

## FORM 9

### **NOTICE OF ISSUANCE OR PROPOSED ISSUANCE OF LISTED SECURITIES**

**(or securities convertible or exchangeable into listed securities<sup>1</sup>)**

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

Date: January 24, 2019.

Is this an updating or amending Notice:  Yes  No

If yes provide date(s) of prior Notices: December 7, 2018.

Issued and Outstanding Securities of Issuer Prior to Issuance: 92,303,005 common shares of the Issuer ("Common Shares") and 1,996,846 compressed shares of the Issuer, each convertible into 100 Common Shares subject to adjustments set forth in the articles of the Issuer.

#### **Pricing**

Date of news release announcing proposed issuance: December 4, 2018 and December 6, 2018 or

Date of confidential request for price protection: N/A

Closing Market Price on Day Preceding the news release: N/A or

Day preceding request for price protection: N/A

#### **Closing**

Number of securities to be issued: 11,090,427 Common Shares.

Issued and outstanding securities following issuance: 103,393,432 Common Shares.

#### **Instructions:**

1. For private placements (including debt settlement), complete tables 1A and 1B in Part 1 of this form.
2. Complete Table 1A – Summary for all purchasers, excluding those identified in Item 8.
3. Complete Table 1B – Related Persons only for Related Persons
4. If shares are being issued in connection with an acquisition (either as consideration or to raise funds for a cash acquisition) please proceed to Part 2 of this form.

5. An issuance of non-convertible debt does not have to be reported unless it is a significant transaction as defined in Policy 7, in which case it is to be reported on Form 10 – Notice of Proposed Transaction
6. Post the completed Form 9 to the CSE website in accordance with *Policy 6 – Distributions*. In addition, the completed form must be delivered to [listings@thecse.com](mailto:listings@thecse.com) with an appendix that includes the information in Table 1B for ALL placees.

**Part 1. Private Placement**

**Table 1A – Summary**

Each jurisdiction in which purchasers reside	Number of Purchasers	Price per Security	Total dollar value (CDN\$) raised in the jurisdiction
Total number of purchasers:			
Total dollar value of distribution in all jurisdictions:			

**Table 1B – Related Persons**

Full Name & Municipality of Residence of Placee	Number of Securities Purchased or to be Purchased	Purchase price per Security (CDN\$)	Conversion Price (if Applicable) (CDN\$)	Prospectus Exemption	Total Securities Previously Owned, Controlled or Directed	Payment Date(1)	Describe relationship to Issuer (2)

<sup>1</sup>An issuance of non-convertible debt does not have to be reported unless it is a significant transaction as defined in Policy 7, in which case it is to be reported on Form 10.

- Total amount of funds to be raised: \_\_\_\_\_ .
- Provide full details of the use of the proceeds. The disclosure should be sufficiently complete to enable a reader to appreciate the significance of the transaction without reference to any other material. \_\_\_\_\_ .

3. Provide particulars of any proceeds which are to be paid to Related Persons of the Issuer: \_\_\_\_\_  
\_\_\_\_\_ .
4. If securities are issued in forgiveness of indebtedness, provide details of the debt agreement(s) or and the agreement to exchange the debt for securities.
5. Description of securities to be issued:
- (a) Class \_\_\_\_\_ .
  - (b) Number \_\_\_\_\_ .
  - (c) Price per security \_\_\_\_\_ .
  - (d) Voting rights \_\_\_\_\_ .
6. Provide the following information if warrants, (options) or other convertible securities are to be issued:
- (a) Number \_\_\_\_\_ .
  - (b) Number of securities eligible to be purchased on exercise of warrants (or options) \_\_\_\_\_  
\_\_\_\_\_ .
  - (c) Exercise price \_\_\_\_\_ .
  - (d) Expiry date \_\_\_\_\_ .
7. Provide the following information if debt securities are to be issued:
- (a) Aggregate principal amount \_\_\_\_\_ .
  - (b) Maturity date \_\_\_\_\_ .
  - (c) Interest rate \_\_\_\_\_ .
  - (d) Conversion terms \_\_\_\_\_ .
  - (e) Default provisions \_\_\_\_\_ .
8. 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 placement (including warrants, options, etc.):

- (a) Details of any dealer, agent, broker or other person receiving compensation in connection with the placement (name, and if a corporation, identify persons owning or exercising voting control over 20% or more of the voting shares if known to the Issuer): \_\_\_\_ .
  - (b) Cash \_\_\_\_\_ .
  - (c) Securities \_\_\_\_\_ .
  - (d) Other \_\_\_\_\_ .
  - (e) Expiry date of any options, warrants etc. \_\_\_\_\_ .
  - (f) Exercise price of any options, warrants etc. \_\_\_\_\_ .
9. State whether the sales agent, broker, dealer or other person receiving compensation in connection with the placement is Related Person or has any other relationship with the Issuer and provide details of the relationship \_\_\_\_  
\_\_\_\_\_ .
10. Describe any unusual particulars of the transaction (i.e. tax “flow through” shares, etc.).  
\_\_\_\_\_ .
11. State whether the private placement will result in a change of control.  
\_\_\_\_\_ .
12. Where there is a change in the control of the Issuer resulting from the issuance of the private placement shares, indicate the names of the new controlling shareholders. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_ .
13. Each purchaser has been advised of the applicable securities legislation restricted or seasoning period. All certificates for securities issued which are subject to a hold period bear the appropriate legend restricting their transfer until the expiry of the applicable hold period required by National Instrument 45-102 Resale of Securities.

## Part 2. Acquisition

1. Provide details of the assets to be acquired by the Issuer (including the location of the assets, if applicable). The disclosure should be sufficiently complete to enable a reader to appreciate the significance of the transaction without reference to any other material: The Issuer has agreed to indirectly acquire (the "**Acquisition**") 100% of the issued and outstanding membership interests of Standard Farms LLC, a Pennsylvania limited liability company ("**Standard Farms**"), and White Haven RE LLC, a Pennsylvania limited liability company ("**WHRE**"). Standard Farms is a multi-state medical cannabis operator focused on greenhouse cultivation and CO<sup>2</sup> extraction.
2. Provide details of the acquisition including the date, parties to and type of agreement (eg: sale, option, license etc.) and relationship to the Issuer. The disclosure should be sufficiently complete to enable a reader to appreciate the significance of the acquisition without reference to any other material: The Acquisition is to be effected pursuant to an Agreement and Plan of Merger dated December 3, 2018, as amended December 31, 2018 and January 24, 2019 (the "**Merger Agreement**") among the Issuer, HAMMANDCHEESE LLC ("**SF Merger Sub**"), GHAMM LLC ("**WHRE Merger Sub**"), White Haven Capital LLC ("**White Haven**"), Standard Farms and WHRE, Pursuant to the Merger Agreement, among other things, in accordance with the Pennsylvania Consolidated Statutes and the Delaware Limited Liability Company Act, (i) SF Merger Sub, a wholly-owned subsidiary of the Issuer, will merge with and into Standard Farms, at which time the separate existence of SF Merger Sub shall cease with Standard Farms continuing as the surviving entity, and (ii) WHRE Merger Sub, a wholly-owned subsidiary of the Issuer, will merge with and into WHRE, at which time the separate existence of WHRE Merger Sub shall cease with WHRE continuing as the surviving entity. The outside date for closing of the Acquisition is March 31, 2019. White Haven, Standard Farms and WHRE are acting at arm's length to the Issuer.
3. Provide the following information in relation to the total consideration for the acquisition (including details of all cash, securities or other consideration) and any required work commitments:<sup>1</sup>
  - (a) Total aggregate consideration in Canadian dollars: Approximately US\$40,000,000 (approximately C\$53,063,065).
  - (b) Cash: Approximately US\$12,000,000 (approximately C\$15,918,920<sup>1</sup>) subject to adjustment in accordance with the terms of the Merger Agreement.

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<sup>1</sup> Currency conversions are based on the average of the exchange rate of the US Dollar ("**US\$**") to the Canadian Dollar ("**C\$**") over the five business days ending January 18, 2019 of US\$1.00 = C\$1.3266.

- (c) Securities (including options, warrants etc.) and dollar value: Such number of Common Shares equal to US\$28,000,000 (C\$37,144,146) at a deemed issue price equal to the volume weighted average price of the common shares of the Issuer on the Exchange over the five (5) consecutive trading day period ending on the trading day immediately prior to the closing date, as reported by Bloomberg Finance L.P.
- (d) Other: N/A .
- (e) Expiry date of options, warrants, etc. if any: N/A .
- (f) Exercise price of options, warrants, etc. if any: N/A .
- (g) Work commitments: N/A .
4. State how the purchase or sale price was determined (e.g. arm's-length negotiation, independent committee of the Board, third party valuation etc). The purchase price was determined based on arm's-length negotiations between the parties.
5. Provide details of any appraisal or valuation of the subject of the acquisition known to management of the Issuer: Management of the Issuer is not aware of any appraisal or valuation of the subject of the Acquisition.
6. The names of parties receiving securities of the Issuer pursuant to the acquisition and the number of securities to be issued are described as follows:

Name of Party (If not an individual, name all insiders of the Party)	Number and Type of Securities to be Issued (Common Shares)	Dollar value per Security (C\$)	Conversion price (if applicable)	Prospectus Exemption (of National Instrument 45-106 – Prospectus Exemptions)	No. of Securities, directly or indirectly, Owned, Controlled or Directed by Party	Describe relationship to Issuer <sup>(1)</sup>
Seller 1	2,205,317	3.3492	N/A	2.11	N/A	Not a Related Person
Seller 2	2,035,157	3.3492	N/A	2.11	N/A	Not a Related Person

Seller 3	1,681,398	3.3492	N/A	2.11	N/A	Not a Related Person
Seller 4	959,299	3.3492	N/A	2.11	N/A	Not a Related Person
Seller 5	382,385	3.3492	N/A	2.11	N/A	Not a Related Person
Seller 6	371,916	3.3492	N/A	2.11	N/A	Not a Related Person
Seller 7	371,916	3.3492	N/A	2.11	N/A	Not a Related Person
Seller 8	312,255	3.3492	N/A	2.11	N/A	Not a Related Person
Seller 9	311,929	3.3492	N/A	2.11	N/A	Not a Related Person
Seller 10	218,342	3.3492	N/A	2.11	N/A	Not a Related Person
Seller 11	206,620	3.3492	N/A	2.11	N/A	Not a Related Person
Seller 12	170,158	3.3492	N/A	2.11	N/A	Not a Related Person
Seller 13	121,575	3.3492	N/A	2.11	N/A	Not a Related Person
Seller 14	99,178	3.3492	N/A	2.11	N/A	Not a Related Person
Seller 15	97,234	3.3492	N/A	2.11	N/A	Not a Related Person
Seller 16	86,975	3.3492	N/A	2.11	N/A	Not a Related Person

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Seller 17	62,419	3.3492	N/A	2.11	N/A	Not a Related Person
Seller 18	62,419	3.3492	N/A	2.11	N/A	Not a Related Person
Seller 19	54,052	3.3492	N/A	2.11	N/A	Not a Related Person
Seller 20	48,617	3.3492	N/A	2.11	N/A	Not a Related Person
Seller 21	36,462	3.3492	N/A	2.11	N/A	Not a Related Person
Seller 22	34,216	3.3492	N/A	2.11	N/A	Not a Related Person
Seller 23	31,819	3.3492	N/A	2.11	N/A	Not a Related Person
Seller 24	31,819	3.3492	N/A	2.11	N/A	Not a Related Person
Seller 25	31,433	3.3492	N/A	2.11	N/A	Not a Related Person
Seller 26	31,168	3.3492	N/A	2.11	N/A	Not a Related Person
Seller 27	31,168	3.3492	N/A	2.11	N/A	Not a Related Person
Seller 28	31,168	3.3492	N/A	2.11	N/A	Not a Related Person
Seller 29	29,009	3.3492	N/A	2.11	N/A	Not a Related Person
Seller 30	28,431	3.3492	N/A	2.11	N/A	Not a Related Person

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Seller 31	27,687	3.3492	N/A	2.11	N/A	Not a Related Person
Seller 32	27,679	3.3492	N/A	2.11	N/A	Not a Related Person
Seller 33	27,521	3.3492	N/A	2.11	N/A	Not a Related Person
Seller 34	25,207	3.3492	N/A	2.11	N/A	Not a Related Person
Seller 35	24,308	3.3492	N/A	2.11	N/A	Not a Related Person
Seller 36	24,308	3.3492	N/A	2.11	N/A	Not a Related Person
Seller 37	24,308	3.3492	N/A	2.11	N/A	Not a Related Person
Seller 38	24,308	3.3492	N/A	2.11	N/A	Not a Related Person
Seller 39	20,662	3.3492	N/A	2.11	N/A	Not a Related Person
Seller 40	15,625	3.3492	N/A	2.11	N/A	Not a Related Person
Seller 41	15,625	3.3492	N/A	2.11	N/A	Not a Related Person
Seller 42	15,625	3.3492	N/A	2.11	N/A	Not a Related Person
Seller 43	15,625	3.3492	N/A	2.11	N/A	Not a Related Person
Seller 44	15,625	3.3492	N/A	2.11	N/A	Not a Related Person

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Seller 45	12,154	3.3492	N/A	2.11	N/A	Not a Related Person
Seller 46	12,154	3.3492	N/A	2.11	N/A	Not a Related Person
Seller 47	12,154	3.3492	N/A	2.11	N/A	Not a Related Person
Seller 48	9,723	3.3492	N/A	2.11	N/A	Not a Related Person
Seller 49	4,876	3.3492	N/A	2.11	N/A	Not a Related Person
Seller 50	4,876	3.3492	N/A	2.11	N/A	Not a Related Person
Escrowed Securities held in trust	554,523	3.3492	N/A	2.11	N/A	Not a Related Person

(1) Indicate if Related Person

7. Details of the steps taken by the Issuer to ensure that the vendor has good title to the assets being acquired: The Issuer has conducted due diligence with respect to White Haven's title to the membership interests of Standard Farms and WHRE. The Merger Agreement also contains representations and warranties of White Haven with respect to its title to the membership interests of Standard Farms and WHRE.
  
8. 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 acquisition (including warrants, options, etc.):
  - (a) Details of any dealer, agent, broker or other person receiving compensation in connection with the acquisition (name, and 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) Securities N/A

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- (d) Other N/A \_\_\_\_\_ .
- (e) Expiry date of any options, warrants etc. N/A \_\_\_\_\_ .
- (f) Exercise price of any options, warrants etc. N/A \_\_\_\_\_ .

9. State whether the sales agent, broker or other person receiving compensation in connection with the acquisition is a Related Person or has any other relationship with the Issuer and provide details of the relationship. N/A \_\_\_\_\_

10. If applicable, indicate whether the acquisition 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 \_\_\_\_\_

## 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 not material information concerning the Issuer which has not been publicly disclosed.
3. the Issuer has obtained the express written consent of each applicable individual to:
  - (a) the disclosure of their information to the Exchange pursuant to this Form or otherwise pursuant to this filing; and
  - (b) the collection, use and disclosure of their information by the Exchange in the manner and for the purposes described in Appendix A or as otherwise identified by the Exchange, from time to time
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 CSE Policy 1).
5. All of the information in this Form 9 Notice of Issuance of Securities is true.

Dated January 24, 2019.

Alexander Coleman  
Name of Director or Senior  
Officer

/s/ Alexander Coleman  
Signature

Chief Executive Officer and Co-  
Chairman of the Board of  
Directors  
Official Capacity

## Appendix A

### PERSONAL INFORMATION COLLECTION POLICY REGARDING FORM 9

The Canadian Securities Exchange and its subsidiaries, affiliates, regulators and agents (collectively, “CSE or the “Exchange”) collect and use the information (which may include personal or other information) which has been provided in Form 9 for the following purposes:

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- To determine whether an individual is suitable to be associated with a Listed Issuer;
- To determine whether an issuer is suitable for listing;
- To determine whether allowing an issuer to be listed or allowing an individual to be associated with a Listed Issuer could give rise to investor protection concerns or could bring the Exchange into disrepute;
- To conduct enforcement proceedings;
- To ensure compliance with Exchange Requirements and applicable securities legislation; and
- To fulfil the Exchange’s obligation to regulate its marketplace.

The CSE also collects information, including personal information, from other sources, including but not limited to securities regulatory authorities, law enforcement and self-regulatory authorities, regulation service providers and their subsidiaries, affiliates, regulators and agents. The Exchange may disclose personal information to these entities or otherwise as provided by law and they may use it for their own investigations.

The Exchange may use third parties to process information or provide other administrative services. Any third party will be obliged to adhere to the security and confidentiality provisions set out in this policy.

All personal information provided to or collected by or on behalf of The Exchange and that is retained by The Exchange is kept in a secure environment. Only those employees who need to know the information for the purposes listed above are permitted access to the information or any summary thereof. Employees are instructed to keep the information confidential at all times.

Information about you that is retained by the Exchange and that you have identified as inaccurate or obsolete will be corrected or removed.

If you wish to consult your file or have any questions about this policy or our practices, please write the Chief Privacy Officer, Canadian Securities Exchange, 220 Bay Street – 9th Floor, Toronto, ON, M5J 2W4.