

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: August 6, 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 July 22, 2021, the Issuer announced the appointment of Dana Arvidson as Chief Operating Officer (“COO”), effective immediately. Mr. Arvidson will work closely with TILT’s senior management team to drive operational and financial growth across the Company’s core businesses. As TILT’s COO, Mr. Arvidson will provide operational leadership for the Company’s strategic objectives and establish KPIs to gauge efficiency and effectiveness of internal and external operational processes. In partnership with Brad Hoch, TILT’s Chief Financial Officer, Mr. Arvidson will be responsible for delivering strong results across sales, profitability and market expansion. Mr. Arvidson joins TILT with more than 20 years of experience in a broad set of roles focused on achieving growth objectives and enhancing operating results. Most recently, Mr. Arvidson served as Vice President of Corporate Development for PhyNet Dermatology LLC (“PhyNet”), a physician practice management company. In this role, he led acquisition, practice valuation, negotiation of terms, and integrating practices into PhyNet’s operating platform. Previously, Mr. Arvidson was Vice President of Capital Markets and Investor Relations for The First Marblehead Corporation, where he executed securitization transactions, developed the company’s equity and debt investor base and helped facilitate the successful sale of non-core assets.

On July 21, 2021, the Issuer’s subsidiary, Jupiter, entered into a new two-year, \$10 million asset-based revolving credit facility with Entrepreneur Growth Capital, LLC. Borrowings under the new credit facility bear interest at Prime plus 3.5% and are secured by Jupiter’s inventory, accounts receivable and related property. Jupiter’s existing senior and junior note creditors are subordinate in their security interests in Jupiter’s inventory, accounts receivable and related property; the existing note creditors will maintain the priority of their security interests in other Jupiter collateral. The

new credit facility has a two-year initial term and will continue for successive one-year terms unless terminated by either party effective at the end of the then-current term. The loan terms provide for minimum monthly interest charges, and for borrowing base eligibility requirements, advance rates, fees, events of default and default interest rates that are common features in such facilities.

On July 29, 2021, the Issuer announced it would release financial results for its second quarter ended June 30, 2021 after market close on Tuesday, August 24, 2021.

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.

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 7/1/2021 to 7/31/2021, TILT hired 14 employees and terminated 6 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.

See Item 1.

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

Security	Number Issued	Details of Issuance	Use of Proceeds⁽¹⁾
N/A			

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

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

N/A

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 8/6/2021

Brad Hoch
Name of Director or Senior
Officer

"Brad Hoch"
Signature

Chief Financial Officer
Official Capacity

<i>Issuer Details</i> Name of Issuer TILT Holdings Inc.	For Month End July, 2021	Date of Report August 6, 2021
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. (712) 898-5290