



Valencia Provides an Update on Transaction with EarthRenew and Announces \$3 Million Private Placement

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TORONTO, Oct. 30, 2018 -- Valencia Ventures Inc. ("Valencia" or the "Company") (TSXV: VVI.H) is pleased to announce that it has received conditional approval from the Canadian Securities Exchange ("CSE") to proceed with the previously announced Reverse Takeover ("RTO") of EarthRenew, a low-cost sustainable power-generation company with a patented production process that converts livestock waste to nutrient-rich, slow-release pelleted organic fertilizer with a manufacturing facility located in Strathmore, Alberta. As part of the RTO and listing of Valencia's common shares (the "Common Shares") on the CSE, Valencia intends to delist the Common Shares from the TSX Venture Exchange.

In connection with the RTO, Valencia intends to complete a non-brokered private placement of up to 13,636,363 common shares (the "Shares") at a price of \$0.22 per Share for aggregate cash proceeds of up to \$3,000,000 (the "Offering"). The Issuer intends to close the first tranche of the Offering (the "First Tranche"), for gross proceeds of \$1,000,000, concurrently with the closing of the RTO. The net proceeds of the First Tranche are expected to be used by the Company to complete the RTO and for general corporate purposes. The First Tranche is expected to close on or about November 15, 2018. The remaining tranches of the Offering are expected to close following the completion of the RTO and the net proceeds of such tranches will be used for general corporate purposes.

Finder's fees may be paid to eligible finders in accordance with the policies of the CSE consisting of a cash commission equal to up to 7% of the gross proceeds raised under the Offering and finder warrants ("Finder Warrants") in an amount equal to up to 7% of the number of Common Shares sold pursuant to the Offering. Each Finder Warrant will entitle the holder thereof to purchase one Common Share at a price of \$0.22 per Common Share for a period of 12 months following the closing date of the respective tranche in the Offering.

EARTHRENEW UPDATE

EarthRenew is currently completing testing to restart sustainable electricity production at its Strathmore, Alberta plant (the "Strathmore Plant"). As currently configured, the Strathmore Plant is capable of producing up to four MegaWatts per hour (4MWh) of low cost electricity powered by a natural gas fired industrial size Rolls Royce turbine. EarthRenew intends to commence electricity production on or about the end of November 2018. Electricity produced at the Strathmore Plant can be sold to the municipal electricity grid. EarthRenew is also evaluating electricity distribution options that will maximize revenue for its business including selling electricity to cryptocurrency mining operations which can co-locate at the Strathmore Plant.

Following engineering upgrades to the Strathmore Plant planned in 2019, EarthRenew intends to use about 1.5MWh of the 4.0 MWh generated by the Strathmore Plant to power the Strathmore Plant dryer to produce pelleted organic fertilizers made from cattle manure waste. The Strathmore Plant is located on a 25,000 head cattle feedlot. EarthRenew has executed an off-take agreement with Sun Country Organics (www.suncountryorganics.com) pursuant to which substantially all the organic fertilizer produced by EarthRenew at the Strathmore Plant will be purchased by Sun Country Organics for wholesale and retail distribution in Canada and the US midwest.

The unique patented EarthRenew waste conversion process capitalizes on the high temperature exhaust from the on-site natural gas-fired turbine for the thermal drying of fresh manure, a process which removes pathogens, pharmaceutical residue and weeds that when left untreated can contaminate soil and leach into waterways. The resulting organic granular product is an ideal fertilizer for use in home gardens, organic farming, marijuana cultivation, turf and in municipal areas subject to chemical fertilizer bans or restrictions.

About EarthRenew

EarthRenew is a low cost sustainable power-generation company with a patented production process that converts livestock waste to nutrient-rich, slow-release pelleted organic fertilizer. EarthRenew converts natural gas to electricity from an industrial-sized gas turbine which it intends to capitalize on through various revenue drivers. These include selling surplus electricity to the electrical grid and to cryptocurrency miners which can co-locate on site and to dry manure feedstock to produce high value organic fertilizer. The EarthRenew has a commercial scale operation in Strathmore, Alberta.

For additional information, please contact:

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About Valencia

Valencia is a Canadian resource company with common shares that trade on the NEX Board of the TSX Venture Exchange under the symbol VVI.H. The Company has received conditional approval to list its common shares on the CSE upon completion of the RTO.

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Cautionary Note regarding Forward - Looking Information

This press release contains "forward-looking information" within the meaning of applicable Canadian securities legislation. Forward-looking information includes, but is not limited to, statements with respect to EarthRenew's ability to restart electricity production at the Strathmore Plan, EarthRenew's ability to sell electricity to the electrical grid or to cryptocurrency miners, EarthRenew's ability to execute its business plan, EarthRenew's proposed business activity, the proposed delisting of the Company's common shares from the TSX Venture Exchange, the proposed listing of the Company's common shares on the CSE; the timing and implementation of the reverse take-over transaction, the satisfaction of all conditions precedent, receipt of any required third party and regulatory approvals, the impact of the reverse- take-over transaction on the Company and its stakeholders, the Offering and use of proceeds of the Offering and other transaction statements. Generally, forward looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including but not limited to: general business, economic, competitive, geopolitical and social uncertainties; the actual results of exploration activities; regulatory risks; risks inherent in foreign operations; and other risks of the renewable energy, mining and cryptocurrency industries. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws.

Completion of the proposed RTO is subject to a number of conditions, including but not limited to, CSE acceptance, the completion of the Offering and if applicable, disinterested shareholder approval. Where applicable, the transaction cannot close until the required shareholder approval is obtained. There can be no assurance that the transaction will be completed as proposed or at all. Investors are cautioned that, except as disclosed in the management information circular or filing statement to be prepared in connection with the transaction, any information released or received with respect to the transaction may not be accurate or complete and should not be relied upon. Trading in the securities of Valencia should be considered highly speculative.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities laws and may not be offered or sold within the United States or to, or for the account or benefit of U.S. persons (as defined in Regulation S under the 1933 Act) absent such registration or an applicable exemption from such registration requirements.

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 release.

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