

FORM 9

NOTICE OF ISSUANCE OR PROPOSED ISSUANCE OF LISTED SECURITIES

(or securities convertible or exchangeable into listed securities¹)

Name of Listed Issuer:	Symbol(s):
4Front Ventures Corp. (the "Issuer")	FFNT

Date: March 23, 2020

Is this an updating or amending Notice: Yes No

If yes provide date(s) of prior Notices: Not applicable.

Issued and Outstanding Securities of Issuer Prior to Issuance: 126,019,412 Class A Subordinate Voting Shares ("SVS") (being the only listed class of securities). Note, the proposed issuance is for senior secured convertible notes (the "Notes"), which are convertible into Class B proportionate voting share ("PVS"). Pursuant to the Issuer's articles, PVS are convertible into SVS at a ratio of 1 PVS being convertible into 80 SVS.

Pricing

Date of news release announcing proposed issuance: _____ or

Date of confidential request for price protection: March 19, 2020

Closing Market Price on Day Preceding the news release: N/A or

Day preceding request for price protection: CAD\$0.345 (US\$0.23 based on the Bank of Canada exchange rate on the trading day prior to the closing date, which was 1.4496 USD/CAD)

Closing

Number of securities to be issued: US\$348,149.65 in principal amount (the "Principal Amount") of Notes. The Notes are being issued to Gotham Green Fund 1, L.P., Gotham Green Credit Partners SPV 2, L.P. and Gotham Green Fund 1 (Q), L.P.

Issued and outstanding securities following issuance: The issuance is not of the listed class; therefore, the number of SVS issued and outstanding will not change based on the issuance of the Notes.

Instructions:

1. For private placements (including debt settlement), complete tables 1A and 1B in Part 1 of this form.
2. Complete Table 1A – Summary for all purchasers, excluding those identified in Item 8.
3. Complete Table 1B – Related Persons only for Related Persons
4. If shares are being issued in connection with an acquisition (either as consideration or to raise funds for a cash acquisition) please proceed to Part 2 of this form.

5. An issuance of non-convertible debt does not have to be reported unless it is a significant transaction as defined in Policy 7, in which case it is to be reported on Form 10 – Notice of Proposed Transaction
6. Post the completed Form 9 to the CSE website in accordance with *Policy 6 – Distributions*. In addition, the completed form must be delivered to listings@thecse.com with an appendix that includes the information in Table 1B for ALL placees.

Part 1. Private Placement

Table 1A – Summary

Each jurisdiction in which purchasers reside	Number of Purchasers	Price per Security	Total dollar value (CDN\$) raised in the jurisdiction
USA	3	See above.	The Canadian dollar equivalent of US\$348,149.65
Total number of purchasers:			3
Total dollar value of distribution in all jurisdictions:			Same as above

Table 1B – Related Persons

Full Name & Municipality of Residence of Placee	Number of Securities Purchased or to be Purchased	Purchase price per Security (CDN\$)	Conversion Price (if Applicable) (CDN\$)	Prospectus Exemption	Total Securities Previously Owned, Controlled or Directed	Payment Date(1)	Describe relationship to Issuer (2)
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

¹An issuance of non-convertible debt does not have to be reported unless it is a significant transaction as defined in Policy 7, in which case it is to be reported on Form 10.

- Total amount of funds to be raised: N/A
- Provide full details of the use of the proceeds. The disclosure should be sufficiently complete to enable a reader to appreciate the significance of the transaction without reference to any other material. N/A
- Provide particulars of any proceeds which are to be paid to Related Persons of the Issuer: N/A
- If securities are issued in forgiveness of indebtedness, provide details of the debt agreement(s) or and the agreement to exchange the debt for securities. the Notes have been issued as evidence of indebtedness payable to certain lenders pursuant to an amended and restated securities purchase agreement dated July 31, 2019, as amended on January 29, 2020 and March 20, 2020 among Gotham Green Fund 1, L.P., Gotham Green Fund 1 (Q), L.P., Gotham Green Credit Partners SPV 2, L.P.,

Gotham Green Fund II, L.P. and Gotham Green Fund II (Q), L.P., as lenders, and the Corporation, Cannex Holdings (Nevada) Inc. and 4Front U.S. Holdings, Inc., as borrowers

5. Description of securities to be issued:
- (a) Class: Notes
 - (b) Number: Please see information under "Closing" on the first page of this Form 9.
 - (c) Price per security: The Notes have a principal amount of US\$348,149.65.
 - (d) Voting rights: None.
6. Provide the following information if warrants, (options) or other convertible securities are to be issued:
- (a) Number: US\$348,149.65in principal amount of Notes.
 - (b) Number of securities eligible to be purchased on exercise of warrants (or options): The Notes are convertible at the option of the holder thereof (the "**Conversion Right**") into such number of PVS at a price equal to \$23.801 (the "**Conversion Price**"),
 - (c) Exercise price: The conversion price is US\$23.801.
 - (d) Expiry date: The Conversion Right expires at 5:00 p.m (Toronto time) on the earlier of: (i) the Maturity Date (as defined below); and (ii) the date fixed for redemption of the Note in accordance with its terms (the "**Conversion Expiry Time**").
7. Provide the following information if debt securities are to be issued:
- (a) Aggregate principal amount: US\$348,149.65
 - (b) Maturity date: The earlier of: earlier of (i) November 21, 2021 and (ii) such earlier date as the Principal Amount may become payable (the "**Maturity Date**")
 - (c) Interest rate: a rate of (i) LIBOR plus 10% for the period beginning on the date hereof and ending on November 21, 2020, and (ii) LIBOR plus 9.5% for the period beginning on November 22, 2020 and continuing thereafter.
 - (d) Conversion terms: Until the Conversion Expiry Time, the holder has the Conversion Right set out above in Section 6(b).
 - (e) Default provisions: Upon and during the continuation of an Event of Default (as defined below), the Interest Rate shall increase by three (3%)

per annum, and all outstanding amounts of principal owing under the Notes and all accrued and unpaid interest on the Notes, and all other amounts owed to the Lenders (as defined below) under the amended and restated securities purchase agreement dated July 31, 2019, as amended on January 29, 2020, and as further amended on March 20, 2020 (the “SPA”) among Gotham Green Fund 1, L.P., Gotham Green Fund 1 (Q), L.P., Gotham Green Credit Partners SPV 2, L.P., Gotham Green Fund II, L.P. and Gotham Green Fund II (Q), L.P. (collectively, the “**Lenders**”), as lenders, and the Issuer, Cannex Holdings (Nevada) Inc. and 4Front U.S. Holdings, Inc., as borrowers and associated agreements, will become immediately due and payable. In addition, upon and during the continuation of an Event of Default, the interest rate under the Notes shall increase by three percent (3%) per annum.

The events of default (each, an “**Event of Default**”) pursuant to the SPA are as follows: (a) non-payment of principal when due under the Notes or any other related liabilities within three business days of the due date; (b) except as permitted, granting any security interest in the assets and property of the Issuer and its subsidiaries; (c) default (after notice and cure if available) with respect to indebtedness of the Issuer or any subsidiary in excess of US\$250,000 if the obligee has the right to accelerate maturity of same; (d) default under indebtedness of the Issuer or any subsidiary which could have a material adverse effect which has not been cured or waived; (e) acceleration of payment under subordinate indebtedness; (f) default under certain other material obligations (in excess of US\$250,000); (g) certain events of bankruptcy or insolvency; (h) any representation or warranty made by the Issuer in the SPA being materially breached; (i) the Issuer fails to comply with the SPA or such other agreements delivered pursuant to the SPA or such agreements are no longer in force and effect (except as provided therein) or an action is taken regarding the enforceability or validity of same; (j) the Issuer fails to fulfill its covenants or other obligations under the SPA or a material agreement is terminated due to breach of any party thereto; (k) judgments or decrees are entered against the Issuer in excess of US\$1,000,000 (or that otherwise could have a material adverse effect), excluding certain judgments or decrees (e.g. if the Issuer is insured or indemnified); (l) a notice of tax lien, levy, seizure or attachment is filed; (m) the Issuer or any subsidiary is prevented from conducting business or is cease traded or delisted; (n) the Issuer or a subsidiary involuntarily is dissolved or dissolves or involuntarily terminates its existence or has its existence terminated; (o) there occurs certain change of control transactions; (p) any material adverse change to the business of the Issuer and its subsidiaries taken as a whole occurs or there occurs an event that has a material adverse effect; and (q) any person institutes steps to terminate a pension plan if as a result of such termination any credit party would be subject to certain liabilities.

8. Provide the following information for any agent’s fee, commission, bonus or finder’s fee, or other compensation paid or to be paid in connection with the placement (including warrants, options, etc.):

- (a) Details of any dealer, agent, broker or other person receiving compensation in connection with the placement (name, and if a corporation, identify persons owning or exercising voting control over 20% or more of the voting shares if known to the Issuer): Not applicable.
- (b) Cash: Not applicable.
- (c) Securities: Not applicable.
- (d) Other: Not applicable
- (e) Expiry date of any options, warrants etc.: Not applicable
- (f) Exercise price of any options, warrants etc.: Not applicable
9. State whether the sales agent, broker, dealer or other person receiving compensation in connection with the placement is Related Person or has any other relationship with the Issuer and provide details of the relationship Not applicable.
10. Describe any unusual particulars of the transaction (i.e. tax “flow through” shares, etc.) Not applicable.
11. State whether the private placement will result in a change of control. The private placement will not result in a change of control.
12. Where there is a change in the control of the Issuer resulting from the issuance of the private placement shares, indicate the names of the new controlling shareholders. Not applicable.
- _____
- _____
13. Each purchaser has been advised of the applicable securities legislation restricted or seasoning period. All certificates for securities issued which are subject to a hold period bear the appropriate legend restricting their transfer until the expiry of the applicable hold period required by National Instrument 45-102 Resale of Securities.
- Please note that as the Notes are being distributed pursuant to OSC Rule 72-503 (as the purchasers are outside of a jurisdiction of Canada), a Canadian securities law legend is not required.

Part 2. Acquisition

1. Provide details of the assets to be acquired by the Issuer (including the location of the assets, if applicable). The disclosure should be sufficiently complete to enable a reader to appreciate the significance of the transaction without reference to any other material: _____
_____ .
2. Provide details of the acquisition including the date, parties to and type of agreement (eg: sale, option, license etc.) and relationship to the Issuer. The disclosure should be sufficiently complete to enable a reader to appreciate the significance of the acquisition without reference to any other material: _____
_____ .
3. Provide the following information in relation to the total consideration for the acquisition (including details of all cash, securities or other consideration) and any required work commitments:
 - (a) Total aggregate consideration in Canadian dollars: _____ .
 - (b) Cash: _____ .
 - (c) Securities (including options, warrants etc.) and dollar value: _____
_____ .
 - (d) Other: _____ .
 - (e) Expiry date of options, warrants, etc. if any: _____ .
 - (f) Exercise price of options, warrants, etc. if any: _____ .
 - (g) Work commitments: _____ .
4. State how the purchase or sale price was determined (e.g. arm's-length negotiation, independent committee of the Board, third party valuation etc).
5. Provide details of any appraisal or valuation of the subject of the acquisition known to management of the Issuer: _____
_____ .
6. The names of parties receiving securities of the Issuer pursuant to the acquisition and the number of securities to be issued are described as follows:

Name of Party (If not an individual, name all insiders of the Party)	Number and Type of Securities to be Issued	Dollar value per Security (CDN\$)	Conversion price (if applicable)	Prospectus Exemption	Total Securities, Previously Owned, Controlled or Directed by Party	Describe relationship to Issuer ⁽¹⁾

(1) Indicate if Related Person

7. Details of the steps taken by the Issuer to ensure that the vendor has good title to the assets being acquired: _____ .

8. Provide the following information for any agent's fee, commission, bonus or finder's fee, or other compensation paid or to be paid in connection with the acquisition (including warrants, options, etc.):
 - (a) Details of any dealer, agent, broker or other person receiving compensation in connection with the acquisition (name, and if a corporation, identify persons owning or exercising voting control over 20% or more of the voting shares if known to the Issuer): _____ .
 - (b) Cash _____ .
 - (c) Securities _____ .
 - (d) Other _____ .
 - (e) Expiry date of any options, warrants etc. _____ .
 - (f) Exercise price of any options, warrants etc. _____ .

9. State whether the sales agent, broker or other person receiving compensation in connection with the acquisition is a Related Person or has any other relationship with the Issuer and provide details of the relationship. _____ .

10. If applicable, indicate whether the acquisition is the acquisition of an interest in property contiguous to or otherwise related to any other asset acquired in the last 12 months. _____ .

Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance on behalf of the Issuer.
2. As of the date hereof there is not material information concerning the Issuer which has not been publicly disclosed.
3. the Issuer has obtained the express written consent of each applicable individual to:
 - (a) the disclosure of their information to the Exchange pursuant to this Form or otherwise pursuant to this filing; and
 - (b) the collection, use and disclosure of their information by the Exchange in the manner and for the purposes described in Appendix A or as otherwise identified by the Exchange, from time to time
4. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CSE Policy 1).
5. All of the information in this Form 9 Notice of Issuance of Securities is true.

Dated March 23, 2020.

Joshua N. Rosen
Name of Director or Senior Officer



Signature

Chief Executive Officer
Official Capacity

Appendix A

PERSONAL INFORMATION COLLECTION POLICY REGARDING FORM 9

The Canadian Securities Exchange and its subsidiaries, affiliates, regulators and agents (collectively, "CSE or the "Exchange") collect and use the information (which may include personal or other information) which has been provided in Form 9 for the following purposes:

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- To determine whether an individual is suitable to be associated with a Listed Issuer;
- To determine whether an issuer is suitable for listing;
- To determine whether allowing an issuer to be listed or allowing an individual to be associated with a Listed Issuer could give rise to investor protection concerns or could bring the Exchange into disrepute;
- To conduct enforcement proceedings;
- To ensure compliance with Exchange Requirements and applicable securities legislation; and
- To fulfil the Exchange's obligation to regulate its marketplace.

The CSE also collects information, including personal information, from other sources, including but not limited to securities regulatory authorities, law enforcement and self-regulatory authorities, regulation service providers and their subsidiaries, affiliates, regulators and agents. The Exchange may disclose personal information to these entities or otherwise as provided by law and they may use it for their own investigations.

The Exchange may use third parties to process information or provide other administrative services. Any third party will be obliged to adhere to the security and confidentiality provisions set out in this policy.

All personal information provided to or collected by or on behalf of The Exchange and that is retained by The Exchange is kept in a secure environment. Only those employees who need to know the information for the purposes listed above are permitted access to the information or any summary thereof. Employees are instructed to keep the information confidential at all times.

Information about you that is retained by the Exchange and that you have identified as inaccurate or obsolete will be corrected or removed.

If you wish to consult your file or have any questions about this policy or our practices, please write the Chief Privacy Officer, Canadian Securities Exchange, 220 Bay Street – 9th Floor, Toronto, ON, M5J 2W4.