

FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: TILT Holdings Inc. ("TILT" or the "Issuer")

Trading Symbol: TILT

Number of Outstanding Listed Securities: 323,261,294 common shares in the capital of the Issuer

Date: February 4, 2021

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.

TILT is a business solutions provider to the global cannabis industry offering a diverse range of value-added products and services to industry participants. Through a portfolio of companies providing technology, hardware, cultivation and production, TILT services brands and cannabis retailers across 35 states in the U.S., as well as Canada, Israel, Mexico, South America and the European Union (“EU”).

The Issuer is organized into two main business units: (1) Inhalation Technology and (2) Cultivation and Retail. TILT’s core businesses include Jupiter Research, LLC (“Jupiter”), a wholly owned subsidiary and leader in the vaporization segment focused on hardware design, research, development and manufacturing; and cannabis operations Commonwealth Alternative Care, Inc. in Massachusetts and Standard Farms, LLC in Pennsylvania. TILT leverages competencies across the organization in product development, manufacturing, packaging and technology to deliver end-to-end customer solutions. TILT is headquartered in Phoenix, Arizona.

On January 8, 2021, the Issuer announced that TILT had been approved for immediate trading on the OTCQX Best Market under the symbol “TLLTF”.

On January 12, 2021, the Issuer announced that its subsidiary, Jupiter Research, LLC (“Jupiter”), had obtained ISO 13485:2016 certification of its Quality Management System for medical devices. The qualification verifies that Jupiter adequately fulfills regulatory requirements and specifications established by the International Organization for Standardization for medical device development and quality management systems. Jupiter can now design and manufacture its own medical device components, as well as act as contract manufacturer for third party companies, allowing Jupiter to supply the U.S. and European medical cannabis markets with medical-grade inhalation devices.

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

See Item 1.

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.

See Item 1 regarding Jupiter.

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.

N/A

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.

N/A

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.

N/A

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.

N/A

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

N/A

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.

N/A

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

For the period from 1/1/2021 to 1/31/2021, TILT hired 13 employees and terminated 3 employees.

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

N/A

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.

In July 2019, Richard Komaiko and Marcie Cooperman (the "Plaintiffs") filed suit, on behalf of themselves and others similarly situated, against TILT and its subsidiary, Baker Technologies, Inc. ("Baker"), alleging they violated federal law by spamming them and other customers with unsolicited text message marketing. The lawsuit, which was filed in the U.S. District Court for the Northern District of California, alleged that TILT and Baker violated

the federal Telephone Consumer Protection Act and California's Unfair Competition Law.

The Court dismissed without prejudice the claims against TILT for lack of personal jurisdiction and denied the Plaintiffs' request for jurisdictional discovery against TILT. The Court subsequently granted Baker's motion to stay the case pending a forthcoming Supreme Court ruling and while the case was stayed, Baker and the Plaintiffs participated in a settlement conference and agreed to settle the Plaintiffs' individual claims against Baker. The lawsuit was subsequently dismissed with prejudice and the terms of the confidential settlement were finalized in January 2021.

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

No material indebtedness incurred or repaid.

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

Security	Number Issued	Details of Issuance	Use of Proceeds ⁽¹⁾
NONE			

(1) State aggregate proceeds and intended allocation of proceeds.

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

N/A

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

N/A

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

The trends and risks which are likely to impact the Issuer are detailed in the Issuer's September 30, 2020 Management Discussion & Analysis dated November 18, 2020 (the "MD&A") under the heading "Risk Factors and Uncertainties". The MD&A is available under the Issuer's SEDAR profile at www.sedar.com.

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 were 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 2/4/2021

Brad Hoch
Name of Director or Senior
Officer

(signed) "Brad Hoch"
Signature

Chief Financial Officer
Official Capacity

<i>Issuer Details</i> Name of Issuer TILT Holdings Inc.	For Month End January, 2021	Date of Report February 4, 2021
Issuer Address 745 Thurlow Street, Suite #2400 Vancouver, BC V6E 0C5 Canada		
City/Province/Postal Code Vancouver, British Columbia V6C 0C5	Issuer Fax No. ()	Issuer Telephone No. (712) 898-5290