

Top Strike Announces 2022 Second Quarter Financial Results ending October 31, 2021 and Corporate Update

Calgary, AB, Dec. 30, 2021 /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 October 31, 2021. 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 six months ended October 31, 2021, which are available on SEDAR at 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 (000's)	Oct 31, 2021 (\$)	Jul 30, 2021 (\$)	Apr 30, 2021 (\$)	Jan 31, 2021 (\$)	Oct 31, 2020 (\$)	Jul 31, 2020 (\$)	Apr 30, 2 020 (\$)	Jan 31, 2020 (\$)
Revenue	294	510	1	(412)	138	(78)	950	308
Income (Loss) for the period	(230)	281	(301)	(663)	(135)	(253)	713	59
Income (Loss) per share	(0.00)	0.00	(0.00)	(0.00)	(0.00)	(0.00)	0.00	0.00
Total assets	9,957	10,130	10,009	10,464	10,790	10,873	9,294	8,671
Total liabilities	1,741	1,718	2,088	2,240	1,901	1,871	76	66

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 of October 31, 2021, 27% of the Company's assets and 100% of income was directly related to US cannabis activities.

The Company recorded a net income of \$3,873, \$0.00 per common share for the three months ended October 31, 2021, as compared to a net loss of \$133,343, \$0.00 per share for the three months ended October 31, 2020.

Revenues for the three months ended October 31, 2021, were \$294,222 (2020 - \$137,699). Interest income was \$118,168 (2020 - \$144,635). The following changes in fair market value occurred in the quarter; unrealized foreign exchange loss \$19,655 (2020 -\$6,936) and unrealized loss on investments and derivative instruments of \$195,709 (2020 - \$10,400); including a \$59,500 unrealized loss on investments and a \$255,159 unrealized gain on convertible debt and its related derivative.

Corporate Update and Recent Developments

The Company reduced the carrying value of its 60% interest in Galenas New Jersey LLC ("Galenas NJ") from \$118,900 to \$59,450. At the beginning of the period Galenas NJ had two active license applications outstanding including both a cultivation and dispensary application. On October 15, 2021, the state announced the successful cultivation licenses. Galenas NJ was not awarded a cultivation license. Subsequent to period end, the state announced the dispensary licenses. Galenas NJ was not awarded a dispensary license, to which the Company will reduce the remaining carrying value of \$59,450.

On March 12, 2021, the Company announced that it had entered into an exclusive non-binding letter of intent with Cannavative Group LLC ("Cannavative"), pursuant to which the Company will acquire all of 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 of the Company at a deemed issuance price of US\$0.05 per common share.

The proposed transaction is subject to, among other things, the execution of a definitive agreement between the Company and Cannavative (the "Definitive Agreement") and customary closing conditions. The proposed transaction is subject to the acceptance of the Canadian Securities Exchange (the "CSE"), the approval of the shareholders of the Company and Cannavative, and Nevada state regulatory approval. While no assurances can be made, the Company and Cannavative remain committed to complete the transaction.

Normal Course Issuer Bid ("NCIB")

On October 5, 2021, the Company's normal course issuer bid ("NCIB", the "Bid") expired. During the period of the NCIB, the Corporation purchased 580,000 of the Company's common shares ("Shares") at an average price of \$0.022. 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.

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 Company will be cancelled. The Company had 181,411,390 Shares issued and outstanding as of the re-commencement date the BID.

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.

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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