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SYMBOL – RJ.H

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Rojo Resources Ltd. Closes Oversubscribed \$800,000 Non-Brokered Private Placement

Vancouver, BC – Monday, December 23, 2019 – Rojo Resources Ltd. (TSXV – RJ) (the “Company”) is pleased to advise that further to its news release of October 21, 2019 announcing a \$650,000 non-brokered private placement, the private placement was heavily oversubscribed and therefore the Company upsized and has closed the private placement at gross proceeds of \$800,000 through the issuance of 6,400,000 units (each a “Unit”) at a price of \$0.125 per Unit (the “Offering”).

In connection with closing of the Offering the Company paid finder's fees of \$10,380 and issued 83,040 non-transferable finder's Warrants to certain agents in accordance with applicable securities laws and the policies of the TSX Venture Exchange (“TSXV”). The net proceeds from the Offering will be used for general working capital and subject to the acceptance of the TSXV to advance funds to Salvation Botanicals Ltd. (“Salvation”) the target company of Rojo's previously announced reverse takeover. Rojo and Salvation have entered into a Bridge Loan agreement under which Rojo has agreed, subject to TSXV approval, to advance Salvation up to \$500,000 (the “Loan”) in tranches of not more than \$250,000 on a bridge loan basis. The Loan is secured by a general security agreement over all of Salvation's assets.

Rojo and Salvation entered into an Arrangement Agreement under which they propose to complete a plan of arrangement which will continue the business of Salvation (the “Transaction”) as a subsidiary of Rojo, as a public company listed on the TSXV. The Transaction will result in Rojo's reactivation and graduation from the NEX board of the TSXV to a Tier 2 industrial issuer (which after completion of the Transaction, is referred to herein as the “Resulting Issuer”). As a condition of closing the Transaction, Rojo will consolidate its currently issued and outstanding common shares and convertible securities on a two-for-one basis (the “Consolidation”).

Each Unit consists of one common share of the Company (a “Common Share”) and one transferable common share purchase warrant (a “Warrant”), with each Warrant entitling the holder thereof to acquire one additional Common Share at a price of \$0.25 for a period of one year subject to an accelerated expiry if the closing trading price of the Resulting Issuer shares is greater than \$0.75 per share (post-Consolidation Price) for a period of 10 consecutive trading days (the “Acceleration Event”). The Resulting Issuer will give notice to the holders of the Acceleration Event and the Warrants will expire 30 days thereafter. When Rojo completes the

Consolidation, the Private Placement securities will be consolidated accordingly (i.e. effective price of Units is \$0.25, with Warrant exercise price adjusting to \$0.50).

The securities issued under the Offering are subject to a standard four month and one day hold period expiring April 18, 2020.

Rojo has now commenced selling its previously announced subscription receipt private placement for up to 11,000,000 subscription receipts (the “**Subscription Receipts**”) at a price of \$0.125 per Subscription Receipt. Each Subscription Receipt entitles the holder thereof to receive, upon satisfaction of the escrow release conditions (which will include, among other things, the closing of the Transaction) on or before the escrow release deadline, and without payment of additional consideration therefor, to give effect to the Consolidation, one-half of a Resulting Issuer Share and one-quarter of a Resulting Issuer warrant – which would be 5,500,000 Resulting Issuer Shares and 2,750,000 Resulting Issuer warrants, exercisable for two years at an exercise price of \$0.50, subject to the same Acceleration Event described above. Should the escrow release conditions not be satisfied by the escrow release deadline, the Subscription Receipts will be cancelled, and all proceeds from the sale of Subscription Receipts will be returned to subscribers. Rojo’s transfer agent is expected to act as the subscription receipt agent in respect of the Subscription Receipts. The Subscription Receipts and the securities into which they are convertible, bear a hold period of four months and a day from the closing of the Subscription Receipts.

Salvation is an independent, multi-faceted, science based cannabis/hemp and controlled substances technology company focused on progressing and servicing the evolving cannabis/hemp industry and supporting mental health research through Salvation Botanicals Ltd., including 1134337 BC Ltd, a wholly owned company under Salvation Botanicals Ltd.

Salvation has a fully functioning 7,000 square foot Health Canada licensed analytical testing facility and provides testing services to Licensed Cultivators, Processors, Patient Growers and Research Facilities and is positioned for rapid growth. Salvation also has a fully built and funded 7,500 square foot processing facility and is a late-stage applicant for a Health Canada Standard Processor license.

Salvation holds the following licenses:

- **Analytical Testing License** – allowing for the analytic testing of cannabis for quality assurance purposes through the name Salvation Bioscience;
- **An Industrial Hemp Licenses** – allowing for
 - o Possession of grain for the purpose of processing it,
 - o The sale and distribution of seed and grain, and
 - o Exportation of seed and grain;
- **Controlled Drugs and Substances License** received in July 2019 allowing for the possession, testing, sale and distribution of the following psychedelics substances for medical and research purposes:
 - o Psilocybin,
 - o Psilocin,

- o 3,4,5-Trimethoxyphenethylamine (mescaline),
- o N,N-Dimethyltryptamine (DMT),
- o N-Methyl-3,4-methylenedioxamphetamine (MDMA);

Salvation will be applying for an amendment to the license to produce MDMA.

- On September 27, 2019 Salvation submitted its Evidence Package to Health Canada for a **Standard Processor License** for its processing facility where it will extract and produce cannabis products under its own brand. It expects to receive its processing license in Q1, 2020 subject to Health Canada approval.

Allen Morishita, Rojo's Chief Executive Officer stated: "We are very pleased with the high interest in our proposed transaction with Salvation, as evidenced by a strong oversubscription to this private placement. Due to limits imposed under TSXV policy we sought and received approval to increase the maximum amount we could raise in this offering. We appreciate the flexibility shown by the TSXV, and advise that we had to cut off subscriptions and Rojo is now in the process of taking in subscriptions for our subscription receipts financing. We expect to provide an update to the status of the transaction early in the New Year."

ON BEHALF OF THE BOARD OF DIRECTORS

"Allen Morishita"

Allen Morishita
CEO, Chairman and Director

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