

## FORM 10

### **NOTICE OF PROPOSED SIGNIFICANT TRANSACTION (not involving an issuance or potential issuance of a listed security)**

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

Trading Symbol: TILT

Issued and Outstanding Securities of the Issuer Prior to Transaction: 249,712,048  
common shares in the capital of the Issuer

Date of News Release Fully Disclosing the Transaction: November 4, 2019

#### **1. Transaction**

1. Provide details of the transaction including the date, description and location of assets, if applicable, parties to and type of agreement (eg: sale, option, license, contract for Investor Relations Activities etc.) and relationship to the Issuer. The disclosure should be sufficiently complete to enable a reader to appreciate the significance of the transaction without reference to any other material: Pursuant to a junior secured note purchase agreement ("**Note Purchase Agreement**") dated November 1, 2019 among Jimmy Jang, L.P. ("**Jimmy Jang**"), Baker Technologies, Inc. ("**Baker**"), Commonwealth Alternative Care, Inc. ("**CAC**"), Jupiter Research, LLC ("**Jupiter**", and together with Jimmy Jang, Baker and CAC, the "**Borrowers**", the Issuer, as guarantor, and the purchasers named on the Schedule of Purchasers attached thereto (the "**Purchasers**"), the Borrowers agreed to issue to the Purchasers junior secured promissory notes ("**Jupiter Debt**") in the aggregate principal amount of US\$36,180,000 in exchange for the release and satisfaction of the obligations of Jupiter and certain of its affiliates to pay, pursuant to an Amended and Restated Agreement and Plan of Merger dated January 11, 2019 (the "**Purchase Agreement**") the Purchase Price Holdback Amount (as defined in the Purchase Agreement) and to satisfy certain other payment obligations to the Sellers (as defined in the Purchase Agreement). The Jupiter Debt accrues interest at 8% per annum compounded quarterly and matures in May 2023. The Jupiter Debt holds a junior secured position to liens securing the private placement financing transaction announced by the Issuer on November 4, 2019 (the "**Private Placement**"). Upon the repayment in full of the senior indebtedness under the Private Placement, should the repayment of any Jupiter Debt be outstanding, the Sellers (as defined in the Purchase Agreement) will assume the same rights and security as the

financing syndicate of the Private Placement until repayment, including the right to have two representatives on the Board.

2. Provide the following information in relation to the total consideration for the transaction (including details of all cash, non-convertible debt securities or other consideration) and any required work commitments:
  - (a) Total aggregate consideration in Canadian dollars: N/A.
  - (b) Cash: N/A\_\_\_\_\_ .
  - (c) Other: Notes in the aggregate principal amount of US\$36,180,000 (CA\$47,569,464<sup>1</sup>)
  - (d) Work commitments: \_\_\_\_\_ .
3. State how the purchase or sale price and the terms of any agreement were determined (e.g. arm's-length negotiation, independent committee of the Board, third party valuation etc). Arm's length negotiation.
4. Provide details of any appraisal or valuation of the subject of the transaction known to management of the Issuer: N/A\_\_\_\_\_  
\_\_\_\_\_ .
5. If the transaction is an acquisition, details of the steps taken by the Issuer to ensure that the vendor has good title to the assets being acquired: N/A\_\_\_\_\_  
\_\_\_\_\_ .
6. 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 transaction (including warrants, options, etc.):
  - (a) Details of any dealer, agent, broker or other person receiving compensation in connection with the transaction (name, address. If a corporation, identify persons owning or exercising voting control over 20% or more of the voting shares if known to the Issuer): N/A
  - (b) Cash N/A\_\_\_\_\_ .
  - (c) Other N/A\_\_\_\_\_ .

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<sup>1</sup> Based on the Bank of Canada's exchange rate on November 4, 2019 of US\$1.00 = CA\$1.3148.

7. State whether the vendor, sales agent, broker or other person receiving compensation in connection with the transaction is a Related Person or has any other relationship with the Issuer and provide details of the relationship. Mark Scatterday is one of the previous sellers of Jupiter and a director and Interim Chief Executive Officer of the Issuer and as such is a Related Person (as such term is defined under the policies of the CSE). The Issuer issued a note to Mr. Scatterday in the principal amount of \$17,909,100.

8. If applicable, indicate whether the transaction is the acquisition of an interest in property contiguous to or otherwise related to any other asset acquired in the last 12 months. N/A

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**2. Development**

Provide details of the development. The disclosure should be sufficiently complete to enable a reader to appreciate the significance of the transaction without reference to any other material: See item 1.

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### 3. 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. To the knowledge of the Issuer, at the time an agreement in principle was reached, no party to the transaction had knowledge of any undisclosed material information relating to the Issuer, other than in relation to the transaction.
3. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.
4. 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).
5. All of the information in this Form 10 Notice of Proposed Significant Transaction is true.

Dated November 11, 2019.

Tim Conder  
Name of Director or Senior  
Officer

/s/ Tim Conder  
Signature

Director and Chief Operating  
Officer  
Official Capacity