



May 7<sup>th</sup>, 2019

HERITAGE CANNABIS  
Holdings Corp

CSE: CANN

## NEWS RELEASE

### Heritage Closes \$17,309,800 Million Offering of Units

***NOT FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES.***

Vancouver, B.C., – May 7, 2019 – HERITAGE CANNABIS HOLDINGS CORP. (CSE:CANN) (the "**Company**" or "**Heritage**") is pleased to announce that it has closed its previously announced bought deal offering (the "**Offering**") of 32,660,000 units of the Company (each, a "**Unit**") at a price of \$0.53 per Unit (the "**Offering Price**") for aggregate gross proceeds of \$17,309,800, which includes the full excise by the Underwriters (as herein defined) of an over-allotment option to acquire an additional \$2,257,800 worth of Units.

Each Unit consists of one common share of the Company (each a "**Common Share**") and one-half of one Common Share purchase warrant of the Company (each whole Common Share purchase warrant, a "**Warrant**"). Each Warrant entitles the holder thereof to purchase one Common Share at a price equal to \$0.70 for a period of 30 months. Provided, however, that if the volume-weighted average trading price of the Common Shares on the Canadian Securities Exchange (the "**Exchange**") exceeds \$1.05 for a period of 20 consecutive trading days (the "**Acceleration Trigger**") following the closing of the Offering, the Company will be entitled to accelerate the exercise of the Warrants to a period ending not less than 21 days from the date written notice of such Acceleration Trigger is provided to the Warrant holders. It is expected the Warrants will begin trading on May 7, 2019 on the Exchange under the symbol "CANN.WT".

The Units were offered pursuant to an underwriting agreement dated April 16, 2019 (the "**Underwriting Agreement**") between the Company and a syndicate of dealers led by Cormark Securities Inc. and including PI Financial Corp., Canaccord Genuity Corp. and Desjardins Capital Markets (collectively the "**Underwriters**"). Pursuant to the Underwriting Agreement, the Underwriters received a cash commission equal to 7% of the gross proceeds of the Offering and broker warrants equal to 7% of the Units sold under the Offering (each, a "**Broker Warrant**"), with each Broker Warrant exercisable for one Unit at the Offering Price for a period of 36 months following the closing of the Offering.

The Company intends to use the net proceeds from the Offering to increase extraction capacity and follow-on investments in existing portfolio companies, new domestic and international opportunities, working capital and general corporate purposes.

The Units were issued pursuant to a short form prospectus dated May 1, 2019, filed with the securities regulatory authorities in British Columbia, Alberta, Ontario and Nova Scotia (the "**Prospectus**"). A copy of the Prospectus is available under the Company's profile on SEDAR at [www.sedar.com](http://www.sedar.com). The Units have not been and will not be registered under the U.S. Securities Act of 1933, as amended, or any state securities laws, and may not be offered or sold in the United States absent registration or an exemption from the registration requirements.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Units in any jurisdiction in which such offer, solicitation or sale would be unlawful. For more information on the Offering and the Company's intended use of the net proceeds of the Offering, please refer to the Prospectus.

## **ABOUT HERITAGE CANNABIS HOLDINGS CORP.**

The Company is focused on becoming a vertically integrated cannabis provider that currently has two Health Canada approved licenced producers, through its subsidiaries Voyage Cannabis Corp. and CannaCure Corp. both regulated under the Cannabis Act Regulations. Working under these two licences, Heritage has two additional subsidiaries, Purefarma Solutions, which provides extraction services, and Calyx Life Sciences, which is focused on cannabis based medical solutions. Heritage as the parent company, is focused on providing the resources for its subsidiaries to advance their products or services to compete both domestically and internationally.

## **FORWARD-LOOKING STATEMENTS**

This press release contains "forward-looking statements" within the meaning of applicable securities laws, such as statements concerning anticipated future events, results, circumstances, performance or expectations that are not historical facts. Use of words such as "may", "will", "expect", "believe", "intends", "likely", or other words of similar effect may indicate a "forward-looking" statement. These statements are not guarantees of future performance and are subject to numerous risks and uncertainties, including those described in the Company's publicly filed documents (available on SEDAR at [www.sedar.com](http://www.sedar.com)). Those risks and uncertainties include, among other things, the use of proceeds under the Offering and the listing of the Warrants on the Exchange. Many of these risks and uncertainties can affect the Company's actual results and could cause actual results to differ materially from those expressed or implied in any forward-looking statement made by the Company or on its behalf. Given these risks and uncertainties, investors should not place undue reliance on forward-looking statements as a prediction of actual results. All forward-looking statements in this press release are qualified by these cautionary statements. These statements are made as of the date of this news release and, except as required by applicable law, the Company undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise. Additionally, the Company undertakes no obligation to comment on analyses, expectations or statements made by third parties in respect of the Company, its financial or operating results or its securities. The Company does not assume any obligation to update or revise any forward-looking statements, whether written or oral, that may be made from time to time by the Company or on the Company's behalf, except as required by applicable law.

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