

FORM 51-102F3

MATERIAL CHANGE REPORT

1. **Name and Address of Issuer:**

Heritage Cannabis Holdings Corp. (the "**Company**")
929 Mainland Street
Vancouver, B.C. V6B 1S3

2. **Date of Material Changes:**

April 10, 2019 and April 11, 2019

3. **News Release:**

The news releases were disseminated on April 10, 2019 and April 11, 2019 via Canada NewsWire and subsequently filed on SEDAR.

4. **Summary of Material Changes:**

On April 10, 2019, the Company announced that it had entered into an agreement with a syndicate of investment dealers led by Cormark Securities Inc. (the "**Underwriters**") pursuant to which the Underwriters have agreed to purchase, on a "bought deal basis", 18,900,000 units of the Company (the "**Units**") at a price of \$0.53 per Unit and offer them to the public by way of a short form prospectus offering for total gross proceeds of approximately \$10,017,000 (the "**Offering**").

On April 11, 2019, the Company announced that, further to its press release on April 10, 2019, the Company had agreed with the Underwriters to increase the size of the Offering. Pursuant to the upsized deal terms, the Underwriters have agreed to purchase, on a "bought deal basis", an aggregate of 28,400,000 Units at a price of \$0.53 per Unit for aggregate gross proceeds of \$15,052,000.

5. **5.1 – Full Description of Material Changes:**

For a full description of the material changes, see Schedule "A".

6. **Reliance on subsection 7.1(2) of National Instrument 51-102:**

Not applicable.

7. **Omitted Information:**

No significant facts remain confidential in, and no information has been omitted from, this report.

8. **Executive Officer:**

For further information, please contact Clint Sharples, President and Chief Executive Officer, at 416-705-8529.

9. **Date of Report:**

April 15, 2019.

Schedule "A"

Please see attached.

FORM OF PRESS RELEASE

Not for distribution to United States newswire services or for dissemination in the United States.

Heritage Cannabis Holdings Corp. Announces \$10 million Bought Deal Public Offering

Vancouver, B.C., – April 10, 2019 – HERITAGE CANNABIS HOLDINGS CORP. (CSE:CANN) (the “**Company**” or “**Heritage**”) is pleased to announce that it has entered into an agreement with a syndicate of investment dealers led by Cormark Securities Inc. (the “**Underwriters**”) pursuant to which the Underwriters have agreed to purchase 18,900,000 units of the Company (the “**Units**”) from the treasury of the Company, at a price of \$0.53 per Unit and offer them to the public by way of short form prospectus for total gross proceeds of approximately \$10,017,000 (the “**Offering**”).

Each Unit will consist of one (1) Common Share of the Company (each a “**Common Share**”) and one-half of one (0.5) Common Share purchase warrant (each whole Common Share purchase warrant, a “**Warrant**”) of the Company. Each Warrant will entitle the holder thereof to purchase one Common Share at a price equal to \$0.70 for a period of 30 months. Further, in the event that the volume-weighted average trading price of the Common Shares exceeds \$1.05 for 20 consecutive trading days (the “**Acceleration Trigger**”) following the Closing Date, the Company will be entitled to accelerate the exercise of the Warrants to a period ending not less than 21 days from the date written notice of such Acceleration Trigger is provided to the Warrant holders.

In addition, the Company has granted the Underwriters an option (the “**Over-Allotment Option**”) to purchase up to an additional 15% of the Units of the Offering on the same terms exercisable at any time up to 30 days following the closing of the Offering, for market stabilization purposes and to cover over-allotments, if any.

The net proceeds of the Offering shall be used for working capital and general corporate purposes.

Closing of the Offering is expected to occur on or about May 2, 2019 (the “**Closing Date**”) and is subject to customary regulatory and exchange approvals including that of the Canadian Securities Exchange.

Additionally, the Company has agreed not to exercise its right to accelerate the expiry date of warrants issued in connection with the 2018 special warrant financing, which closed on November 7, 2018, for a period of 120 days following the Closing Date.

The Units to be issued under the Offering will be offered by way of a short form prospectus in each of Alberta, British Columbia and Ontario, and may be offered in the United States on a private placement basis pursuant to an exemption from the registration requirements of the *United States Securities Act of 1933*, as amended, and applicable state securities laws, and certain other jurisdictions outside of Canada and the United States.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. This press release does not constitute an offer of securities for sale in the United States. The securities being offered have not been, nor will they be, registered under the *United States Securities Act of 1933*, as amended, and such securities may not be offered or sold within the United States absent registration under U.S. federal and state securities laws or an applicable exemption from such U.S. registration requirements.

ABOUT HERITAGE CANNABIS HOLDINGS CORP.

The Company is focused on becoming a vertically integrated cannabis provider that currently has two Health Canada approved licenced producers, through its subsidiaries Voyage Cannabis Corp. and CannaCure Corp. both regulated under the Cannabis Act Regulations. Working under these two licences, Heritage has two additional subsidiaries, Purefarma Solutions, which provides extraction services, and BriteLife Sciences which is focused on cannabis based medical solutions. Heritage as the parent company, is focused on providing the resources for its subsidiaries to advance their products or services to compete both domestically and internationally.

FORWARD-LOOKING STATEMENTS

This press release contains “forward-looking statements” within the meaning of applicable securities laws, such as statements concerning anticipated future events, results, circumstances, performance or expectations that are not historical facts, and include statements with respect to the use of the net proceeds of the Offering. Use of words such as “may”, “will”, “expect”, “believe”, “intends”, “likely”, or other words of similar effect may indicate a “forward-looking” statement. These statements are not guarantees of future performance and are subject to numerous risks and uncertainties, including those described in the Company’s publicly filed documents (available on SEDAR at www.sedar.com). Those risks and uncertainties include, among other things, (i) obtaining necessary regulatory approvals; (ii) that regulatory requirements will be maintained; (iii) general business and economic conditions; (iv) the Company’s ability to successfully execute its plans and intentions; (v) the availability of financing on reasonable terms; (vi) the Company’s ability to attract and retain skilled staff; (vii) market competition; (viii) the products and technology offered by the Company’s competitors; and (ix) that the Company’s current good relationships with its suppliers, service providers and other third parties will be maintained. Many of these risks and uncertainties can affect the Company’s actual results and could cause actual results to differ materially from those expressed or implied in any forward-looking statement made by the Company or on its behalf. Given these risks and uncertainties, investors should not place undue reliance on forward-looking statements as a prediction of actual results. All forward-looking statements in this press release are qualified by these cautionary statements. These statements are made as of the date of this news release and, except as required by applicable law, the Company undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise. Additionally, the Company undertakes no obligation to comment on analyses, expectations or statements made by third parties in respect of the Company, its financial or operating results or its securities. The Company does not assume any obligation to update or revise any forward-looking statements, whether written or oral, that may be made from time to time by the Company or on the Company’s behalf, except as required by applicable law.

For further information please contact:

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President and Chief Executive Officer
csharples@heritagecann.com

or

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ethomas@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.

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Heritage Cannabis Holdings Corp. Announces Increase to Bought Deal Financing

Vancouver, B.C., – April 11, 2019 – HERITAGE CANNABIS HOLDINGS CORP. (CSE:CANN) (the “**Company**” or “**Heritage**”) is pleased to announce that further to its press release on April 10, 2019, the Company has agreed with a syndicate of investment dealers led by Cormark Securities Inc. and including PI Financial Corp., Canaccord Genuity Corp. and Desjardins Securities Inc. (collectively the “**Underwriters**”) to increase the size of its previously announced \$10,017,000 “bought deal” offering. Pursuant to the upsized deal terms, the Underwriters have agreed to purchase, on a “bought deal basis” 28,400,000 units (“**Units**”) from the treasury of the Company, at a price of \$0.53 per Unit (the “**Offering Price**”) for aggregate gross proceeds of \$15,052,000 (the “**Offering**”).

In addition, the Company has granted the Underwriters an option (“**Over-Allotment Option**”), exercisable in whole or in part, to purchase up to an additional 4,260,000 Units of the Offering on the same terms exercisable at any time up to 30 days following the closing of the Offering, for market stabilization purposes and to cover overallotments, if any. In the event that the Over-Allotment Option is exercised in its entirety, the aggregate gross proceeds of the Offering shall be \$17,309,800.

Each Unit will consist of one (1) Common Share of the Company (each a “**Common Share**”) and one-half of one (0.5) Common Share purchase warrant (each whole Common Share purchase warrant, a “**Warrant**”) of the Company. Each Warrant will entitle the holder thereof to purchase one Common Share at a price equal to \$0.70 for a period of 30 months. Further, in the event that the volume-weighted average trading price of the Common Shares exceeds \$1.05 for 20 consecutive trading days (the “**Acceleration Trigger**”) following the Closing Date, the Company will be entitled to accelerate the exercise of the Warrants to a period ending not less than 21 days from the date written notice of such Acceleration Trigger is provided to the Warrant holders.

Closing of the Offering is expected to occur on or about May 2, 2019 and is subject to regulatory approval including that of the Canadian Securities Exchange.

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For further information please contact:

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