

## FORM 8

### NOTICE OF PROPOSED PROSPECTUS OFFERING

Please complete the following:

Name of Listed Issuer: 4Front Ventures Corp. (the "Issuer").

Trading Symbol: FFNT

Date: October 23, 2020

Is this an updating or amending Notice:  Yes  No

If yes provide date(s) of prior Notices: N/A

Issued and Outstanding Securities of Issuer Prior to Proposed Prospectus Offering: 359,323,160 class A subordinate voting shares (being the only listed class of securities), immediately prior to the announcement of the Proposed Prospectus Offering).

Date of News Release Announcing Proposed Prospectus Offering: October 20, 2020.  
(or provide explanation if news release not disseminated yet and expected date or circumstances that are expected to trigger news release dissemination)

#### 1. Prospectus Offering (the "Offering")

1. Description of securities to be issued:

(a) Class: Units ("Units"). Each Unit consists of one Class A subordinate voting share (a "Unit Share") and one half (1/2) of one Class A subordinate voting share purchase warrant (each whole Class A subordinate voting share purchase warrant, a "Warrant"). Each Warrant will entitle the holder thereof to acquire one Class A subordinate voting share (a "Warrant Share").

(b) Number: 21,430,000 Units (or 24,644,500 Units if the over-allotment option (the "Over-Allotment Option") is exercised in full).

The Issuer has granted the Underwriters (as defined below) an Over-Allotment Option exercisable, in whole or in part, by Beacon on behalf of the Underwriters, giving notice to the Company at any time and from time to time up to 30 days following the closing of the Offering, to purchase, or to find substituted purchasers for, up to an additional 3,214,500 Units (the "Additional Units") at a price per Additional Unit equal to the Offering Price (as defined below). The

FORM 8

NOTICE OF PROPOSED PROSPECTUS OFFERING

October 2020

Page 1

Over-Allotment Option shall be exercisable for Units, Unit Shares or Warrants (or any combination thereof).

- (c) Price per security: C\$0.70 per Unit (the “Offering Price”).
  - (d) Voting rights One vote per Class A subordinate voting share.
2. Provide details of the net proceeds to the Issuer as follows:
- (a) Per security: C\$0.658 per Unit.
  - (b) Aggregate proceeds: Aggregate gross proceeds of C\$15,001,000 and aggregate net proceeds of C\$14,100,940. If the Over-Allotment Option is exercised in full, the aggregate gross proceeds will be C\$17,251,150 and the aggregate net proceeds will be C\$16,216,081.
3. Provide description of any Warrants (or options) including:
- (a) Number 10,715,000 Warrants (or 12,322,250 Warrants if the Over-Allotment Option is exercised in full).
  - (b) Number of securities eligible to be purchased on exercise of Warrants (or options) Each Warrant entitles the holder thereof to acquire one class A subordinate voting share.
  - (c) Exercise price C\$0.90 per Warrant Share .
  - (d) Expiry date 24 months after the closing of the Offering.
  - (e) Other significant terms N/A .
4. Provide the following information if debt securities are to be issued:
- (a) Aggregate principal amount N/A.
  - (b) Maturity date N/A.
  - (c) Interest rate N/A.
  - (d) Conversion terms N/A.
  - (e) Default provisions N/A .
5. Details of currently issued and outstanding shares of each class of shares of the Issuer: 359,323,160 subordinate voting shares; 1,856,735 subordinate

proportionate voting shares; and 1,276,208 multiple voting shares (as of October 20, 2020, immediately prior to the announcement of the Proposed Prospectus Offering).

6. Describe any unusual particulars of the offering (i.e. tax “flow through” shares, special warrants, etc.).

N/A.

7. Provide details of the use of the proceeds: The net proceeds from the Offering will be used for construction of 4Front’s production facility in the city of Commerce, California and working capital and general corporate purposes.

8. Provide particulars of any proceeds of the offering which are to be paid to Related Persons of the Issuer: N/A.

9. Provide details of the amounts and sources of any other funds that will be available to the Issuer prior to or concurrently with the completion of the offering: N/A.

10. Provide the following information for any agent’s fee, commission, bonus or finder’s fee, or other compensation paid or to be paid in connection with the offering (including warrants, options, etc.):

- (a) Details of any dealer, agent, broker, finder or other person receiving compensation in connection with the offering (name, address, beneficial ownership where applicable):

Beacon Securities Limited, 66 Wellington Street West, Suite 4050,  
Toronto, ON M5K 1H1

Canaccord Genuity Corp., 161 Bay Street, Toronto, ON M5J 2S1

Haywood Securities Inc., Brookfield Place, 181 Bay Street, Suite  
2910, Toronto, ON M5J 2T3

(collectively, the “**Underwriters**”)

- (b) Cash: 6% of the gross proceeds from the Offering .

- (c) Securities the Underwriters will be issued compensation options entitling the Underwriters to purchase an aggregate of 1,285,800 class A subordinate voting shares (the “**Compensation Option**”

**FORM 8**

**NOTICE OF PROPOSED PROSPECTUS OFFERING**

October 2020

Page 3

Shares") or 1,478,670 Compensation Option Shares if the Over-Allotment Option is exercised in full.

- (d) Other N/A
  - (e) Expiry date of any options, warrants etc. The compensation options expire 24 months from the closing of the Offering .
  - (f) Exercise price of any options, warrants etc. C\$0.70 per Compensation Option Share.
11. State whether the sales agent, broker, dealer, finder, or other person receiving compensation in connection with the Offering is a Related Person of the Issuer with details of the relationship: The Underwriters are not Related Persons of the Issuer.
12. Provide details of the manner in which the securities being offered are to be distributed. Include details of agency agreements and sub-agency agreements outstanding or proposed to be made including any assignments or proposed assignments of any such agreements and any rights of first refusal on future offerings: The Units will be offered pursuant to an underwriting agreement (the "**Underwriting Agreement**") between the Issuer and the Underwriters, to be entered into between the Issuer and the Underwriters concurrently with the filing by the Issuer of the preliminary short form prospectus in connection with the Proposed Prospectus Offering. A copy of the Underwriting Agreement will be posted on SEDAR.
13. Attach any term sheet, engagement letter or other document setting out terms, conditions or features of the proposed offering. Please see attached for the engagement letter and term sheet.

## 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 on behalf of the Issuer.
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 8 Notice of Proposed Prospectus Offering is true.

Dated October 23, 2020

Leonid Gontmakher  
Name of Director or Senior Officer

  
Signature

Chief Executive Officer  
Official Capacity