

## FORM 11

### NOTICE OF PROPOSED STOCK OPTION GRANT OR AMENDMENT

Name of Listed Issuer: Adastra Holdings Ltd. (the "Issuer").

Trading Symbol: XTRX

Date: October 29, 2021

#### **1. New Options Granted:**

Date of Grant: October 25, 2021

Name of Optionee	Position (Director/ Officer/ Employee/ Consultant/ Management Company)	Insider Yes or No?	No. of Optioned Shares	Exercise Price	Expiry Date	No. of Options Granted in Past 12 Months
Michael Forbes	Director/Officer	Y	300,000	\$1.06	October 25, 2026	Nil
Paul Morgan	Director	Y	300,000	\$1.06	October 25, 2026	Nil
Oliver Foeste <sup>(1)</sup>	Officer	Y	300,000	\$1.06	October 25, 2026	Nil
Andrew Hale	Consultant	N	33,333	\$1.35	August 4, 2026	Nil

(1) 300,000 options granted to 1180777 B.C. Ltd., a company controlled by Oliver Foeste, Chief Financial Officer of the Company.

Total Number of optioned shares proposed for acceptance: 933,333.

## 2. Other Presently Outstanding Options:

Name of Optionee	No. of Optioned Shares <sup>(1)</sup>	Exercise Price	Original Date of Grant	Expiry Date
Andrew Hale	666,667	\$1.35	January 30, 2020	January 30, 2025
CapSure Consulting Ltd.	666,667	\$1.35	January 30, 2020	January 30, 2025
Georges Routhier	83,333	\$1.35	January 30, 2020	January 30, 2025
Donald Dinsmore	166,667	\$1.35	January 30, 2020	January 30, 2025
Priyanka Nalawade	166,667	\$1.35	January 30, 2020	January 30, 2025
Kyle Boniface	66,667	\$1.35	June 1, 2020	June 1, 2022
CapSure Consulting Ltd.	483,333	\$2.34	August 4, 2020	August 4, 2025
Georges Routhier	33,333	\$2.34	August 4, 2020	August 4, 2025
Donald Dinsmore	66,667	\$2.34	August 4, 2020	August 4, 2025
Priyanka Nalawade	66,667	\$2.34	August 4, 2020	August 4, 2025
Kyle Boniface	66,667	\$2.34	August 4, 2020	August 4, 2025
Stephanie Martens	33,333	\$2.34	August 4, 2020	August 4, 2025
<b>Total</b>	<b>2,566,668</b>			

(1) Set out number of optioned shares for each grant with different terms.

## 3. Additional Information

- (a) If shareholder approval was required for the grant of options (including prior approval of a stock option plan), state the date that the shareholder meeting approving the grant was or will be held.

**The shareholders of the Issuer approved the stock option plan on September 14, 2016.**

- (b) State the date of the news release announcing the grant of options.

**October 27, 2021**

- (c) State the total issued and outstanding share capital at the date of grant or amendment.

**65,970,547**

- (d) State, as a percentage of the issued and outstanding shares of the Issuer indicated in (c) above, the aggregate number of shares that are subject to incentive stock options, including new options, amended options and other presently outstanding options.

**5.3%**

- (e) If the new options are being granted pursuant to a stock option plan, state the number of remaining shares reserved for issuance under the plan.

**3,097,053**

- (f) If the Issuer has completed a public distribution of its securities within 90 days of the date of grant, state the per share price paid by the public investors.

**The Company did not complete a public distribution of its securities within 90 days of the date of grant. The Company did complete a private placement financing at a purchase price of \$1.10 per unit.**

- (g) Describe the particulars of any proposed material changes in the affairs of the Issuer.

**None.**

#### **4. 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.
2. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.

3. 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 CNSX Policy 1).
4. All of the information in this Form 11 Notice of Proposed Stock Option Grant or Amendment is true.

Dated October 29, 2021.

Donald Dinsmore  
Name of Director or Senior  
Officer

"Donald Dinsmore"  
Signature

COO, Corporate Secretary and  
Director  
Official Capacity