

HERITAGE[®]

DISTILLING CO

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Heritage Distilling Co. Announces 506(c) Private Placement Offering Pre-Commitment Interest Surpasses \$5 Million in 72 Hours

Gig Harbor, WA (March 13, 2018) - Heritage Distilling Company, Inc. (HDC) today announced that it will initiate a private placement of its common stock solely to accredited investors (the “Offering”) under Rule 506(c) of Regulation D promulgated by the SEC under the Securities Act of 1933, as amended (the “Securities Act”). A notice to existing shareholders, *Cask Club* members and individuals on the company’s customer email list was distributed starting Friday March 9th telling them of the impending Offering and allowing them a chance to pre-register. Within 72 hours interested parties had signed up expressing interest in more than \$5 million of the upcoming Offering. The Company has set aside between \$5.4 and \$10.8 million in common stock for sale under the offering at a price per share of \$90.00. The minimum investment required is \$25,020. The company intends to use the funds raised in the Offering to open new retail tasting rooms in Oregon, expand production in Washington and Oregon, get access to more raw materials, put away even more barrels of whiskey and rum for aging and for general working capital purposes.

“We are growing fast, and as one of the premier names in craft spirits in both the Pacific Northwest and nationally we want to keep that momentum going,” said Co-founder and CEO Justin Stiefel. “As with any company looking to grow and expand we need access to capital. Customers have been asking us for a couple years how they could become part-owners of our company, and we thought now was the right time to open that door through this round of funding,” he added.

“We have been honored and humbled by the response to our notice of offering that went to our internal email lists. In just 3 days we had nearly 4 times the number of people we expected register to be pre-cleared for this Offering. The response has been tremendous and we are excited to offer our existing shareholders, customers, fans and other investors this opportunity to become stakeholders in our company,” Stiefel noted

The Offering is being made pursuant to SEC Rule 506(c) of the Securities Act, which allows private companies to solicit to the general public for the sale of securities. Under this rule the company can only take investment dollars from accredited investors, as defined under the Securities Act.

People interested in this offering can pre-register by going to www.HeritageDistilling.com/investors and pre-clearing as accredited investors. From there the Company will review submissions to confirm individuals have met the minimum required federal qualifications and the company’s standards. The company will then distribute investment documents, including a private placement memorandum detailing the terms of the Offering, to qualified and selected persons to review.

This news release shall not constitute an offer to sell or a solicitation of an offer to buy any of the securities and shall not constitute an offer, solicitation or sale in any jurisdiction in which such offer, solicitation or sale is unlawful. The securities to be offered in the Offering have not been and will not be

registered under the Securities Act or any state securities laws and may not be offered or sold within the United States or to U.S. persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

About Heritage Distilling Company, Inc.

Heritage Distilling Company, Inc. (HDC) first opened to the public in 2012 and has grown to become one of the top premier craft distilleries in the United States, making a variety of whiskeys, vodkas and gins from as many local ingredients as possible. HDC is one of the largest craft distilleries on the West Coast and is the largest independently owned craft distillery in Washington. Heritage Distilling is the most awarded craft distillery in North America by the American Distilling Institute for the past four years out of more than 1,500 craft distilleries. HDC was named 2017's Manufacturer of the Year by the Association of Washington Business.

HDC's line of spirits include the *Elk Rider* series, the *HDC* series featuring more than 20 naturally flavored vodkas, the *BATCH NO. 12* line of spirits and HDC's newest product, *BSB-Brown Sugar Bourbon*. *BSB*, along with its higher proof cousin, *BSB-103* (bottled at 103 proof), is the fastest growing craft spirits brand in the region. HDC's products can be found in bars, restaurants and retailers in more than 26 states.

HDC currently operates in Washington State, home to more than 100 distilleries – the third most of any state in the nation – and Oregon. HDC owns two production distilleries in Gig Harbor, WA, with tastings, tours and retail sales at both locations. HDC's newest full-scale production distillery opened in Eugene, Oregon in October 2016 and was immediately one of the largest craft distilleries in Oregon upon its opening. Heritage Distilling opened its newest fully licensed production distillery in Roslyn, WA in November 2017 and has new distillery openings in Ballard (Seattle) and Capitol Hill (Seattle) coming in spring 2018. In 2017 HDC announced it is setting up a major production distillery in Tumwater, Washington in conjunction with the City of Tumwater and the South Puget Sound Community College.

Heritage Distilling is a partner and/or official sponsor of the Seattle Mariners, Seattle Seahawks, Seattle Sounders and Portland Trailblazers. HDC is an active member of the community helping to raise money for various charities and non-profit groups across the Pacific Northwest. The company's philanthropic efforts were rewarded with the Secretary of State's "Corporations for Community" award for the state of Washington in 2015.

More information about Heritage Distilling can be found at www.HeritageDistilling.com.

Forward-Looking Statements

This release, like many written and oral communications presented by Heritage Distilling Company, Inc., and our authorized officers, may contain certain forward-looking statements regarding the Offering, our prospective performance and strategies. We intend such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995, and are including this statement for purposes of said safe harbor provisions. Forward-looking statements, which are based on certain assumptions and describe future plans, strategies, and expectations of the Company, are generally identified by use of words "anticipate," "believe," "estimate," "expect," "intend," "plan," "project," "seek," "strive," "try," or future or conditional verbs such as "could," "may," "should," "will," "would," or

similar expressions. Our ability to predict results or the actual effects of our plans or strategies is inherently uncertain. Accordingly, actual results may differ materially from anticipated results. In addition, although potential investors have expressed an interest in investing a certain amount, there can be no assurance that such potential investors will qualify for the Offering or will actually invest the amounts they have expressed, or at all. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this release. Except as required by applicable law or regulation, Heritage Distilling Company, Inc. undertakes no obligation to update these forward-looking statements to reflect events or circumstances that occur after the date on which such statements were made.

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