

Heritage Cannabis

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Heritage Cannabis inks deal with Zenabis Global to bring new products and services to Canadian cannabis consumers

Heritage Cannabis Holdings Corp (CSE:CANN) has entered into a mutual supply agreement with Zenabis Global Inc (CVE:ZENA), a licensed cannabis cultivator, to bring new products and services to the cannabis market in Canada.

The agreement sees Heritage, by way of its subsidiary Purafarma Solutions Inc, providing toll extraction services and formulated oil products to Zenabis, while Zenabis will supply Heritage with dried flower and trim for extraction.

READ: Heritage Cannabis raises over \$17 million to increase extraction capacity

Geographically, the arrangement extends to British Columbia and Ontario for extraction services. Cannabis product will come from Zenabis facilities in New Brunswick, Nova Scotia and British Columbia.

As per the initial agreement, Zenabis will deliver a minimum of 500 kilograms of dried flower and trim to Heritage. In return, Heritage will supply Zenabis with a minimum of 150 kilograms of CBD or THC extracted distillate, both to be delivered by the end of 2019.

The open-ended nature of the term sheet creates synergies for both companies to explore down the line. Heritage and Zenabis plan to jointly pursue the development of CBD products such as distillate, isolate and concentrates as well as liquid oil THC and THC concentrates.

In addition, Zenabis scientists will look to collaborate with Heritage's medical sciences division to create specialized products to be sold online and available to consumers by summer 2019, subject to regulatory approval.

Scaleable agreement

"We are excited to be working with Zenabis in this unique approach," said Heritage's CEO Clint Sharples. "Both companies are projecting significant growth, and this agreement is designed to be scalable to address future needs. We are off to a strong start in 2019 and have been working diligently to ramp up our capacity to support industry growth."

Zenabis CEO Andrew Grieve called the agreement a "great opportunity" to leverage the strengths of each company. "We look forward to creating something special to bring to the market."

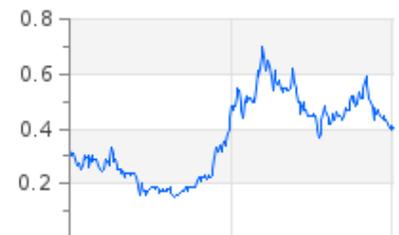
New Brunswick-based Zenabis owns six indoor and greenhouse facilities across Canada, four of which are intended for cannabis cultivation. If all four such facilities are fully built out and converted to cannabis production, they would have a design capacity to yield approximately 479,300 kilograms of dried cannabis annually, according to the company.

Based in Toronto, Heritage currently has four businesses under its umbrella that run the gamut from extraction to

Price: C\$0.4

Market Cap: C\$176890000M

1 Year Share Price Graph



August 2018 February 2019 August 2019

Share Information

Code: CANN

Listing: CSE

52 week High Low
C\$0.72 C\$0.15

Sector: Cannabis [T3]

Website: heritagecann.com

Company Synopsis:

The Company is focused on becoming a vertically integrated cannabis provider that currently has two Health Canada approved licenced producers, through its subsidiaries PhyeinMed Inc. and CannaCure Corp. both regulated under the Cannabis Act Regulations.

action@proactiveinvestors.com

production.

Heritage's subsidiaries Voyage Cannabis Corp and CannaCure Corp are both Health Canada-approved licensed cannabis producers, while Purafarma Solutions provides extraction services and BritLife Sciences focuses on the medical market.

Shares of Heritage slipped 3.8% on Thursday morning to sit at C\$0.51, while Zenabis eased 3.4% to \$1.70.

Contact Angela at angela@proactiveinvestors.com

Follow her on Twitter @AHarmantas

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Contact us +44 (0)207 989 0813 action@proactiveinvestors.com

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