

FORM 7

MONTHLY PROGRESS REPORT

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

Trading Symbol: TILT

Number of Outstanding Listed Securities: 326,692,398 common shares in the capital of the Issuer

Date: July 7, 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 inhalation technologies, cultivation, manufacturing, processing, brand development and retail, TILT services brands and cannabis retailers across 36 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, Extraction 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. (“CAC”) in Massachusetts, Standard Farms LLC (“Standard Farms PA”) in Pennsylvania and Standard Farms Ohio, LLC (“Standard Farms OH”) in Ohio. TILT is headquartered in Phoenix, Arizona.

On June 1, 2021, the Issuer announced that the TILT leadership team would participate at four conferences in June 2021:

- Benzinga Cannabis Capital Conference which was held June 3-4.**
- Stifel 2021 Virtual Cross Sector Insight Conference which was held June 8-10.**
- Lytham Partners Summer 2021 Investor Conference which was held June 14-16.**
- KCSA Cannabis Virtual Investor Conference which was held on Tuesday, June 29.**

On June 8, 2021, the Issuer announced that Baker Technologies, Inc. (“Baker”), an indirect wholly owned subsidiary of TILT, had agreed to amend and receive payment for its secured convertible promissory note (the “Blackbird Note”) that was previously issued in connection with the sale by Baker of all of the membership interests of Yaris Acquisition, LLC (dba Blackbird) to Slam Dunk, LLC (“Slam Dunk”) on December 1, 2020 (the “Blackbird Sale”).

The Blackbird Note receivable was expected to be paid at its \$7.9 million fair value calculated as of March 31, 2021, as disclosed in the Issuer’s interim financial statements filed on SEDAR on May 25, 2021. Baker agreed to receive payment through a series of transactions (collectively, the “Transactions”) with Slam Dunk and HERBL, Inc. (“HERBL”), a California corporation and arm’s length third party to both TILT and Slam Dunk, pursuant to which:

- Blackbird Logistics Corporation, a Nevada corporation and wholly owned subsidiary of HERBL, would assume from Slam Dunk the obligation to repay the Blackbird Note to Baker;
- the Blackbird Note would be fully repaid through the payment to Baker of US \$1,500,000 in cash and the issuance to Baker of a certain number of shares of common stock of HERBL (such number of shares subject to adjustment in certain circumstances) (the “HERBL Shares”) based on HERBL’s enterprise value. Baker would enter into customary investor and stockholder agreements related to its ownership of the HERBL Shares. If the cash payment was not made to Baker, or the HERBL Shares were not issued to Baker, such that the debt obligations under the Blackbird Note were not fully repaid on or before June 11, 2021, Slam Dunk would remain liable for all of its original debt obligations to Baker under the Blackbird Note; and
- HERBL agreed to give a guarantee to Baker of Slam Dunk’s obligations to Baker under the securities purchase agreement, dated November 18, 2020, entered into by Baker and Slam Dunk in connection with the Blackbird Sale.

All of the Transactions were completed on June 11, 2021.

On June 17, 2021, the Issuer announced that it had entered into an exclusive agreement (the “Agreement”) to manufacture, package and distribute select products by Old Pal, a Los Angeles-based lifestyle cannabis company. Per the Agreement, TILT’s subsidiary, CAC, would bring Old Pal into the Issuer’s full-service wholesale manufacturing, packaging and distribution platform in Massachusetts.

CAC will be launching Old Pal’s classic Ready to Roll five gram pre-ground pouches and one gram 510 Oil Cartridges, provided by TILT subsidiary, Jupiter. Additionally, Old Pal will introduce a new THC-infused classic brownie edible designed in collaboration with CAC’s award-winning edibles kitchen. Product details include:

- The Original Ready to Roll - Each 5 gram kit contains quality pre-ground cannabis, crutches, and pure hemp rolling papers. Utilizing buds of all sizes and reducing overall bud waste, whole flower is coarsely ground for optimal smokability.
- 510 Oil Cartridges – Classic, quality cannabis distillate in a convenient and safe 510 oil cartridge. These 1 gram vape cartridges meet industry standards for extraction and undergo multiple rounds of distillation, winterization and testing to provide a clean and smooth smoking experience.
- The Classic Pot Brownie - A new product by Old Pal, this classic brownie is a throwback to traditional cannabis consumption.

On June 18, 2021, the Issuer announced it had reached an agreement with the Massachusetts Cannabis Control Commission (“CCC”) resolving concerns of the CCC and clearing the path for provisional licensure for the retail sale of adult-use and medical cannabis in Massachusetts. With the decision, TILT has fully resolved the dispute regarding certain agreements entered into by the original management team of TILT with other license applicants. In February, TILT terminated all remaining contractual relationships between the Issuer and prospective applicants. At the June 17, 2021 meeting of the CCC, the commissioners ratified a stipulated agreement resolving the related investigation pursuant to which TILT agreed to make a \$275,000 payment to the CCC Marijuana Regulation Fund.

In light of the CCC’s decisions, TILT is now positioned to complete the licensing process and increase its retail footprint in Massachusetts with the opening of two additional dispensaries in Cambridge and Brockton following final inspection and approval by the Commission. Both facilities are fully built out.

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 CAC.
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.
See Item 1 regarding the Issuer’s partnership with Old Pal.
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 6/1/2021 to 6/30/2021, TILT hired 24 employees and terminated 11 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.

N/A

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

N/A

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

Security	Number Issued	Details of Issuance	Use of Proceeds⁽¹⁾
Common Shares	825,000	Vesting of Restricted Stock Units	N/A
Common Shares	90,000	Exercise of Warrants	N/A
Common Shares	1,024,104	Vesting of Restricted Stock Units	N/A

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

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

See Item 1 regarding repayment of the Blackbird Note associated with Slam Dunk, a Nevada limited liability corporation controlled by Tim Conder, a member of the board of directors of the Issuer.

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 March 31, 2021 Management Discussion & Analysis dated May 24, 2021 (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 7/7/2021

Brad Hoch
Name of Director or Senior
Officer

(signed) "Brad Hoch"
Signature

Chief Financial Officer
Official Capacity

Issuer Details	For Month End	Date of Report
Name of Issuer		
TILT Holdings Inc.	June, 2021	July 7, 2021
Issuer Address		
745 Thurlow Street, Suite #2400 Vancouver, BC V6E 0C5 Canada		
City/Province/Postal Code	Issuer Fax No.	Issuer Telephone No.
Vancouver, British Columbia V6C 0C5	()	(712) 898-5290