



SUITE 320, 700 - 4TH AVENUE S.W., CALGARY, ALBERTA T2P 3J4
TEL 403-532-4466 FAX 587-955-9668

RELENTLESS RESOURCES ANNOUNCES RECAPITALIZATION FINANCING, ADDITION OF A NEW BOARD MEMBER AND PURSUIT OF ACQUISITION OPPORTUNITIES IN THE CANNABIS INDUSTRY

TSX-Venture Exchange: **RRL**

CALGARY, ALBERTA, February 21, 2018 - Relentless Resources Ltd. ("**Relentless**" or the "**Company**") is pleased to announce: (i) a non-brokered private placement of up to an aggregate of \$7.5million (the "**Private Placement**"); (ii) the appointment of Mr. Stanley J. Swiatek to the board of directors in connection with the completion of the Private Placement; and (iii) subject to regulatory approval, a rights offering (the "**Rights Offering**", and collectively with the Private Placement, the "**Recapitalization Financing**") to holders of common shares ("**Common Shares**") of the Company.

Private Placement

Pursuant to the Private Placement, the board of directors, officers, other insiders of the Company (collectively, the "**Insider Group**"), together with additional subscribers identified by the Insider Group, will subscribe for approximately 111,111,111 units (the "**Units**") of the Company at a price of \$0.0675 per Unit for total proceeds of approximately \$7.5 million. Each Unit shall be comprised of one Common Share and, in the case of subscriptions by the Insider Group, one Common Share purchase warrant (a "**Warrant**") and, in the case of all other subscribers, one-half of one Warrant. Each whole Warrant will entitle the holder to purchase one Common Share at a price of \$0.10 for a period of five years. The Warrants will vest and become exercisable as to one-third upon the 20-day weighted average trading price of the Common Shares (the "**Market Price**") equaling or exceeding \$0.12, an additional one-third upon the Market Price equaling or exceeding \$0.16 and a final one-third upon the Market Price equaling or exceeding \$0.20. The completion of the Private Placement is expected to occur on or about March 21, 2018, and may be completed in one or more tranches (the "**Closing**").

Rights Offering

Upon completion of the Private Placement, the Company's shareholders will be entitled to participate in the Rights Offering, which is expected to be conducted by way of a Rights Offering Circular. Pursuant to the Rights Offering, each shareholder as of the record date for such offering (the "**Record Date**") will be issued one right ("**Right**") for each Common Share held on the Record Date, entitling that holder to purchase one Unit for every four Rights held at a price of \$0.0675 per Unit at or before the expiry time of the Rights Offering, following which, all outstanding Rights shall terminate and expire. Each Unit will be comprised of one Common Share and one-half of one Warrant. The Warrants issued pursuant to the Rights Offering will be on the same terms as those issued pursuant to the Private Placement (including with respect to vesting provisions). Subscribers of Units under the Private Placement will have a right to participate in the Rights Offering with respect to any securities acquired pursuant to the Private Placement.

Recapitalization

There are currently 92,350,484 Common Shares issued and outstanding. Assuming the exercise of all existing stock options and warrants, there will be approximately 102,893,340 Common Shares

outstanding. Upon completion of the Recapitalization Financing (assuming the Private Placement is fully subscribed, the Rights are fully exercised and all existing Relentless shareholders' Rights are fully exercised), there will be approximately 254,326,994 Common Shares outstanding, and assuming the exercise of all Warrants issued in connection with the Private Placement and the Rights Offering (assuming the Insider Group acquires 44,444,444 Units in the Private Placement), there will be approximately 368,080,326 Common Shares outstanding.

Proceeds from the Recapitalization Financing will be used to establish a presence of the Company in the Canadian cannabis sector by: (i) making investments and deposits in connection with letters of intent signed with strategic cannabis investment opportunities; and (ii) for working capital and general corporate purposes. For more information, see "*Corporate Strategy*".

The Recapitalization Financing is subject to applicable regulatory approval, including the approval of the TSX Venture Exchange ("**TSXV**").

New Director

Upon completion of the Private Placement, Stanley J. Swiatek will join the board of directors of Relentless. Mr. Swiatek is the former CEO and a current member of the board of directors of Sundial Growers. Mr. Swiatek was an early Applicant (78th) under Health Canada's *Access to Cannabis for Medical Purposes Regulations* ("**ACMPR**"). Mr. Swiatek is a founder of Sundial Growers and was instrumental in building it into the second largest Licensed Producer in Alberta, with operations also in British Columbia. Mr. Swiatek is a Member of the Alberta Provincial Government Cannabis Roundtable, as well as the Health Canada Cannabis Roundtable. He has over 40 years' experience in construction, development and commercial greenhouse agricultural operations. In December 2017, Mr. Swiatek joined the board of directors of Grunewahl Organics, a Pre-licensed Health Canada Applicant.

Corporate Strategy

With the appointment of Mr. Swiatek to the board of directors and the proceeds from the Recapitalization Financing, the Company will be well positioned to build and maintain a diversified portfolio of cannabis-sector businesses. The Company's growth strategy will initially include the production, distribution and sale of cannabis in all acceptable forms, through the acquisition of, or an investment in, a licensed producer or a late stage applicant to become licensed producer under ACMPR, following which, the Company will work towards the investment and development of ancillary products and services for the fast-growing cannabis market, and pursue the acquisition of complementary production and manufacturing facilities.

Key to the successful execution of the Company's growth strategy is the acquisition, build-out and operation of production facilities capable of producing cannabis of a consistent and reliable quality to meet both the regulatory requirements and the needs of medical patients and, as the law permits, other authorized consumers. As such, the Company will initially seek to identify and evaluate businesses with a view to negotiate an acquisition of a licensed producer or a late stage applicant to become a licensed producer under the ACMPR. The Company will continue to seek out revenue generating cannabis related ventures including forging strategic partnerships in research, packaging and distribution with a plan to operate an integrated cannabis-sector business.

In connection with its growth strategy, it is anticipated that the Company may appoint additional members to its board of directors and management team who have direct operational and strategic experience in various facets of the cannabis sector in Canada including building value in a highly-regulated industry. Shareholders may also be asked to approve a change in the Company's name to reflect the renewed business strategy of the Company.

It is anticipated that any acquisition or investment made by the Company in the cannabis sector will be operated as a wholly-owned subsidiary of Relentless. Relentless, as the parent company, will continue to be engaged in the business of developing its oil and gas assets.

The Company's future plans detailed under this section may constitute a "Change of Business" pursuant to the policies of the TSXV.

About Relentless Resources Ltd.

Relentless is a Calgary based emerging oil and natural gas company, engaged in the exploration, development, acquisition and production of natural gas and light gravity crude oil reserves in Alberta. Relentless' Common Shares trade on the TSXV under the symbol RRL.

Relentless' primary corporate objective is to achieve non-dilutive growth and enhance shareholder value through internal prospect development, strategic production acquisitions and prudent financial management. Upon completion of the Recapitalization Financing, the Company will pursue the corporate objective by developing a diversified portfolio which will include a cannabis-focused investment strategy.

For further information regarding this news release, please contact:

Dan Wilson, CEO
Relentless Resources Ltd.
Phone: (403) 532-4466 ext. 2
Fax: (587) 955-9668
E-mail: info@relentless-resources.com

Ron Peshke, President
Relentless Resources Ltd.
Phone: (403) 532-4466 ext. 1
Fax: (587) 955-9668
E-mail: info@relentless-resources.com

Website: www.relentless-resources.com

Forward Looking and Cautionary Statements

This news release may include forward-looking statements including opinions, assumptions, estimates, the Company's assessment of future plans and operations, and, more particularly, statements concerning the completion of the Recapitalization Financing, the number of securities issued by way of the Recapitalization Financing, the business strategy of the Company, the change of name of the Company, use of proceeds from the Recapitalization Financing and the appointment of additional members to the board of directors and management of the Company. When used in this document, 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 Company which include, but are not limited to, the timing of the receipt of the required regulatory approvals and the future operations of, and transactions completed by the Company. Forward-looking statements are subject to a wide range of risks and uncertainties, and although the Company 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, regulatory and third party approvals not being obtained, the ability to implement corporate strategies, the state of domestic 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 Company with securities regulatory authorities.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

NOT FOR DISTRIBUTION TO U.S. NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES. ANY FAILURE TO COMPLY WITH THIS RESTRICTION MAY CONSTITUTE A VIOLATION OF U.S. SECURITIES LAWS.