FORM 9

NOTICE OF ISSUANCE OR PROPOSED ISSUANCE OF LISTED SECURITIES

(or securities convertible or exchangeable into listed securities)

Name of Listed Issuer: Symbol(s):

|  |  |
| --- | --- |
|  Heritage Cannabis Holdings Corp. (the “Issuer”).  | CANN |

Date: January 25, 2022 Is this an updating or amending Notice: ⌧Yes No

If yes provide date(s) of prior Notices: January 26, 2021 & February 12, 2021.

Issued and Outstanding Securities of Issuer Prior to Issuance: 786,158,379.

**Pricing**

Date of news release announcing proposed issuance: ­December 23, 2020 or

Date of confidential request for price protection: ­­­­­­­­­­­\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Closing Market Price on Day Preceding the news release: $0.15 or

Day preceding request for price protection: ­­­­­­­­­­­­­­­­­­­­­­­­­­­\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Closing**

Number of securities to be issued: 107,142,857

Issued and outstanding securities following issuance: ­­­­­­­­­­­­­­­­­­­­893,301,236

**Instructions:**

1. For private placements (including debt settlement), complete tables 1A and 1B in Part 1 of this form.
2. Complete Table 1A – Summary for all purchasers, excluding those identified in Item 8.
3. Complete Table 1B – Related Persons only for Related Persons
4. If shares are being issued in connection with an acquisition (either as consideration or to raise funds for a cash acquisition) please proceed to Part 2 of this form.
5. An issuance of non-convertible debt does not have to be reported unless it is a significant transaction as defined in Policy 7, in which case it is to be reported on Form 10 – Notice of Proposed Transaction
6. Post the completed Form 9 to the CSE website in accordance with *Policy 6 – Distributions.* In addition, the completed form must be delivered to listings@thecse.com with an appendix that includes the information in Table 1B for ALL placees.

**Part 1. Private Placement**

**Table 1A – Summary**

|  |  |  |  |
| --- | --- | --- | --- |
| Each jurisdiction in which purchasers reside | Number of Purchasers | Price per Security | Total dollar value (CDN$) raised in the jurisdiction |
|  |  |  |  |
|  |  |  |  |
| Total number of purchasers: |  |  |  |
| Total dollar value of distribution in all jurisdictions: |  |

**Table 1B – Related Persons**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Full Name &Municipality of Residence of Placee** | **Number of Securities Purchased or to be Purchased** | **Purchase price per Security (CDN$)** | **Conversion****Price (if****Applicable)****(CDN$)** | **Prospectus Exemption** | **TotalSecuritiesPreviously Owned, Controlled or Directed** | **Payment Date(1)** | **Describe relations-hip to Issuer (2)** |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |

1An issuance of non-convertible debt does not have to be reported unless it is a significant transaction as defined in Policy 7, in which case it is to be reported on Form 10.

1. Total amount of funds to be raised: .

2. Provide full details of the use of the proceeds. The disclosure should be sufficiently complete to enable a reader to appreciate the significance of the transaction without reference to any other material. .

1. Provide particulars of any proceeds which are to be paid to Related Persons of the Issuer: .
2. If securities are issued in forgiveness of indebtedness, provide details of the debt agreement(s) or and the agreement to exchange the debt for securities.
3. Description of securities to be issued:

 (a) Class .

 (b) Number .

 (c) Price per security .

 (d) Voting rights

1. Provide the following information if warrants, (options) or other convertible securities are to be issued:

 (a) Number .

1. Number of securities eligible to be purchased on exercise of warrants (or options)

 .

 (c) Exercise price .

 (d) Expiry date .

## Provide the following information if debt securities are to be issued:

 (a) Aggregate principal amount .

 (b) Maturity date .

 (c) Interest rate .

 (d) Conversion terms .

 (e) Default provisions .

1. Provide the following information for any agent’s fee, commission, bonus or finder’s fee, or other compensation paid or to be paid in connection with the placement (including warrants, options, etc.):

(a) Details of any dealer, agent, broker or other person receiving compensation in connection with the placement (name, and if a corporation, identify persons owning or exercising voting control over 20% or more of the voting shares if known to the Issuer): .

(b) Cash .

(c) Securities .

(d) Other .

(e) Expiry date of any options, warrants etc. .

(f) Exercise price of any options, warrants etc. .

1. State whether the sales agent, broker, dealer or other person receiving compensation in connection with the placement is Related Person or has any other relationship with the Issuer and provide details of the relationship

 .

1. Describe any unusual particulars of the transaction (i.e. tax “flow through” shares, etc.).

 .

1. State whether the private placement will result in a change of control.

 .

1. Where there is a change in the control of the Issuer resulting from the issuance of the private placement shares, indicate the names of the new controlling shareholders.

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1. Each purchaser has been advised of the applicable securities legislation restricted or seasoning period. All certificates for securities issued which are subject to a hold period bear the appropriate legend restricting their transfer until the expiry of the applicable hold period required by National Instrument 45-102 Resale of Securities.

**Part 2. Acquisition**

1. Provide details of the assets to be acquired by the Issuer (including the location of the assets, if applicable). The disclosure should be sufficiently complete to enable a reader to appreciate the significance of the transaction without reference to any other material: The Issuer acquired all of the issued and outstanding shares in the capital of “Premium 5 Ltd.” though a three-cornered amalgamation on January 26, 2021 (“Closing”).
2. Provide details of the acquisition including the date, parties to and type of agreement (eg: sale, option, license etc.) and relationship to the Issuer. The disclosure should be sufficiently complete to enable a reader to appreciate the significance of the acquisition without reference to any other material: The Issuer entered into an acquisition agreement dated December 22, 2020 (the “Agreement”) to acquire all of the issued and outstanding shares of “Premium 5 Ltd”. As part of this acquisition, the Issuer agreed to pay up to $15,000,000 in Common Shares in the capital of the Issuer to the former shareholders of Premium 5 Ltd. twelve (12) months following the Effective Date of the Agreement, which was January 25, 2021 (the “First Milestone Payment Shares”). The First Milestone Payment Shares are also subject to a statutory four month and one day hold period from the date of issuance, being January 25, 2022.
3. Provide the following information in relation to the total consideration for the acquisition (including details of all cash, securities or other consideration) and any required work commitments:
4. Total aggregate consideration in Canadian dollars: $15,000,000.
5. Cash: Nil.
6. Securities (including options, warrants etc.) and dollar value: 107,142,857.
7. Other: N/A.
8. Expiry date of options, warrants, etc. if any: N/A.
9. Exercise price of options, warrants, etc. if any: N/A.
10. Work commitments: N/A.
11. State how the purchase or sale price was determined (e.g. arm’s-length negotiation, independent committee of the Board, third party valuation etc).

The purchase price was determined through arm’s length negotiation.

1. Provide details of any appraisal or valuation of the subject of the acquisition known to management of the Issuer: N/A .
2. The names of parties receiving securities of the Issuer pursuant to the acquisition and the number of securities to be issued are described as follows:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Name of Party (If not an individual, name all insiders of the Party)** | **Number and Type of Securities to be Issued** | **Dollar value per Security (CDN$)** | **Conversion price (if applicable)** | **Prospectus Exemption** | **Total Securities, Previously Owned, Controlled or Directed by Party** | **Describe relationship** **to Issuer(1)** |
| 1771472 Alberta Ltd | 1,423,840 | $0.14 | N/A | Section 2.3 of National Instrument 45-106 | 1,999,375 | Non-Related Person |
| 2087053 Alberta Ltd. | 19,422,553 | $0.14 | N/A | Section 2.3 of National Instrument 45-106 | 26,766,323 | Non-Related Person |
| 2489243 Ontario Ltd. | 207,167 | $0.14 | N/A | Section 2.3 of National Instrument 45-106 | 290,033 | Non-Related Person |
| Aidan Noel Cahill | 73,490 | $0.14 | N/A | OSC Rule 72-503 Section 2.3 | 102,886 | Non-Related Person |
| Adam Deffett | 86,787 | $0.14 | N/A | Section 2.3 of National Instrument 45-106 | 121,501 | Non-Related Person |
| Adam Salman | 606,280 | $0.14 | N/A | Section 2.3 of National Instrument 45-106 | 848.792 | Non-Related Person |
| Cindy M. Adams | 151,876 | $0.14 | N/A | Section 2.3 of National Instrument 45-106 | 212,627 | Non-Related Person |
| Ben Gyenge | 113,907 | $0.14 | N/A | Section 2.3 of National Instrument 45-106 | 159,470 | Non-Related Person |
| Balagan Holdings LLC | 293,953 | $0.14 | N/A | OSC Rule 72-503 Section 2.3 | 411,535 | Non-Related Person |
| Belluno Corp. Ltd. | 207,167 | $0.14 | N/A | Section 2.3 of National Instrument 45-106 | 290,033 | Non-Related Person |
| Craig Anderson | 94,923 | $0.14 | N/A | Section 2.3 of National Instrument 45-106 | 132,892 | Non-Related Person |
| Christine Carmichael | 173,929 | $0.14 | N/A | Section 2.3 of National Instrument 45-106 | 243,501 | Non-Related Person |
| Cory Larsen | 16,096,820 | $0.14 | N/A | Section 2.3 of National Instrument 45-106 | 22,535,547 | Non-Related Person |
| Cleve Tzung | 189,845 | $0.14 | N/A | Section 2.3 of National Instrument 45-106 | 265,783 | Non-Related Person |
| Cavalier Industries II Ltd. | 293,953 | $0.14 | N/A | Section 2.3 of National Instrument 45-106 | 411,535 | Non-Related Person |
| David Frampton | 569,536 | $0.14 | N/A | Section 2.3 of National Instrument 45-106 | 797,350 | Non-Related Person |
| Dwight Raymond Heck | 802,686 | $0.14 | N/A | Section 2.3 of National Instrument 45-106 | 1,123,761 | Non-Related Person |
| Don Morton | 94,923 | $0.14 | N/A | Section 2.3 of National Instrument 45-106 | 132,892 | Non-Related Person |
| Daniel Motyka | 3,256,169 | $0.14 | N/A | Section 2.3 of National Instrument 45-106 | 4,558,637 | Non-Related Person |
| Fidelity Clearing Canada ULC ITF ATTN: Donato Sferra | 391,938 | $0.14 | N/A | Section 2.3 of National Instrument 45-106 | 548,713 | Non-Related Person |
| D.F.C. Diversified Financial Inc. | 4,575,271 | $0.14 | N/A | Section 2.3 of National Instrument 45-106 | 6,405,380 | Non-Related Person |
| Eoin Hegarty | 16,372,291 | $0.14 | N/A | Section 2.3 of National Instrument 45-106 | 22,921,208 | Non-Related Person |
| Eva Fashion Limited | 9,982,187 | $0.14 | N/A | Section 2.3 of National Instrument 45-106 | 13,975,062 | Non-Related Person |
| Geoff St. Clair | 18,985 | $0.14 | N/A | Section 2.3 of National Instrument 45-106 | 26,578 | Non-Related Person |
| Holly Larsen | 94,923 | $0.14 | N/A | Section 2.3 of National Instrument 45-106 | 132,892 | Non-Related Person |
| Jeffrey Bourassa | 183,618 | $0.14 | N/A | Section 2.3 of National Instrument 45-106 | 257,066 | Non-Related Person |
| Jeremy Kamenschik | 18,985 | $0.14 | N/A | Section 2.3 of National Instrument 45-106 | 26,578 | Non-Related Person |
| Justin Wild | 3,417,215 | $0.14 | N/A | Section 2.3 of National Instrument 45-106 | 4,784,101 | Non-Related Person |
| Kelsey Lusis | 75,938 | $0.14 | N/A | Section 2.3 of National Instrument 45-106 | 106,313 | Non-Related Person |
| Lola Ventures Inc.  | 1,423,840 | $0.14 | N/A | Section 2.3 of National Instrument 45-106 | 1,993,375 | Non-Related Person |
| Mitchell Clark | 94,923 | $0.14 | N/A | Section 2.3 of National Instrument 45-106 | 132,892 | Non-Related Person |
| Max Gerard | 166,662 | $0.14 | N/A | OSC Rule 72-503 Section 2.3 | 233,327 | Non-Related Person |
| Matthew Lucas | 218,322 | $0.14 | N/A | Section 2.3 of National Instrument 45-106 | 305,651 | Non-Related Person |
| Michael Kenneth McIntosh | 189,845 | $0.14 | N/A | Section 2.3 of National Instrument 45-106 | 265,783 | Non-Related Person |
| Michael Tymms | 75,938 | $0.14 | N/A | Section 2.3 of National Instrument 45-106 | 106,313 | Non-Related Person |
| MCM & Co., LLC | 474,613 | $0.14 | N/A | OSC Rule 72-503 Section 2.3 | 664,458 | Non-Related Person |
| Merida Capital Partners III LP | 6,016,857 | $0.14 | N/A | OSC Rule 72-503 Section 2.3 | 8,423,600 | Non-Related Person |
| Merida Capital Partners III QP LP | 1,667,408 | $0.14 | N/A | OSC Rule 72-503 Section 2.3 | 2,334,371 | Non-Related Person |
| Nigel Behrens C/O RBC Direct Investing Inc. | 66,446 | $0.14 | N/A | Section 2.3 of National Instrument 45-106 | 93,024 | Non-Related Person |
| Nina Tu | 94,923 | $0.14 | N/A | Section 2.3 of National Instrument 45-106 | 132,892 | Non-Related Person |
| Nobrega Financial Inc. | 474,613 | $0.14 | N/A | Section 2.3 of National Instrument 45-106 | 664,458 | Non-Related Person |
| Option Six Industries Incorporation | 474,613 | $0.14 | N/A | Section 2.3 of National Instrument 45-106 | 664,458 | Non-Related Person |
| Pinene Capital Management Inc. | 1,294,796 | $0.14 | N/A | Section 2.3 of National Instrument 45-106 | 1,812,715 | Non-Related Person |
| QM Asset Management Inc. | 949,226 | $0.14 | N/A | Section 2.3 of National Instrument 45-106 | 1,328,917 | Non-Related Person |
| Ross McCrady | 367,443 | $0.14 | N/A | Section 2.3 of National Instrument 45-106 | 514,421 | Non-Related Person |
| Ryan McDonald | 227,814 | $0.14 | N/A | Section 2.3 of National Instrument 45-106 | 318,940 | Non-Related Person |
| Rogue Star Inc. | 216,966 | $0.14 | N/A | Section 2.3 of National Instrument 45-106 | 303,752 | Non-Related Person |
| BMO Nesbitt Burns ITF Sean Rourke | 367,443 | $0.14 | N/A | Section 2.3 of National Instrument 45-106 | 514,421 | Non-Related Person |
| Tyler Beilman | 75,938 | $0.14 | N/A | Section 2.3 of National Instrument 45-106 | 106,313 | Non-Related Person |
| TPC Holdings Ltd. | 1,035,838 | $0.14 | N/A | Section 2.3 of National Instrument 45-106 | 1,450,173 | Non-Related Person |
| Uniglobe Construction and Management Ltd. | 94,923 | $0.14 | N/A | Section 2.3 of National Instrument 45-106 | 132,892 | Non-Related Person |
| Wiegers Holdings Ltd. | 1,035,838 | $0.14 | N/A | Section 2.3 of National Instrument 45-106 | 1,450,173 | Non-Related Person |
| Yuval Soiref | 1,777,168 | $0.14 | N/A | OSC Rule 72-503 Section 2.3 | 2,488,036 | Non-Related Person |
| David Nobrega | 617,539 | $0.14 | N/A | Section 2.3 of National Instrument 45-106 | 864,554 | Non-Related Person |
| Merida Capital Holdings LLC | 113,907 | $0.14 | N/A | OSC Rule 72-503 Section 2.3 | 159,470 | Non-Related Person |
| MTZ Investments Limited | 1,652,631 | $0.14 | N/A | OSC Rule 72-503 Section 2.3 | 2,313,683 | Non-Related Person |
| Dan Lipton | 351,700 | $0.14 | N/A | OSC Rule 72-503 Section 2.3 | 492,380 | Non-Related Person |
| Hillcrest Merchant Partners Inc. | 5,777,900 | $0.14 | N/A | Section 2.3 of National Instrument 45-106 | 8,089,060 | Non-Related Person |
| Patrick Newton | 455,629 | $0.14 | N/A | Section 2.3 of National Instrument 45-106 | 1,063,134 | Non-Related Person |

1. Indicate if Related Person
2. Details of the steps taken by the Issuer to ensure that the vendor has good title to the assets being acquired: Legal due diligence with counsel acting on the transfer of intellectual property.
3. Provide the following information for any agent’s fee, commission, bonus or finder’s fee, or other compensation paid or to be paid in connection with the acquisition (including warrants, options, etc.):

(a) Details of any dealer, agent, broker or other person receiving compensation in connection with the acquisition (name, and if a corporation, identify persons owning or exercising voting control over 20% or more of the voting shares if known to the Issuer): N/A.

(b) Cash N/A.

(c) Securities N/A.

(d) Other N/A.

1. Expiry date of any options, warrants etc. N/A.
2. Exercise price of any options, warrants etc. N/A.
3. State whether the sales agent, broker or other person receiving compensation in connection with the acquisition is a Related Person or has any other relationship with the Issuer and provide details of the relationship. N/A.
4. If applicable, indicate whether the acquisition is the acquisition of an interest in property contiguous to or otherwise related to any other asset acquired in the last 12 months. No.

**Certificate Of Compliance**

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance on behalf of the Issuer.

1. As of the date hereof there is not material information concerning the Issuer which has not been publicly disclosed.
2. the Issuer has obtained the express written consent of each applicable individual to:

(a) the disclosure of their information to the Exchange pursuant to this Form or otherwise pursuant to this filing; and

(b) the collection, use and disclosure of their information by the Exchange in the manner and for the purposes described in Appendix A or as otherwise identified by the Exchange, from time to time

1. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CSE Policy 1).
2. All of the information in this Form 9 Notice of Issuance of Securities is true.

Dated February 7, 2022 .

 David Schwede
Name of Director or Senior Officer

 (signed) *David Schwede*
Signature

 Chief Executive Officer
Official Capacity

**Appendix A**

**PERSONAL INFORMATION COLLECTION POLICY REGARDING FORM 9**

The Canadian Securities Exchange and its subsidiaries, affiliates, regulators and agents (collectively, “CSE or the “Exchange”) collect and use the information (which may include personal or other information) which has been provided in Form 9 for the following purposes:

•

• To determine whether an individual is suitable to be associated with a Listed Issuer;

• To determine whether an issuer is suitable for listing;

• To determine whether allowing an issuer to be listed or allowing an individual to be associated with a Listed Issuer could give rise to investor protection concerns or could bring the Exchange into disrepute;

• To conduct enforcement proceedings;

• To ensure compliance with Exchange Requirements and applicable securities legislation; and

• To fulfil the Exchange’s obligation to regulate its marketplace.

The CSE also collects information, including personal information, from other sources, including but not limited to securities regulatory authorities, law enforcement and self-regulatory authorities, regulation service providers and their subsidiaries, affiliates, regulators and agents. The Exchange may disclose personal information to these entities or otherwise as provided by law and they may use it for their own investigations.

The Exchange may use third parties to process information or provide other administrative services. Any third party will be obliged to adhere to the security and confidentiality provisions set out in this policy.

All personal information provided to or collected by or on behalf of The Exchange and that is retained by The Exchange is kept in a secure environment. Only those employees who need to know the information for the purposes listed above are permitted access to the information or any summary thereof. Employees are instructed to keep the information confidential at all times.

Information about you that is retained by the Exchange and that you have identified as inaccurate or obsolete will be corrected or removed.

If you wish to consult your file or have any questions about this policy or our practices, please write the Chief Privacy Officer, Canadian Securities Exchange, 220 Bay Street – 9th Floor, Toronto, ON, M5J 2W4.