organizations in their efforts to successfully enter this dynamic and expanding business. These grassroots initiatives have resulted in our group submitting recreational cannabis applications for cultivation, manufacturing and retail licenses in the state of New Jersey.

## Normal Course Issuer Bid ("NCIB")

On October 5, 2021, the Company's normal course issuer bid ("NCIB", the "Bid") expired and on September 10, 2021 the Company approved the renewal of the Bid, commencing on October 12, 2021 and terminating the earlier of: (i) October 11, 2022, and (ii) the date on which the maximum number of Shares are purchased pursuant to the Bid. Under the Bid, the Company may purchase up to 5% of the Company's Shares. On November 3, 2021, the Company purchased 103,000 common shares under the Bid at a cost of \$3,183 and on December 1, 2022 these shares were cancelled.

## 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" which reflect the Corporation's current expectations regarding the future results of operations, performance and achievements of the Corporation, including but not limited to: the signing of a Definitive Agreement in respect of the Transaction, including the terms thereof; timing for completion of the Transaction; required approvals for the completion of the Transaction and the expected receipt thereof; the business plan of the Corporation and Cannavative, including the business plan of the go-forward entity after completion of the Transaction; the anticipated benefits of the Transaction; the market for medical cannabis in the United States; the state of the cannabis market and U.S. regulatory changes in respect thereof; the effects of COVID-19 on the operations of Cannavative and the Nevada cannabis industry, generally; and expectations regarding the business plans of such companies. 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 expectations and assumptions concerning: the Transaction, including CSE and shareholder approvals, the execution of the Definitive Agreement in respect thereof and the satisfaction of other closing conditions in accordance with the terms of the Definitive Agreement; the future operations of, and transactions contemplated by, the Corporation and Cannavative; 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, have operations or plan 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; the ability of the Corporation's investments to execute on their business plan; 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, the ability of the Corporation to implement its corporate strategy, 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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