

FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: High Tide Inc. (the "Issuer").

Trading Symbol: HITI

Number of Outstanding Listed Securities: 196,888,846 (basic)

Date: February 6, 2019 for the month ended January 31, 2019

This Monthly Progress Report must be posted before the opening of trading on the fifth trading day of each month. This report is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by Exchange Policies. If material information became known and was reported during the preceding month to which this report relates, this report should refer to the material information, the news release date and the posting date on the Exchange website.

This report is intended to keep investors and the market informed of the Issuer's ongoing business and management activities that occurred during the preceding month. Do not discuss goals or future plans unless they have crystallized to the point that they are "material information" as defined in the Policies. The discussion in this report must be factual, balanced and non-promotional.

General Instructions

- (a) Prepare this Monthly Progress Report using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the items must be in narrative form. State when the answer to any item is negative or not applicable to the Issuer. The title to each item must precede the answer.
- (b) The term "Issuer" includes the Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

Report on Business

1. *Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.*

General Overview

High Tide is an Alberta-based, downstream cannabis corporation focused on the manufacturing and wholesale distribution of smoking accessories and cannabis lifestyle products. It is a vertically-integrated company in the Canadian cannabis market, with portfolio subsidiaries including RGR Canada Inc., Famous Brandz Inc., Kush West Distribution Inc., Smoker's Corner Ltd., Grasscity.com, Canna Cabana Inc. and the majority of KushBar Inc. High Tide's strategy as a parent company is to extend and strengthen its integrated value chain, while providing a complete customer experience and maximizing shareholder value.

Representing the core of High Tide's business, RGR Canada Inc. is a high-quality and innovative designer, manufacturer and distributor of cannabis accessories. Famous Brandz Inc. is a dominant manufacturer of licensed lifestyle accessories, through partnerships with celebrities and entertainment companies including Snoop Dogg and Paramount Pictures. Famous Brandz' products are sold to wholesalers and retailers around the world. Founded in 2009 and approved by the Canadian Franchise Association, Smoker's Corner Ltd. is among Canada's largest counter-culture chains with 12 operating locations. Kush West Distribution is in the process of becoming a cannabis wholesaler in the province of Saskatchewan. Based in Amsterdam since 2000, Grasscity.com is the world's preeminent and most searchable online retailer of smoking accessories and cannabis lifestyle products with approximately 5.8 million site visits annually. With the deregulation of recreational cannabis for adult use across Canada, Canna Cabana Inc., with seven locations, is in the process of becoming a sizeable retail brand with a sophisticated yet playful customer experience, while KushBar Inc. is a retail concept that will also be focused on the valued Canadian cannabis consumer.

High Tide's common shares commenced trading publicly on the Canadian Securities Exchange ("CSE") under the stock symbol "HITI" on Monday, December 17, 2018 and January 31, 2019 commenced trading on the Frankfurt Stock Exchange under the securities identification code "WKN:A2PBPS" and the ticker symbol "2YL".

Discussion of the Development of High Tide's Business and Operations during January 2019

High Tide Inc. ("High Tide")

The Company moved into its new 27,000 square foot office and warehouse facility in early January. Throughout the month, operations were focused on migrating

warehouses and installing the new Sage X3 enterprise resource planning software (“ERP”), which has been completed within the internally budgeted time frame. The Company’s manufacturing calendar and marketing plan for 2019 was completed, in advance of the Chinese New Year holiday period, which affects the timing of shipments.

High Tide attended various investor conferences during the month of January. Senior executives of the Company were featured speakers at the AltaCorp - ATB 7th Annual Institutional Investor Conference in Toronto, Ontario from January 8-10, 2019, at the Lift & Co. Cannabis Expo Industry Day in Vancouver, British Columbia on Thursday, January 10, 2019 and at the Benzinga Cannabis Capital Conference in Miami, Florida from January 15-16, 2019.

On January 31, 2019, High Tide shares commenced trading on the Frankfurt Stock Exchange under the securities identification code “WKN:A2PBPS” and the ticker symbol “2YL”.

Wholesale Segment – RGR Canada Inc. (“RGR Canada”)

In January, RGR Canada filled the record purchase order from Aurora Cannabis previously announced. The Calgary warehouse underwent a significant reorganization to create greater efficiencies internally and for customer order fulfilment. RGR Canada continues to grow its strong position in the market predominantly due to the legalization of recreational cannabis in Canada in October of 2018.

Wholesale Segment – Famous Brandz Inc. (“Famous Brandz”)

A new line of Snoop Dogg licensed products is ready for distribution from the Calgary warehouse as well as the third-party fulfilment facility in the United States. The Company is preparing to launch this new line of products in February at the Champs conference in Nevada, one of the largest cannabis industry events of the year. Samples of the Guns N’ Roses, The Beach Bum and Hellboy licensed lines of products also started to arrive at the head office. These products will be exhibited and pre-sold at the Champs conference in Nevada. We continue to fill orders from the Ontario Cannabis Store (“OCS”), which continues on a regular basis since being awarded a Master Accessories Supply Agreement by OCS previously announced on September 21, 2018.

Wholesale Segment – Kush West Distribution Inc. (“Kush West”)

The Company continued to anticipate the approval of its wholesale cannabis permit application in the name of Kush West Distribution by the Saskatchewan Lottery and Gaming Authority. High Tide expects its permit to be issued in early 2019.

Retail Segment – Smoker’s Corner Ltd. (“Smoker’s Corner”)

Smoker’s Corner currently has 12 operating locations including four corporate stores and eight franchised stores. Six previous locations are currently in various stages of construction to become Canna Cabana retail locations, including five

corporate stores and one franchised location. One Smoker's Corner franchise location was converted into Canna Cabana in January.

Retail Segment – Canna Cabana Inc. (“Canna Cabana”)

In January, High Tide opened its sixth and seventh Canna Cabana stores in Alberta. The new stores are located at 10831 100 street in Grande Prairie and at Unit 101, 3342 Parsons Road NW in Edmonton. In total, the Company's Canna Cabana locations have grown to seven. Of the seven, all are approved to sell smoking accessories and four are approved to sell cannabis. The locations have met all municipal business requirements and are approved to sell smoking accessories and cannabis lifestyle products while restricted only by the temporary suspension of incremental cannabis retail licensing by Alberta Gaming, Liquor and Cannabis (“ALGC”) which remains in effect. At the store level, Canna Cabana employees are now engaging with customers, educating them about cannabis and smoking accessories using our proprietary training program, and otherwise interacting with stakeholders as new members of the surrounding community.

High Tide also launched a free recycling program in all of its new Canna Cabana stores for any Health-Canada approved cannabis product packaging. The recycling program will be offered at all subsequent Canna Cabana stores opening across Canada.

The Company's cannabis store sales increased 12% on average (unaudited) from December 2018 to January 2019. Further, Canna Cabana was an exhibitor at the Lift & Co. Cannabis expo in Vancouver, where it collected a large amount of consumer data and sold a selection of smoking accessories and cannabis lifestyle products.

In January, High Tide announced that it has signed letters of intent to acquire two cannabis retail locations in Saskatchewan from two separate vendors. Subject to regulatory approval, the locations will be strategically situated in different cities with distinct customer bases, which will enable both urban and rural cannabis consumers to develop a relationship with the Canna Cabana brand. Entering Saskatchewan will also provide High Tide with the unique opportunity in Canada to sell recreational cannabis online as a private retailer, which leverages the in-depth e-commerce experience gained from its Grasscity and Smoker's Corner businesses. High Tide anticipates each transaction to be closed by the end of February and it continues to pursue additional acquisition opportunities in the province.

The Saskatchewan market provides a compelling growth opportunity for High Tide due to the limited number of 51 retail cannabis permits granted by the Saskatchewan Liquor and Gaming Authority (“SLGA”). Accordingly, the Company has entered into a conditional lease for a 10,000 square foot warehouse in Regina.

High Tide currently has seven Canna Cabana retail stores open in Alberta and continues to move forward with 26 other Canna Cabana locations under various

stages of construction. In total, the Company has 33 development permits for its Canna Cabana and KushBar retail cannabis stores across Alberta and expects to receive the four remaining development permits required to achieve Alberta Gaming, Liquor and Cannabis' maximum of 37 initial locations across the province.

Retail Segment – KushBar Inc. (“KushBar”)

The Company's four KushBar retail cannabis locations in Alberta are currently under various stages of construction.

Retail Segment – Grasscity.com (“Grasscity”)

The Company began its integration of Grasscity, which was purchased in December of 2018 and is based in Amsterdam. The Company's proprietary SKUs have been listed on Grasscity and are showing promise in initial testing with retail consumers. The Grasscity team has been tasked with assimilating its current reporting practices in preparation for meeting 1Q19 public disclosure requirements.

2. *Provide a general overview and discussion of the activities of management.*

Members of the management team were featured speakers at the AltaCorp - ATB 7th Annual Institutional Investor Conference in Toronto, Ontario from January 8-10, 2019, at the Lift & Co. Cannabis Expo Industry Day in Vancouver, British Columbia on Thursday, January 10, 2019 and at the Benzinga Cannabis Capital Conference in Miami, Florida from January 15-16, 2019.

3. *Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.*

New licensed product samples arrived for Famous Brandz, including accessories from Snoop Dogg, Guns N' Roses, The Beach Bum, Hellboy, Cheech & Chong and a proprietary brand of vaporizers. At Canna Cabana stores, new smoking accessory products were added to inventory on an ongoing basis, along with new cannabis product strains as they became available throughout January.

4. *Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.*

No material products or services were discontinued in January of 2019.

5. *Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.*

In January, the Company entered into an agreement with NewAd, a media company specializing in indoor advertising targeting adults aged 18 to 49. High Tide expects to expand its Canna Cabana brand in the Albertan communities in which it operates through this NewAd initiative. The Company also signed an agreement with a new search engine optimizer for both Canna Cabana and Grasscity. The Company expects both businesses to benefit from the increased visibility online.

As disclosed in December, High Tide's partnership with KEYS PLEASE to support the organization's "Keeping Calgary Safe" public awareness campaign continued in January. The goal of the "Keeping Calgary Safe" campaign is to improve awareness and educate citizens about the safe consumption of cannabis and other controlled substances, as well as the travel alternatives available to get them home safely. The Company continues to pursue the continuous education of consumers, the cannabis industry and local governments about the shared responsibility of building safe communities.

6. *Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced.*

No material information to report.

In January, the Smoker's Corner location on Commercial Drive in Vancouver was permanently closed. The Smoker's Corner store in Olds, Alberta was also closed, however, the Company will be maintaining the lease in good standing as it considers various options for the location.

7. *Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship.*

Nothing to report.

8. *Describe the acquisition of new customers or loss of customers.*

By virtue of the Grasscity acquisition that was closed in December 2018, the Company continues to manage and capitalize on the significant increase of new customers.

9. *Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks.*

The Company purchased the franchised Smoker's Corner location on Edmonton Trail in Calgary, Alberta, which was subsequently closed and is being converted to a corporately-owned and operated Canna Cabana store.

10. *Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.*

In January, a total of four employees were hired by the Company – two were hired for RGR Canada, one was hired for Smoker's Corner and one was hired for High Tide. Four total employees departed the Company – two from RGR Canada, one from Smoker's Corner and one from High Tide.

By virtue of the Grasscity acquisition, the Company's content marketing team has been bolstered by increased capacity for video and photographic production, along with on-camera talent.

11. *Report on any labour disputes and resolutions of those disputes if applicable.*

Not applicable, as there were no labour disputes or resolutions to report during the month of January 2019.

12. *Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.*

Not applicable, as there were no legal proceedings to which the Company became a party during the month of January 2019.

13. *Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.*

Nothing to report for the month of January 2019.

14. *Provide details of any securities issued and options or warrants granted.*

High Tide did not issue additional securities or grant options or warrants during the month of January 2019.

15. *Provide details of any loans to or by Related Persons.*

There have been no loans to or by Related Persons.

16. *Provide details of any changes in directors, officers or committee members.*

There have been no changes in directors, officers or committee members except for the departure of Kevin Cornish, Chief Operating Officer, who departed the Company on January 3, 2019.

17. *Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.*

On November 2018, the AGLC announced that, due to the national shortage of legally produced cannabis, it was temporarily suspending the acceptance of new applications and the issuance of any additional cannabis retail licences until further notice. AGLC ordered product to support up to 250 retail stores through the first six months of legalization, however, it only received approximately 20 per cent of what was ordered. Since the announcement, licensed producers have continued working with Health Canada to receive their licences and increase the amount of product available across the country, while AGLC has continued to allocate inventory to private retailers.

In January, ALCG granted 10 additional licenses for retail cannabis stores for locations across Alberta. This increased the number of licensed cannabis retail stores from 65 to 75. The Company expects this progression to continue as it is observing improvements in cannabis supply volumes and variety.

In December 2018, the Province of Ontario announced significant changes to its cannabis retail licensing system. Rather than proceeding with its previously announced framework to allow cannabis retailers who satisfy various conditions to operate up to 75 locations each, the Province will only be licensing 25 total retail locations in advance of April 1, 2019 in response to concerns about supply shortages for legally produced cannabis. To determine which operators will be eligible to apply for the first 25 licenses, the Alcohol and Gaming Commission of Ontario ("AGCO") held a lottery on January 11, 2019.

High Tide submitted an expression of interest to the AGCO and thereby entered the cannabis retail lottery, however, it did not win one of the 25 opportunities.

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 7 Monthly Progress Report is true.

Dated February 6, 2019.

Nick Kuzyk
Name of Director or Senior Officer

"Nick Kuzyk"
Signature

Chief Strategy Officer & SVP
Capital Markets
Official Capacity

Issuer Details			
Name of Issuer: High Tide Inc.	For Month Ending: January 31, 2018	Date of Report: 19/01/06	
Issuer Address: #112, 11127 15 th Street NE			
City/Province/Postal Code: Calgary, Alberta T2K 2M4	Issuer Fax No.: (403) 265-4244	Issuer Telephone No.: (403) 265-4207	
Contact Name: Krystal Dafoe	Contact Position: Director of Corporate Governance & Listings	Contact Telephone No.: (403) 265-4207	
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