



## HERITAGE CANNABIS ENTERS EQUITY FINANCING WITH OBSIDIAN GLOBAL PARTNERS, LLC

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**Toronto, ON, November 2 , 2022** – Heritage Cannabis Holdings Corp. (CSE: CANN) (OTCQX: HERTF) (“Heritage” or the “Company”), today announced that it has entered into an equity line of credit agreement (the “ELOC Agreement”) with Obsidian Global Partners, LLC (the “Investor”) whereby the Investor proposes to purchase common shares in the capital of Heritage (“Common Shares”) for the aggregate gross proceeds of up to US\$20 million by private placement, at Heritage’s discretion (the “Offering”).

On closing, Heritage will pay the Investor an initial fee in an amount equal to 1.5% of US\$20 million, which will be satisfied by the issuance of Common Shares. These Common Shares are subject to a statutory lock-up of four months plus one day from closing (the “Statutory Lock-Up”). An additional fee equal to 1.5% of US\$20 million is due after 50% of the total Offering amount has been drawn by the Company, which amount may be satisfied by cash or the delivery of Common Shares at the option of the Company.

Heritage will also advance 79,030,611 Common Shares to the Investor in escrow (the “Escrow Shares”). The Escrow Shares will be subject to the Statutory Lock-Up and will only be released to the Investor in tranches as and when Heritage requests that the Investor purchase Common Shares pursuant to the ELOC Agreement. Any Escrow Shares that are not purchased by the Investor will be subject to cancellation at the end of the term of the ELOC Agreement.

Heritage will use the proceeds of the equity line of credit for general corporate purposes and expenses of the Offering.

In accordance with the terms of the ELOC Agreement, at no time shall the Investor be issued Common Shares which would result in the Investor beneficially owning in aggregate greater than 9.99% of the outstanding Common Shares of the Company.

“The closing of this deal with Obsidian is another indication that Heritage has a solid foundation for a sustainable business. With access to additional equity funds, we can continue to grow even stronger from quarter to quarter. We are adding new revenue streams, expanding across borders, and this equity financing will assist us with our continued plan for future growth. The market is starting to recognize that Heritage is a real player and a company to keep their eyes on.” stated David Schwede, CEO of Heritage.

**This news release does not constitute an offer to sell or a solicitation of an offer to sell any of securities in the United States. The securities have not been and will not be registered under the U.S. Securities Act or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.**

## **About Heritage Cannabis Holdings Corp.**

Heritage is a leading cannabis company offering innovative products to both the medical and recreational legal cannabis markets in Canada and the U.S., operating under two licensed manufacturing facilities in Canada. The company has an extensive portfolio of high-quality cannabis products under the brands Purefarma, Pura Vida, RAD, Premium 5, feelgood., CB4, Thrifty and ArthroCBD.

## **ON BEHALF OF THE BOARD OF DIRECTORS OF HERITAGE CANNABIS HOLDINGS CORP.**

*"David Schwede"*

David Schwede  
CEO

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***The Canadian Securities Exchange does not accept responsibility for the adequacy or accuracy of this release.***

## **Forward-Looking Statements**

*This press release contains certain "forward-looking information" within the meaning of applicable Canadian securities legislation and may also contain statements that may constitute "forward-looking statements" within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. Such forward-looking information and forward-looking statements are not representative of historical facts or information or current condition, but instead represent only the Company's beliefs regarding future events, plans or objectives, many of which, by their nature, are inherently uncertain and outside of the Company's control. Generally, such forward-looking information or forward-looking statements 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 may contain statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "will continue", "will occur" or "will be achieved".*

*By identifying such information and statements in this manner, the Company is alerting the reader that such information and statements are 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 information and statements.*

*An investment in securities of the Company is speculative and subject to several risks including, without limitation, the risks discussed under the heading "Risks and Uncertainties" in the Company's annual management discussion and analysis for the year ended October 31, 2021 and dated May 10, 2022. Although the Company has attempted to identify important*

*factors that could cause actual results to differ materially from those contained in the forward-looking information and forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended.*

*In connection with the forward-looking information and forward-looking statements contained in this press release, the Company has made certain assumptions. Although the Company believes that the assumptions and factors used in preparing, and the expectations contained in, the forward-looking information and statements are reasonable, undue reliance should not be placed on such information and statements, and no assurance or guarantee can be given that such forward-looking information and statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information and statements. The forward-looking information and forward-looking statements contained in this press release are made as of the date of this press release, and the Company does not undertake to update any forward-looking information and/or forward-looking statements that are contained or referenced herein, except in accordance with applicable securities laws. All subsequent written and oral forward-looking information and statements attributable to the Company or persons acting on its behalf are expressly qualified in their entirety by this notice.*