

June 8, 2021



TILT Holdings Announces Amendment and Repayment of Blackbird Note Receivable

PHOENIX, June 08, 2021 (GLOBE NEWSWIRE) -- [TILT Holdings Inc.](#) ("**TILT**" or the "**Company**") ([CSE: TILT](#)) ([OTCQX: TLLTF](#)), a global provider of cannabis business solutions that include inhalation technologies, cultivation, manufacturing, processing, brand development and retail, announced today that Baker Technologies, Inc. ("**Baker**"), an indirect wholly owned subsidiary of TILT, has agreed to amend and receive payment for its secured convertible promissory note (the "**Blackbird Note**") that was previously issued in connection with the sale by Baker of all of the membership interests of Yaris Acquisition, LLC (dba Blackbird) to Slam Dunk, LLC ("**Slam Dunk**") on December 1, 2020 (the "**Blackbird Sale**").

The Blackbird Note receivable is expected to be paid at its \$7.9 million fair value calculated as of March 31, 2021, as disclosed in the Company's interim financial statements filed on SEDAR on May 25, 2021. Baker has agreed to receive payment through a series of transactions (collectively, the "**Transactions**") with Slam Dunk and HERBL, Inc. ("**HERBL**"), a California corporation and arm's length third party to both TILT and Slam Dunk, pursuant to which:

- Blackbird Logistics Corporation, a Nevada corporation and wholly owned subsidiary of HERBL, assumed from Slam Dunk the obligation to repay the Blackbird Note to Baker;
- the Blackbird Note will be fully repaid through the payment to Baker of US \$1,500,000 in cash and the issuance to Baker of a certain number of shares of common stock of HERBL (such number of shares subject to adjustment in certain circumstances) (the "**HERBL Shares**") based on HERBL's enterprise value. Baker will enter into customary investor and stockholder agreements related to its ownership of the HERBL Shares. If the cash payment is not made to Baker, or the HERBL Shares are not issued to Baker, such that the debt obligations under the Blackbird Note are not fully repaid on or before June 11, 2021, Slam Dunk will remain liable for all of its original debt obligations to Baker under the Blackbird Note; and
- HERBL has agreed to give a guarantee to Baker of Slam Dunk's obligations to Baker under the securities purchase agreement, dated November 18, 2020, entered into by Baker and Slam Dunk in connection with the Blackbird Sale.

All of the Transactions are expected to be completed on or before June 11, 2021.

About TILT

[TILT](#) helps cannabis businesses build brands. Through a portfolio of companies providing technology, hardware, cultivation and production, 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. TILT's core businesses include [Jupiter Research LLC](#), 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.](#) in Massachusetts, [Standard Farms LLC](#) in Pennsylvania and [Standard Farms Ohio, LLC](#) in Ohio. TILT is headquartered in Phoenix, Arizona. For more information, visit www.tiltholdings.com.

Forward-Looking Information

This news release contains forward-looking information based on current expectations. Forward-looking information is provided for the purpose of presenting information about management's current expectations and plans relating to the future and readers are cautioned that such statements may not be appropriate for other purposes. Forward looking information may include, without limitation, completion of the Transactions and timing thereof, payment of the Blackbird Note, prospects, opportunities, priorities, targets, goals, ongoing objectives, milestones, strategies and outlook of TILT, and includes statements about, among other things, future developments, the future operations, strengths and strategy of TILT. Generally, forward looking information can be identified by the use of forward looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". These statements should not be read as guarantees of future performance or results. These statements are based upon certain material factors, assumptions and analyses that were applied in drawing a conclusion or making a forecast or projection, including TILT's experience and perceptions of historical trends, the ability of TILT to maximize shareholder value, current conditions and expected future developments, as well as other factors that are believed to be reasonable in the circumstances.

Although such statements are based on management's reasonable assumptions at the date such statements are made, there can be no assurance that it will be completed on the terms described above and that such forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such forward-looking information. Accordingly, readers should not place undue reliance on the forward-looking information. TILT assumes no responsibility to update or revise forward-looking information to reflect new events or circumstances unless required by applicable law.

By its nature, forward-looking information is subject to risks and uncertainties, and there are a variety of material factors, many of which are beyond the control of TILT, and that may cause actual outcomes to differ materially from those discussed in the forward-looking statements.

For additional information regarding forward-looking statements and their related risks, please refer to the "Risk Factors and Uncertainties" section in the Management Discussion and Analysis of the Company for the quarter ended on March 31, 2021, which is available on the Company's SEDAR profile at www.sedar.com.

The CSE has neither approved nor disapproved the contents of this news release.

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