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Relentless announces Financial and Operating results for year ended December 31, 2017

TSX-Venture Exchange: **RRL**

CALGARY, ALBERTA, April 26, 2018 - Relentless Resources Ltd. ("Relentless" or the "Company") announces that it has issued and filed on SEDAR its December 31, 2017 audited financial statements and related management's discussion and analysis ("MD&A"). Additional information about Relentless is available on SEDAR at www.sedar.com or on the Company's website at www.relentless-resources.com.

Corporate Update

For the year ended December 31, 2017, total revenues increased by 43% to \$2,909,294 compared to \$2,030,043 in 2016, as average daily production increased by 12% (210 boed 60% oil and liquids) and average commodity prices increased by 29% (\$37.97/boe) compared to the same period in 2016 (\$29.53/boe).

Production, operating and transportation expenses increased by 5% to \$1,059,864 compared to \$1,011,344 in 2016 due to a 12% increase in production volumes. On a per boe basis, production, operating and transportation expenses decreased to \$13.53 per boe, as compared to \$14.71 per boe in 2016.

Cash flow from operations in 2017 was \$929,606 compared to \$232,977 in 2016, an increase of 299%. The increase is due to 43% growth in revenue with relatively flat production, operating and transportation expenses.

At December 31, 2017 net debt was \$2,502,798 down from \$4,055,718 at year end 2016. The decrease was mainly the result of a financing in January, 2017 for proceeds of \$1,000,000, and cash flow from operations of \$929,606. Subsequent to year end, the Relentless line of credit has been paid down to zero with proceeds from the March private placement. The line of credit remains undrawn, and has a limit of \$3 million.

Current production is estimated at 170 boed (60% oil and liquids) with approximately 80 boed of production shut in due to gas prices and facility restrictions.

Transition to a Cannabis Focused Business

In the first quarter of 2018, Relentless announced a recapitalization financing and the addition of Stanley J. Swiatek to its Board of Directors. Gross proceeds of \$8.25 million were realized and subsequent to the close of the financing, a new cannabis focused Management team was appointed.

Relentless appointed Stanley J. Swiatek as Chief Executive Officer, Craig Kolochuk as President, Jeff Swainson as Chief Financial Officer and Tara Johnson-Ouellette as Vice President, Compliance and Regulatory Affairs.

Mr. Swiatek is the former Chief Executive Officer 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 stakeholder that worked with the Alberta Provincial Government Cannabis Roundtable, as well as the Health Canada Cannabis Roundtable and he successfully applied for and received three cultivation licences. 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. In March 2018, Mr. Swiatek joined the board of directors of Relentless.

Mr. Kolochuk has 20 years of experience in the Canadian oil and gas industry, holding roles in land, business development, acquisitions and divestitures, and management. He was a co-founder of Cardinal Energy Ltd. and played a significant role in acquiring over \$800 million of high quality oil and gas assets, ultimately building a publicly traded, dividend paying entity with a market capitalization of nearly \$1 billion at its peak.

Mr. Swainson has 10 years of public company accounting, finance, business development and capital markets experience. He began his career with an international accounting firm and, after receiving his Chartered Accountant designation, transitioned into the oil and gas industry. Mr. Swainson was most recently the Chief Financial Officer and Corporate Secretary of a high growth Montney focused exploration and production company, which grew to a market capitalization of approximately \$400 million at its peak.

Mrs. Johnson-Ouellette has 20 years of experience in regulatory and compliance, project execution, and business process management. She has spent most of her career in the oil and gas industry, predominantly with start-up companies. She transitioned into the cannabis space in late 2015, working as Manager of Operations for Sundial Growers.

The Company is 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 a licensed producer under ACMPR. The Company will also work towards retail distribution, the investment and development of ancillary products and services for the fast-growing cannabis market, and the acquisition of complementary production and manufacturing facilities.

For further information regarding the cannabis focused strategy, visit the Relentless Resources website at www.relentless-resources.com or contact Stan Swiatek at 403.651.7590 or Craig Kolochuk at 403.875.5665.

Cash flow, comprehensive income (loss) and netbacks

Year ended December 31,	2017	2016	% Change	2017 (\$ / boe)	2016 (\$ / boe)	% Change
Oil and natural gas sales	2,909,294	2,030,043	43	37.97	29.53	29
Royalties	(282,659)	(171,064)	65	(3.69)	(2.49)	48
Revenue after royalties	2,626,635	1,858,979	41	34.28	27.05	27
Production, operating and transportation expenses	(1,059,864)	(1,011,344)	5	(13.83)	(14.71)	(6)
Operating cash flow ⁽¹⁾	1,566,771	847,635	85	20.45	12.34	66
General & administrative expenses	(521,186)	(475,096)	10	(6.80)	(6.91)	(2)
Interest and other financing charges	(115,979)	(139,562)	(17)	(1.51)	(2.03)	(25)
Cash flow from operations ⁽¹⁾	929,606	232,977	299	12.13	3.39	258
Other income	-	393,750	(100)	0.00	5.73	(100)
Gain on disposition	237,395	99,504		3.10	0.00	100
Accretion	(66,145)	(54,681)	21	(0.86)	(0.80)	9
Impairment	(117,835)	(96,725)	22	(1.54)	(1.41)	9
Depletion and depreciation	(798,297)	(819,719)	(3)	(10.42)	(11.92)	(13)
Comprehensive loss	184,724	(244,894)	(175)	2.41	(3.56)	(168)
\$ Per Share – Basic	0.00	(0.00)				
\$ Per Share - Diluted	0.00	(0.00)				

(1) Non IFRS measure

Daily production and commodity prices

<i>Year ended December 31,</i>	2017	2016	<i>% Change</i>
<u>Daily production</u>			
Oil and NGLs (bbl/d)	127	103	23
Natural gas (mcf/d)	496	511	(3)
Oil equivalent (boe/d @ 6:1)	210	188	12
<u>Realized commodity prices (\$CDN)</u>			
Oil and NGLs (bbl)	\$52.34	\$42.18	24
Natural gas (mcf)	\$2.65	\$2.37	12
Oil equivalent (boe @ 6:1)	\$37.97	\$29.53	29

Abbreviations

bbl	barrel
bbl/d	barrel per day
boe	barrel of oil equivalent
boe/d	barrel of oil equivalent per day
mcf	thousand cubic feet
mcf/d	thousand cubic feet per day
NGLs	natural gas liquids
G&A	general and administrative expenses
IFRS	International Financial Reporting Standards

Forward-Looking Statements: All statements, other than statements of historical fact, set forth in this news release, including without limitation, assumptions and statements regarding: the volumes and estimated value of the Company's proved and probable reserves; future production rates; exploration and development results; financial results; and future plans, operations and objectives of the Company, including, without limitation, plans with respect to the Company's growth strategy, are forward-looking statements that involve substantial known and unknown risks and uncertainties. Some of these risks and uncertainties are beyond management's control, including but not limited to, the impact of general economic conditions, industry conditions, fluctuation of commodity prices, fluctuation of foreign exchange rates, environmental risks, industry competition, availability of qualified personnel and management, availability of materials, equipment and third party services, stock market volatility, timely and cost effective access to sufficient capital from internal and external sources. The reader is cautioned that assumptions used in the preparation of such information, although considered reasonable by the Company at the time of preparation, may prove to be incorrect. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements.

These assumptions and statements necessarily involve known and unknown risks and uncertainties inherent in the oil and gas industry such as geological, technical, drilling and processing problems and other risks and uncertainties, as well as the business risks discussed in the MD&A under the heading "Business Risks". The Company does not undertake any obligation, except as required by applicable securities legislation, to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise.

Boe is calculated using the conversion factor of 6 mcf of natural gas being equivalent to one barrel of oil. Boe may be misleading, particularly if used in isolation. A boe conversion ratio of 6 mcf:1 bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Given that the value ratio based on the current price of crude oil as compared to natural gas is significantly different from the energy equivalency of 6:1, utilizing a conversion on a 6:1 basis may be misleading as an indication of value.

This news release provides certain financial measures that do not have a standardized meaning prescribed by IFRS. These non-IFRS financial measures may not be comparable to similar measures presented by other issuers. Cash flow from operations, operating cash flow and net debt are not recognized measures under IFRS. Management believes that in addition to net income (loss), cash flow from operations, operating cash flow and net debt are useful supplemental measures that demonstrate the Company's ability to generate the cash necessary to repay debt or fund future capital investment. Investors are cautioned, however, that these measures should not be construed as an alternative to net income (loss) determined in accordance with IFRS as an indication of the Company's performance. The Company's method of calculating these measures may differ from other companies and accordingly, they may not be comparable to measures used by other companies. Cash flow from operations is calculated by adjusting net income (loss) for other income, unrealized gains or losses on financial derivative instruments, transaction costs, accretion, share based compensation, impairment and

depletion and depreciation. Operating cash flow is calculated based on oil and gas revenue less royalties and operating expenses. Net debt is the total of accounts receivable plus prepaids and deposits, less accounts payable plus bank debt.

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.

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