

FORM 11

NOTICE OF PROPOSED STOCK OPTION GRANT OR AMENDMENT

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

Trading Symbol: XTRX

Date: November 2, 2021

1. New Options Granted:

Date of Grant: October 28, 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
Robert (Bob) McKay	Employee	N	15,000	\$0.95	October 28, 2026	Nil
Miffy Li	Employee	N	15,000	\$0.95	October 28, 2026	Nil
Jyoti Davesar	Employee	N	20,000	\$0.95	October 28, 2026	Nil
Paul Dhillon	Employee	N	15,000	\$0.95	October 28, 2026	Nil
Steph Martens	Contractor	N	25,000	\$0.95	October 28, 2026	Nil
Triet Truong	Employee	N	10,000	\$0.95	October 28, 2026	Nil
Will Pinkney	Employee	N	10,000	\$0.95	October 28, 2026	Nil
Erik Mraz	Employee	N	10,000	\$0.95	October 28, 2026	Nil
John Salto	Employee	N	8,000	\$0.95	October 28, 2026	Nil

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Jolean Endique	Employee	N	13,000	\$0.95	October 28, 2026	Nil
William Jones	Employee	N	10,000	\$0.95	October 28, 2026	Nil
Rilley Gelinas	Employee	N	10,000	\$0.95	October 28, 2026	Nil
Karla Paulina Lopez Badillo	Employee	N	6,000	\$0.95	October 28, 2026	Nil
Jamin Gowliuk	Employee	N	8,000	\$0.95	October 28, 2026	Nil
Joseph Murphy	Employee	N	5,000	\$0.95	October 28, 2026	Nil
Ruy Gonzalez	Employee	N	5,000	\$0.95	October 28, 2026	Nil
Jazmin Sood	Employee	N	5,000	\$0.95	October 28, 2026	Nil
Cody St. Godard	Employee	N	5,000	\$0.95	October 28, 2026	Nil
Tyler Leonard	Employee	N	5,000	\$0.95	October 28, 2026	Nil
Dean Stephens	Employee	N	5,000	\$0.95	October 28, 2026	Nil
Julius Jacoba-Haist	Employee	N	5,000	\$0.95	October 28, 2026	Nil
Ella Finkler	Employee	N	5,000	\$0.95	October 28, 2026	Nil

Total Number of optioned shares proposed for acceptance: 215,000.

2. Other Presently Outstanding Options:

Name of Optionee	No. of Optioned Shares ⁽¹⁾	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

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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
Michael Forbes	300,000	\$1.06	October 25, 2021	October 25, 2026
Paul Morgan	300,000	\$1.06	October 25, 2021	October 25, 2026
Oliver Foeste	300,000	\$1.06	October 25, 2021	October 25, 2026
Andrew Hale	33,333	\$1.35	October 25, 2021	October 25, 2026
Total	3,500,001			

(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.

November 2, 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.

5.6%

- (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.

2,882,053

- (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 November 2, 2021.

Michael Forbes

Name of Director or Senior
Officer

"Michael Forbes"

Signature

President, CEO and Director

Official Capacity