

Friday, September 21, 2018

NEWS RELEASE**For Immediate Release
HERITAGE SIGNS LOI TO ACQUIRE PUREFARMA SOLUTIONS INC.**

Vancouver, B.C., September 21, 2018 – HERITAGE CANNABIS HOLDINGS CORPORATION (CSE: CANN) ("**Heritage**" or "**Company**") is pleased to announce that it has entered into a binding letter of intent, effective September 19, 2018, whereby the company intends to acquire all of the issued and outstanding shares of Purefarma Solutions Inc. ("**Purefarma**") in an all-share transaction.

Purefarma, based in Kelowna, BC, is a manufacturer and wholesale processor of premium CBD oils. This strategic acquisition provides Heritage an established pathway into the Canadian retail and wholesale, as well as overseas markets. Purefarma brings an experienced extraction team which is a key part of the overall vision for Heritage to provide significant market access to both the existing PhyeinMed LP while positioning itself to utilize CannaCure's scalable production. With revenues last year of approximately \$2 million, and EBITDA of \$500,000, this foundation gives a clear line of sight to expanded revenue. Purefarma has an existing supply agreement for 1,600 acres of hemp available through partner farmers, which will be harvested this season and available for the 2019 consumer market.

Under the terms of this arms-length agreement, shareholders of Purefarma will receive 33,333,333 shares of Heritage at a cost base of \$0.30 per share, resulting in the Purefarma shareholders owning 14% of the issued and outstanding shares of Heritage. Additionally, they have a potential to earn 16,000,000 shares subject an earn out based upon certain gross margin milestones achieved on an annual basis over the next four years. In addition, shareholders of Purefarma will receive certain royalties for 2019 through 2022 on a diminishing basis, based upon achieving certain gross margin milestones. This transaction will provide Heritage with the infrastructure, technology, and expertise in order to more quickly enter the extraction business once a license has been received. More details will be provided upon completion of a Definitive Agreement.

"This transaction is a revolutionary step for Heritage as we are taking a meaningful position in the CBD extraction industry in Canada," states Clint Sharples, Chairman and Interim CEO of Heritage. "As many in this industry have realized, the extraction business is exciting yet difficult to execute. By adding the experts from Purefarma, a team of recognized industry leaders in the extraction business, we have provided Heritage and its subsidiaries a platform to position itself on the global stage, and move us into a whole new phase."

Upon completion of this transaction, Purefarma will be adding one person to the board of directors of Heritage.

Graeme Staley, CEO of Purefarma, says, "We are very excited to do this transaction with Heritage, and to work with the other subsidiaries to create much higher corporate value. For us, the timing of this transaction is perfect as, Heritage is adding a number of key pieces to its platform, we're installing our fourth co2 extraction unit in addition to our ethanol and

Tel: (604) 628-1767 email: info@heritagecann.com website: www.heritagecann.com

hydrocarbon system we have previously built. This expansion doubles our liquid co2 extraction output infrastructure with the intention to expand our market overseas and prepare for the next evolution of legalization in Canada."

About Heritage Cannabis Holdings Corp.

The Company is currently listed as a marijuana issuer having a 75% interest in PhyeinMed Inc, a Health Canada license holder 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

"Clint Sharples"

Clint Sharples
Chairman and interim CEO

For more information contact:

Clint Sharples
Tel: 416-705-8529
info@heritagecann.com

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). 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.

