



UMBRAL ENERGY CORP.  
929 Mainland Street, Vancouver, BC V6B 1S3  
Tel: (604) 628-1767 | Fax: (604) 628-0129  
[info@umbralenergy.com](mailto:info@umbralenergy.com) | [www.umbralenergy.com](http://www.umbralenergy.com)

CSE: UMB  
OTCQB: UMBBF

February 5, 2016

---

NEWS RELEASE  
**For Immediate Release**

**UMBRAL NEGOTIATES FOR PROPERTY FOR AN I-502 COMPLIANT TURN-KEY FACILITY**

Vancouver, B.C., February 5<sup>th</sup>, 2016 – UMBRAL ENERGY CORP. (CSE: UMB) (OTCQB: UMBBF) (the “**Company**” or “**Umbral**”) announces that Umbral Energy, LLC (State of Washington, limited liability company formed August 25, 2015), has entered into negotiations with a private Washington State company to lease with an option to purchase a commercially zoned 2.75 acre property, including a 2,528 square feet indoor space. The property has 3 phase power and sufficient water for the establishment of a turn-key indoor growing / processing operation.

The Licence Applicant has requested that the indoor space be fitted with an Extraction Unit, which will allow for the License Applicant to extract cannabis concentrates (oils & edibles). In addition the building will be purpose built to allow for year round growing, providing the required control of medicinal plants. In addition the property has sufficient space to add 3 greenhouses.

Jag Bal, President of Umbral commented, “with Umbral receiving positive feedback from our partner, PhyeinMed, on the status of our Health Canada MMPR Application and the commencement of negotiations for the lease with option to purchase a commercially zoned property, that will allow for the construction of a turnkey operation for a tier 3 I-502 license holder, the company is moving towards becoming a significant player in the rapidly expanding marijuana sector in both Canada and the United States.”

The Company is also evaluating additional opportunities throughout the United States where legislation has legalized marijuana for recreational use to leverage its business experience.”

The Company is not proceeding with the property announced on November 2<sup>nd</sup>, 2015.

**About the Washington Recreational Marijuana Market**

In November 2012, the WSLCB passed Initiative 502 (“I-502”) pursuant to a vote by the people of the State of Washington. I-502 authorized the WSLCB to regulate and tax recreational marijuana products for persons over twenty-one years of age and thereby created a new industry for the growing, processing and selling of Washington State-regulated recreational marijuana products. A recent WSLCB commissioned report by the Rand organization suggests that there are currently up to 650,000 recreational marijuana users in Washington State, worth approximately \$1.25 - \$1.5 Billion USD in annual sales.

### 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 is conducting diligence in regards to the commercial cultivation of marijuana under the newly established Health Canada regulations pertaining to the cultivation of marijuana for medical purposes. MMPR license with Health Canada, through its subsidiary PhyeinMed and should its application be granted an initial approval from Health Canada, it will proceed with closing the acquisition of a 10,500 sq. ft. facility on 13 acres, which it has an agreement to purchase. This approval will allow them to execute their security plan as well as developing the growing, storage and distribution area.

While it is the intention of Umbral and PhyeinMed to obtain a MMPR License, there can be no assurances that it will receive the necessary permits to operate. Any MMPR applicant, including PhyeinMed, will not be able to legally grow or sell medical marijuana without a license from Health Canada. In addition the Company has a mineral exploration property in Quebec, Canada as well as an interest in oil and gas properties in Alberta, Canada.

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

*"Jag Bal"*

Jagdip Bal  
President and CEO

NEITHER CANADIAN SECURITIES EXCHANGE NOR ITS REGULATION SERVICES PROVIDER HAVE REVIEWED OR ACCEPTS 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.

