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Thursday, January 18, 2018

NEWS RELEASE

**For Immediate Release**  
**HERITAGE CANNABIS HOLDINGS CORPORATE UPDATE**

Vancouver, B.C., January 18, 2018 – HERITAGE CANNABIS HOLDINGS CORPORATION (CSE: CANN) (“**Heritage**” or **Company**”) is pleased to provide a corporate update following the Change of Business process recently undertaken in changing from Umbral Energy Corp. and becoming a fully compliant Cannabis issuer.

As previously announced by the Company, its 75% owned subsidiary, PhyeinMed Inc. (“PhyeinMed”) a Health Canada late stage applicant under the ACMPR (Access to Cannabis for Medical Purposes Regulations), began the Phase 1 build out of their existing 15,500 sq ft facility, in Falkland, BC in the Fall of 2017, with an expected completion date of early to mid February 2018. Construction is progressing according to plan and is expected to come in on time and on budget.

“Our general contractor and construction staff have been working hard to ensure we meet our targets, and we’ve encountered few surprises of any significance.” says Clint Sharples, Chairman of Heritage, “I personally toured the facility this week and am very happy with our progress. We sincerely appreciate the support we’ve received from the local area and we are proud to be a member of this great community”

Pictures and video of the build are currently being compiled, along with the proper narrative to support the information necessary for the submission of the evidence package to Health Canada. Under direction of our security adviser David Hyde of David Hyde and Associates, PhyeinMed has contracted a local security company which will provide security equipment and subsequent reports to support initial Master Security Plan which was presented to the Offices of Medical Cannabis in our initial application.

During construction each area of interest has been supported by Evidence of Good Production Practices (GPP) along with photographic proof. Once the site perimeter construction has been completed the composition of the requirements will be finalized to complete the evidence package which will be submitted to the Offices of Medical Cannabis. Once reviewed and determined to their satisfaction that there is a functioning facility at the site address, a production licence is expected to be issued shortly thereafter.

Phase 2 construction on the two-story new build addition is scheduled to be begin the week of January 22<sup>nd</sup>, 2018, and will be started in conjunction with the completion of Phase 1. The Company is targeting a completion date in late Spring 2018. Upon completion, PhyeinMed will have nearly 38,000 sq ft of growing space and grow rooms will be brought into production by June 2018.

Additional phases of facility growth, targeting 420,000 sq ft of production for the Falkland project are set to commence according to the strategic plan once the Spring thaw is complete and access to the remaining property is open.

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### About Heritage Cannabis Holdings Corporation

The Company is currently listed as a marijuana issuer having a 75% interest in PhyeinMed Inc, a Health Canada late stage applicant under the ACMPR (Access to Cannabis for Medical Purposes Regulations). It is a parent and development company with strategic plans to continue to acquire Cannabis related companies.

### **ON BEHALF OF THE BOARD OF DIRECTORS OF HERITAGE CANNABIS HOLDINGS CORPORATION**

*“Jag Bal”*

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.

