

July 6, 2017

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**NEWS RELEASE****For Immediate Release****UMBRAL ACMPR APPLICANT PHYEINMED PREPARES TO EXPAND TO OVER 420,000 SQUARE FEET**

Vancouver, B.C., July 6, 2017 – UMBRAL ENERGY CORP. (CSE: UMB) (“**Umbral or Company**”) and the management of PhyeinMed Inc. (“**PhyeinMed**”) a late stage applicant under the ACMPR (Access to Cannabis for Medical Purposes Regulations) are pleased to announce that planning and preparations have begun to build a 420,000 square foot cannabis production facility consisting of two buildings on 13 acres of land in Falkland, British Columbia.

On May 26, 2017 Health Canada released a bulletin updating the application stages, increasing production based on vault size and providing applicants the opportunity to expand current application sites with less regulation. Health Canada sent requests to applicants to identify their readiness to start construction, increase production and to identify expansion plans. These two events have allowed the company to immediately begin expansion preparations

The expansion plan includes two buildings and four phases of construction. The first phase is a building envelope of 130,000 sq ft. Second phase is the second level completion of equal square footage bringing the total of the first building to 260,000 sq ft. The second building, first floor phase three construction, is 80,000 sq ft. Fourth and final phase construction of the second level completes the 420,000 square foot expansion plans. Once the entire project is completed and licensed it has the potential to produce over 110,000 kg of cannabis per year or over \$500 million annually.

The current facility is a 15,500 sq. ft. warehouse retrofit. With the recent events regarding changes allowed within the Health Canada application process the company is constructing a second level of the current warehouse increasing the grow capacity by an additional 5000 sq ft from the original application of 10,500 square feet. A state-of-the-art retrofit of the existing warehouse utilizing a hybrid hydroponic aeroponic grow method will increase annual production to 3700 kg of dry cannabis or over \$25 million annually. Oil extraction will commence upon issuance of a production/sale license.

PhyeinMed is pleased with the recent regulation changes, updates and additional resources added to the application process and continues with construction plans of its current facility.

**About Umbral Energy Corp.**

The Company is currently listed as a junior resource issuer having mineral exploration projects. The Company is considering other activities to increase shareholder value, including non-resource projects. The Company has a mineral exploration project in Quebec. In addition the Company has an interest in PhyeinMed, who has applied for a license from Health Canada to legally grow and sell medical marijuana.

**ON BEHALF OF THE BOARD OF DIRECTORS OF UMBRAL ENERGY CORP.**

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Jagdip Bal  
President and CEO

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

This news release contains forward-looking information, which involves known and unknown risks, uncertainties and other factors that may cause actual events to differ materially from current expectation. Important factors - including the availability of funds, the results of financing efforts, the results of exploration activities -- that could cause actual results to differ materially from the Company's expectations are disclosed in the Company's documents filed from time to time on SEDAR (see [www.sedar.com](http://www.sedar.com)). Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this press release. The company disclaims any intention or obligation, except to the extent required by law, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

