



Heritage Cannabis Announces Commencement of Sale and Investment Solicitation Process

Toronto, ON, April 15, 2024 – Heritage Cannabis Holdings Corp. (CSE: CANN) (OTCQX: HERTF) ("**Heritage**" or the "**Company**") today announced the commencement of a sale and investment solicitation process (the "**SISP**") in respect of the business and assets of the Company, 1005477 B.C. Ltd., Heritage Cannabis West Corporation ("**Heritage West**"), Mainstrain Market Ltd., Heritage Cannabis East Corporation, Purefarma Solutions Inc., 333 Jarvis Realty Inc., 5450 Realty Inc., Heritage Cannabis Exchange Corp. and Premium 5 Ltd. (collectively, the "**Heritage Group**"). The SISP will be conducted in the Heritage Group's ongoing proceedings under the *Companies' Creditors Arrangement Act* (the "**CCA**").

On April 2, 2024, the Heritage Group obtained an initial order (the "**Initial Order**") from the Ontario Superior Court of Justice (Commercial List) (the "**Court**") granting the Heritage Group protection under the CCA. The Initial Order appointed KPMG Inc. as the Court-appointed monitor of the Heritage Group (the "**Monitor**"). The Initial Order also extended certain protections to, among others, the Heritage Group's subsidiaries in the United States of America (the "**Non-Applicant Stay Parties**").

On April 11, 2024, an order approving the SISP was granted by the Court (the "**SISP Order**"), authorizing the Monitor to undertake the SISP for the sale of the Heritage Group's (i) property, assets and undertaking or shares in the capital of one or more of the Heritage Group entities (collectively, the "**Property**"), and (ii) business operations (the "**Business**"). In addition, the SISP Order approved a stalking horse subscription agreement (the "**Stalking Horse Agreement**") among the Company and Heritage West, as vendors, BJK Holdings Ltd. (the Heritage Group's senior secured lender), and HAB Cann Holdings Ltd. (in such capacity, the "**Stalking Horse Bidder**"), for the purpose of serving as the stalking horse bidder in the context of the SISP, in order to establish the baseline consideration for the Company's business and assets. A copy of the SISP is attached to the SISP Order. The SISP Order is available on the Monitor's Website (as defined below).

The SISP will be administered by KPMG Inc., in its capacity as the Monitor of the Heritage Group, with the assistance of the Heritage Group's management team. The SISP is intended to solicit interest in and opportunities for a sale of, or investment in, all or part of the Heritage Group's Property and Business. This may include one or more of a restructuring, refinancing, recapitalization or other form of reorganization of the Business and affairs of one or more entities comprising the Heritage Group as a going concern, or a sale of all, substantially all, or one or more components of the Heritage Group's Property and Business as a going concern or otherwise.

All qualified interested parties will be provided with an opportunity to participate in the SISP, including receipt of a process summary describing the opportunity and access to a virtual data-room, which will be made available upon the execution of a non-disclosure agreement acceptable to the Heritage Group and the Monitor. The deadline to submit a Sale Proposal, Partial Sale Proposal, or an Investment Proposal (as such terms are defined in the SISP), as the case may be, to the Monitor in accordance with the terms of the SISP is set for **5:00 p.m. EST on May 10, 2024**.

Additional information regarding the SISP and the Heritage Group's CCAA proceedings (including copies of the Initial Order, the Amended and Restated Initial Order, and the SISP Order) can be found on the Monitor's website (the "**Monitor's Website**") at <https://kpmg.com/ca/heritage>.

Any party interested in participating in the SISP should contact the Monitor to receive additional information at:

KPMG Inc.

333 Bay Street, Suite 4600
Toronto, ON M5H 2S5

Attention: Heritage Group Monitor
Email: heritage@kpmg.ca

About Heritage Cannabis Holdings Corp.

Heritage is a leading cannabis company offering innovative products to both the medical and recreational legal cannabis markets in Canada and the U.S., operating two licensed manufacturing facilities in Canada. The company has an extensive portfolio of high-quality cannabis products under the brands Purefarma, Pura Vida, RAD, Adults Only, Juicy Hoots, Premium 5, Thrifty, feelgood., the CB4 suite of medical products in Canada and ArthroCBD in the U.S.

ON BEHALF OF THE BOARD OF DIRECTORS OF HERITAGE CANNABIS HOLDINGS CORP.

"David Schwede"

David Schwede
CEO

For more information contact:

Kelly Castledine
Tel: 647-660-2560
kcastledine@heritagecann.com

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

Forward-Looking Statements

This press release contains certain "forward-looking information" within the meaning of applicable Canadian securities legislation and may also contain statements that may constitute "forward-looking statements" within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. Such forward-looking information and forward-looking statements are not representative of historical facts or information or current condition, but instead represent only the Company's beliefs regarding future events, plans or objectives, many of which, by their nature, are inherently uncertain and outside of the Company's control. Generally, such forward-looking information or forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and

phrases or may contain statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "will continue", "will occur" or "will be achieved".

By identifying such information and statements in this manner, the Company is alerting the reader that such information and statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such information and statements.

An investment in securities of the Company is speculative and subject to several risks including, without limitation, the risks discussed under the heading "Risks and Uncertainties" in the Company's annual management discussion and analysis for the year ended October 31, 2023. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in the forward-looking information and forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended.

In connection with the forward-looking information and forward-looking statements contained in this press release, the Company has made certain assumptions. Although the Company believes that the assumptions and factors used in preparing, and the expectations contained in, the forward-looking information and statements are reasonable, undue reliance should not be placed on such information and statements, and no assurance or guarantee can be given that such forward-looking information and statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information and statements. The forward-looking information and forward-looking statements contained in this press release are made as of the date of this press release, and the Company does not undertake to update any forward-looking information and/or forward-looking statements that are contained or referenced herein, except in accordance with applicable securities laws. All subsequent written and oral forward-looking information and statements attributable to the Company or persons acting on its behalf are expressly qualified in their entirety by this notice.