

Olive Resource Capital Announces Agreement to Acquire C\$2.5M Portfolio of Assets

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Toronto, May 18, 2022 - [Olive Resource Capital Inc.](#) (TSXV: OC) ("Olive" or the "Company") is pleased to announce that it has entered into an agreement with CannalIncome Fund Corporation ("CiF") to acquire a portfolio of assets (the "Transaction") consisting of public equities, private equities, debt, convertible debt and warrants, having a deemed value of C\$2,459,122.70 in exchange for 25,831,231 common shares of Olive (each a "Common Share"), representing a deemed issue price of \$0.095 per Common Share, subject to adjustment. The Common Shares being issued to CiF are to be transferred to CiF's securityholders immediately following closing as part of the wind-up of CiF's business. The number of Common Shares to be issued remains subject to adjustment on a basis to be agreed 10 days prior to closing, if the relative value of the CiF portfolio has changed by more than 10%. The Transaction remains subject to a number of conditions, including receipt of the approval of the CiF shareholders and of the TSX Venture Exchange (the "TSXV") and receipt of certain consents and approvals required to transfer some of the assets.

Derek Macpherson, Executive Chairman and Director stated; "We are pleased to execute on this first step, albeit a small one, in our strategy to expand Olive's asset base with this net asset value based transaction. We would like to thank the management team at CannalIncome Fund for working with us to reach this agreement. We plan to continue to pursue accretive acquisitions to expand our asset base."

Samuel Pelaez, President, CEO, CIO, and Director stated; "We are adding quality assets to our portfolio, while reducing the portfolio weight of our largest holdings. The resulting portfolio is more diversified and retains exposure to near-term catalysts, both for the legacy assets and for some of the assets acquired."

Benefits of the Transaction

Acquiring Quality Assets - The Transaction will result in the acquisition by Olive of quality convertible debentures, along with private and public equities, a number of which have near-term catalysts which could present upside for shareholders of Olive.

Expanding Olive's Asset Base - One of Olive's stated goals is to expand its investable assets, such that the operating costs of Olive, relative to its assets are more in line with traditional investment vehicles. While this is a small step towards achieving that goal, it is an important one.

Diversification - The investments proposed to be acquired provide diversification to Olive's current portfolio. Included are a number of income generating securities, providing diversity to Olive's majority equity portfolio. While Olive continues to be resource-focused and the majority of its investments continue to be in resources, the acquired assets add several quality non-resource investments. In addition, the acquired assets reduce the weight of and exposure to single investments in Olive's portfolio.

Valuation

The C\$2,459,122.70 value determined for CiF's assets was based on arm's length negotiations between the parties based on observable metrics (e.g. share price for public equities or face value plus accrued interest for convertible debentures) with some adjustments based on multiple factors including liquidity and the quality of the underlying assets.

The 25,831,231 Common Shares to be issued in connection with the Transaction represent a deemed price per Common Share of C\$0.095.

The terms of the Transaction (value of CiF portfolio and shares issued by Olive) are subject to a valuation

test 10-days before closing. Should the relative value of the portfolios change by more than 10%, the value ascribed to CiF's assets and the Common Shares to be issued by Olive would be adjusted based on good faith negotiations at the time. If Olive and CiF are unable to reach agreement on the value of the assets and number of Common Shares to be issued as consideration, either of Olive or CiF will have the ability to terminate the agreement upon written notice.

Assets Acquired

The assets acquired are a combination of public equities, including common shares and common share purchase warrants in five public companies, including Guided Therapeutics (OTCQB:GTHP), Canadian Premium Sand (TSXV:CPS), Tag Oil (TSXV:TAO), Gold79 Mines (TSXV:AUU) and Radio Fuels Energy (CSE: CAKE) representing approximately 16% of the ascribed value; convertible debentures and debt instruments in three public companies including Guided Therapeutics, Stem Holdings ((OTCQX: STMH) (CSE: STEM)) and Discover Wellness (CSE:WLNS), representing approximately 24% of the ascribed value; and common shares and convertible debentures in a number of private companies, including The Newly Institute, Maack Capital, Black Sheep Income and Everyday People Financial, representing approximately 60% of the ascribed value. The public and private equities are companies in mining, oil and gas and healthcare industries. The debt is related to a real property asset held by Discover Wellness, a healthcare company. The convertible debentures are in respect of companies in the real estate, financial and healthcare industries, two of which are anticipated to convert in the near-term. A more fulsome description of the significant assets to be acquired will be provided on closing.

Among the assets are common shares and common share purchase warrants of Gold79 Mines Ltd. (TSXV:AUU), representing approximately 3.5% of the value ascribed to the CiF portfolio. Derek Macpherson is the Executive Chairman and a Director of Olive Resource Capital and President, CEO, and a Director of Gold79 Mines Ltd.

Closing

Since the transaction requires among other things, the approval of CiF shareholders, which is to be secured at a meeting, closing is expected to occur within approximately 60 days.

About Olive Resource Capital Inc. (formerly Norvista Capital Corp):

Olive is a resource-focused merchant bank and investment company with a portfolio of publicly listed securities issued by companies engaged in precious and base metal exploration and development. The Company's core investments include Minera Alamos Inc., Rockcliff Metals Corporation, [Great Bear Royalties Corp.](#), and [Nevada Zinc Corp.](#)

For further information, please contact:

Derek Macpherson, Executive Chairman at derek@olive-resource.com or by phone at (416)294-6713 or Samuel Pelaez, President, CEO & CIO at sam@olive-resource.com or by phone at (202)677-8513. Olive's website is located at www.olive-resource.com.

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is forward looking information. Forward-looking information contained in this press release may include, without limitation, expected timing for closing of the Transaction, the ability of the Company to secure the required approvals and consents to close the Transaction, receipt of the approval of the TSX Venture Exchange, the ability to successfully negotiate an adjustment to the purchase price if there is significant volatility in the market prior to closing and the value and expected performance of the assets to be acquired in the Transaction.

This news release includes forward-looking statements that are subject to risks and uncertainties. Forward-looking statements involve known and unknown risks, uncertainties, and other factors that could cause the actual results of Olive to be materially different from the historical results or from any future results expressed or implied by such forward-looking statements. All statements contained in this news release, other than statements of historical fact, are to be considered forward-looking. Although Olive believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from such forward-looking information include, but are not limited to: past success or achievement does not guarantee future success; negative investment performance; downward market fluctuations; downward fluctuations in commodity prices and changes in the prices of commodities in general; uncertainties relating to the availability and costs of financing needed in the future; interest rate and exchange rate fluctuations; changes in economic and political conditions that could negatively affect certain commodity prices; an inability to predict and counteract the effects of COVID-19 on the business of the Company, including but not limited to the effects of COVID-19 on the price of commodities, capital market conditions, restriction on labour and international travel and supply chains; and those risks set out in the Company's public documents filed on SEDAR. Accordingly, readers should not place undue reliance on forward-looking information. Olive does not undertake to update any forward-looking information except in accordance with applicable securities laws.

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