

Thursday, February 1st, 2018

NEWS RELEASE
For Immediate Release

**HERITAGE CANNABIS HOLDINGS TO BUILD 3.0 MILLION SQUARE FEET
OF CANNABIS GROW SPACE IN CLEARVIEW, ONTARIO**

Vancouver, B.C., February 1, 2018 – HERITAGE CANNABIS HOLDINGS CORPORATION (CSE: CANN) (“**Heritage**” or **Company**”) is pleased to announce it has completed an accepted offer to acquire over 100 acres of farmland in Clearview Township, near Collingwood, Ontario.

Clearview is zoned agriculture and is approved for the cultivation of cannabis. There are approximately 85 acres of flat usable land suited for both indoor and outdoor cultivation. PhyeinMed Inc. (“PhyeinMed”), a Health Canada late stage applicant under the ACMPR (Access to Cannabis for Medical Purposes Regulations), has a long-term growth strategy, separated into multiple phases, ultimately culminating in an operation with growing capacity of 3,000,000 square feet, capable of producing in excess of 300,000 kilograms of cannabis per year. The Company is anticipating a large demand for edibles and consumables, whether in candy or infused products, on legalization of this new market. Since the product needed for this market has different characteristics than the current planned cannabis flower products the Company is looking to produce, it will be targeting a combination of indoor and outdoor growth in an effort to be a low-cost producer.

PhyeinMed anticipates it will complete its final submission for a licence to produce cannabis following Phase 1 completion in mid-February, and immediately after obtaining licence for the current site in Falkland, British Columbia, we will apply for a second site for the property located in Ontario herein referred to as the Clearview cannabis facility.

The agreement to acquire the property was made by 1005477 BC Ltd., a wholly owned subsidiary of Heritage, which also owns 75% of PhyeinMed. Terms of the purchase include a total purchase price of \$1.3 million with a targeted closing of June 30, 2018. The offer includes many subjects to the benefit of the buyer, including the award of a Licence to Produce Cannabis. The company will be providing a deposit of 10% of the purchase price immediately, with the remainder due at closing being paid by cash on hand.

Approval of the second site and licence permitting, construction is scheduled to begin in early 2019, with additional expansion to continue as demand grows.

“The expansion into Ontario is part of our long-term strategy of becoming a significant producer in the Canadian Cannabis marketplace.” commented Debra Senger, CEO of PhyeinMed “We are anticipating demand will outpace supply in the foreseeable future as legalization in Canada gets nearer to completion, and we intend to execute on our plan to ensure we can comfortably supply our customers with high quality products which will include all facets of the cannabis market for years to come”

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

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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”

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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). 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.

