

FORM 7

MONTHLY PROGRESS REPORT

Name of CNSX Issuer: HERITAGE CANNABIS HOLDINGS CORP. (the "Issuer" or the "Company").

Trading Symbol: CANN

Number of Outstanding Listed Securities: 470,817,509

Date: JUNE 3RD, 2019

This Monthly Progress Report must be posted before the opening of trading on the fifth trading day of each month. This report is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by the CNSX Policies. If material information became known and was reported during the preceding month to which this report relates, this report should refer to the material information, the news release date and the posting date on the CNSX.ca website.

This report is intended to keep investors and the market informed of the Issuer's ongoing business and management activities that occurred during the preceding month. Do not discuss goals or future plans unless they have crystallized to the point that they are "material information" as defined in the CNSX Policies. The discussion in this report must be factual, balanced and non-promotional.

General Instructions

- (a) Prepare this Monthly Progress Report using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the items must be in narrative form. State when the answer to any item is negative or not applicable to the Issuer. The title to each item must precede the answer.
- (b) The term "Issuer" includes the Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

Report on Business

1. Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.

The Company is currently listed as a Life Sciences issuer. The Company is focused on becoming a vertically integrated cannabis provider and currently has two subsidiaries, PhyeinMed Inc. and CannaCure Corporation, that are Health Canada licensed producers under the Cannabis Act Regulations. The Company has two additional subsidiaries, Purefarma Solutions Inc., which provides extraction services, and Britelife Sciences Ltd., which is focused on cannabis based medical solutions. The Company is focused on providing the resources for its subsidiaries to advance their products and services to compete both domestically and internationally.

- (a) The Issuer closed a \$17,309,800 offering of units on May 7th, 2019.

Please see the Issuer's press release dated May 7th, 2019

(b) The Issuer entered into a binding term sheet with Zenabis Global Inc. to form the basis for a Mutual Supply Agreement and a Service Agreement on May 9th, 2019.

Please see the Issuer's press release dated May 9th, 2019

(c) The Issuer exercised its option to purchase the Cannacure facility on May 10th, 2019.

Please see the Issuer's press release dated May 10th, 2019

(d) The Issuer signed an agreement to acquire 30% of Los Angeles based Endocanna Health Inc. on May 15th, 2019.

Please see the Issuer's press release dated May 15th, 2019

(e) The Issuer signed a processing and supply term sheet with Canntab Therapeutics Limited on May 30th, 2019.

Please see the Issuer's press release dated May 30th, 2019

2. Provide a general overview and discussion of the activities of management.

During the month of May, the Issuer's management continued to focus on operating activities, including the cultivation of cannabis, ongoing Health Canada licencing applications and requirements, and the methods in which to scale the cannabis cultivation of the Company's current facilities. Management also focused on the technical improvements to its extraction capabilities, as well as the integration of the cultivation and extraction portions of its business.

Additionally, the Company expanded product development and engaged in discussions with various parties to develop strategic partnerships.

3. Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.

None.

4. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.

None.

5. Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.

Voyage Cannabis Corp., a subsidiary of the issuer, has signed an agency agreement with Cannavolve Inc. to support its recreational product sales within Canada. Through Cannavolve's network, Voyage will gain access to various Provincial Cannabis boards for marketing representation of certain products designated for these locations.

6. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced.

Not applicable for the preceding month.

7. Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship.

Not applicable for the preceding month.

8. Describe the acquisition of new customers or loss of customers.

Not applicable for the preceding month.

9. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks.

Not applicable for the preceding month.

10. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.

Not applicable for the preceding month.

11. Report on any labour disputes and resolutions of those disputes if applicable.

Not applicable for the preceding month.

12. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.

None

13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.

None

14. Provide details of any securities issued and options or warrants granted.

Security	Number Issued	Details of Issuance	Use of Proceeds⁽¹⁾
Common Shares	892,275	Exercise of options	\$174,886 for general working capital
Common Shares	500,500	Exercise of warrants	\$175,350 for general working capital
Common Shares	32,660,000	Unit financing	\$17,309,800 to increase extraction capacity, follow-on investments and general working capital
Warrants	16,330,00	Unit financing	If exercised, \$11,431,000 for working capital and general corporate purposes

(1) State aggregate proceeds and intended allocation of proceeds.

15. Provide details of any loans to or by Related Persons.
None
16. Provide details of any changes in directors, officers or committee members.
Not applicable for the preceding month.
17. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.
- (a) On October 17, 2018, the Cannabis Act came into effect providing for the legalization and regulation of recreational cannabis use in Canada.
 - (b) The Company's business is subject to a variety of laws, regulations and guidelines relating to marketing, distribution, cultivation, management and sale and disposal of medical marijuana but also laws and regulations relating to health and safety, the conduct of operations and the protection of the environment. Changes to such laws, regulations and guidelines may cause adverse effects to the Company's operations.
 - (c) The legislative framework pertaining to the Canadian recreational cannabis market will be subject to significant provincial and territorial regulation.
 - (d) The Issuer's business involves certain risks and uncertainties that are inherent to the Company's industry. For disclosure on risks related to an investment in the Issuer, please refer to the Company's Listing Statement dated December 21, 2017, which is available on SEDAR at www.sedar.com.

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.
2. As of the date hereof there were is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to CNSX 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 CNSX Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated June 3rd, 2019

Clint Sharples

Name of Director or Senior Officer



Signature

President & CEO

Official Capacity

Issuer Details		For Month	Date of Report
Name of Issuer		End	YY/MM/D
Heritage Cannabis Holdings Corp.		May 2019	19/06/03
Issuer Address			
929 Mainland Street			
City/Province/Postal Code	Issuer Fax No.	Issuer Telephone No.	
Vancouver, BC V6B 1S3	(604) 628-0129	(604) 628-1767	
Contact Name	Position	Contact Telephone No.	
Elizabeth Thomas	Corporate Secretary	(905)-321-8086	
Contact Email Address	Web Site Address		
ethomas@heritagecann.ca	www.heritagecann.com		