

FORM 7

MONTHLY PROGRESS REPORT

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

Trading Symbol: TILT

Number of Outstanding Listed Securities: 307,429,148 common shares in the capital of the Issuer

Date: February 6, 2020

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 provider of products and services to businesses operating in the cannabis industry. The Issuer offers the contract manufacturing of marijuana in a variety of form factors, vaporizer and inhalation devices, business and consumer delivery services and a broad suite of software products for retailers and brands throughout the United States, Canada and Europe. The majority of TILT's products are customized to client specifications and branding, all enabling them to operate their businesses more efficiently and connect with their customers more effectively. The Issuer is organized in three main business units: Cultivation & Production; Software & Services; and Consumer Devices & Packaged Goods, designed to augment competencies across the organization in research, manufacturing, packaging and technology to deliver end-to-end services and customer solutions.

On January 2, 2020, the Issuer filed a copy of the notice of change of auditor dated December 23, 2019 advising that its former auditor, MNP LLP, had resigned under its own initiative effective December 20, 2019 and that a successor auditor, Baker Tilly WM LLP, had been appointed in its place.

On January 30, 2020, the Issuer announced that that the company has completed the eligibility requirements of The Depository Trust Company. TILT's common shares are now accessible on the Canadian Stock Exchange under the symbol "TILT" and on the OTCQB Venture Market under the symbol "TLLTF".

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.

N/A

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.

No material acquisitions or dispositions.

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 1/1/2020 to 1/31/2020, TILT hired 6 employees and terminated 4 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 | 10,000 | Conversion of LP Units to Common Shares | N/A |

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

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

None

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

None

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, 2019 Management Discussion & Analysis dated November 20, 2019 (the "MD&A") under the heading "Risk Factors and Uncertainties". The MD&A is available on 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 February 6, 2020

David Caloia
Name of Director or Senior
Officer

(signed) "David Caloia"
Signature

Chief Financial Officer
Official Capacity

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| <i>Issuer Details</i> Name of Issuer | For Month End | Date of Report |
| TILT Holdings Inc. | January 2020 | February 6, 2020 |
| 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. (617) 956-6736 |
| Contact Name David Caloia | Contact Position CFO | Contact Telephone No. (617) 956-6736 |