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TILT Announces US\$119M Capital Raise and Completion of Merger, Forming a Vertically-Integrated Infrastructure and Technology Cannabis Company

Four Top Cannabis Companies in the U.S. and Canada -- Baker, Briteside, Sea Hunter and Santé Veritas -- officially come together, and pave the way to list on the Canadian Securities Exchange

TORONTO--(BUSINESS WIRE)-- Today, Baker Technologies, Inc. ("Baker"), Briteside Holdings, LLC ("Briteside"), Sea Hunter Therapeutics, LLC ("Sea Hunter") and Santé Veritas Holdings Inc. ("SVT") announce the successful completion of their merger (the "Business Combination"), and are now operating as a unified company under the name TILT Holdings Inc. ("TILT" or the "Company"). The Business Combination represents the formation of one of the cannabis industry's most comprehensive platforms, providing technology-driven solutions to the entire cannabis ecosystem. With the completion of the recent capital raise of approximately US\$119M and the Business Combination, TILT has paved the way for its anticipated listing on the Canadian Securities Exchange ("CSE").

The unique value proposition of the Business Combination includes rapid infrastructure deployment, unparalleled technology for cannabis businesses and access to millions of consumers. TILT expects to deliver significant value to its customers, employees and shareholders by:

- Driving Innovation Technology to Support the Growing Industry
The newly formed company is one of the largest and most comprehensive industry technology platforms, connecting over 1,000 dispensaries with more than two million unique consumers, delivering value to both through focused messaging for sales opportunities.
- Providing Cutting-edge Supply Chain Management
TILT is working to expand its existing software and service offerings to cover the entire supply chain, from cultivation through to production, packaging, distribution and retail sales.
- Accelerating Scientific Research and Efficacy
The Company has assembled an experienced and accomplished science team, with the goal of advancing TILT's understanding of cannabis and its efficacy for patients and consumers.
- Expanding National and International Infrastructure
TILT has expanded, and continues to expand, its geographic footprint allowing it to

manufacture and distribute a broad range of high-grade cannabis products. With its proprietary scientific research and data enabled platform, TILT aims to deliver highly focused patient and customer driven product solutions.

“After an extensive process of combining four previously independent companies while simultaneously addressing all the requirements for being a publicly listed company, we are excited to announce the completion of the merger,” said Alex Coleman, CEO of TILT. “The Business Combination will allow us to help shape the cannabis industry through our unique offering of a broad range of software, services and goods. While the majority of U.S. cannabis companies are largely focused on operating retail stores, TILT’s technology foundation and B2B focus, providing software, services and a broad range of highly engineered consumer products, positions us as one of the most dynamic companies in the market.”

The Business Combination was carried out by way of a court-approved plan of arrangement under the *Business Corporations Act* (British Columbia), which required the approval of: (i) at least two-thirds of the votes cast by the shareholders of TILT (which were effectively the shareholders of Baker, members of Briteside and Sea Hunter Holdings, LLC); (ii) at least two-thirds of the votes cast by the shareholders of SVT; and (iii) at least a majority of the votes cast by minority shareholders of SVT, which excluded the votes cast by “interested parties” who were entitled to receive, directly or indirectly, a “collateral benefit” as defined under *Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions*.

The hearing in respect of the final order of the Supreme Court of British Columbia approving the Business Combination for SVT took place on November 13, 2018. The hearing in respect of the final order of the Supreme Court of British Columbia approving the Business Combination for TILT took place on November 20, 2018. Final orders approving the Business Combination were granted by the Supreme Court of British Columbia at both hearings.

“Our goal is to help remove obstacles and barriers-to-entry for potential customers who are looking to enter the cannabis industry,” said Joel Milton, founder and CEO of Baker. “TILT’s vision is to provide value throughout the supply chain, whether that’s assistance with operational and capital support, improving cannabis yield and growth efficiency or building and increasing customer engagement. TILT is here to help cannabis businesses effectively scale.”

TILT's board of directors (the "Board") currently consists of five members. Alexander Coleman, CEO of TILT, and Michael Orr, the Executive Chairman of SVT, will serve as Co-Chairmen of the Board. Geoff Hamm, Todd Halpern and Robert Calhoun will also serve as directors on the Board. Each director will hold office until the next annual meeting or until his successor is duly elected, unless his office is earlier vacated in accordance with TILT’s articles.

The Business Combination included the exchange of, amongst other things: (i) class A shares of the Company (the "Class A Shares") (which were held by former shareholders of Baker, former members of Briteside and Sea Hunter Holdings, LLC) for compressed shares (the “Compressed Shares”) of the Company; (ii) share units of SVT for common shares of SVT (the “SVT Common Shares”); (iii) SVT Common Shares for common shares (the

“Common Shares”) of the Company; (iv) subscription receipts of 1167411 B.C. Ltd. (“Finco”) for common shares of Finco (the “Finco Common Shares”); (v) Finco Common Shares for Common Shares; (vi) special shares of Finco for Compressed Shares; (vii) options of SVT for replacement options of the Company exercisable for Common Shares; (viii) options of the Company exercisable for Class A Shares for replacement options of the Company exercisable for Compressed Shares; and (ix) compensation options of Finco for compensation options of the Company.

Former shareholders, members and securityholders of Baker, Brideside and Sea Hunter received approximately 0.0148 of a Compressed Share for each Class A Share previously held. The terms of the Compressed Shares will provide the holders with super voting rights and a right to convert the Compressed Shares into Common Shares, subject to certain limitations. The former holders of SVT Common Shares (“SVT Shareholders”) received approximately 0.1399 of a Common Share for each SVT Common Share previously held. Outstanding options and warrants of the parties will be adjusted in accordance with their terms to reflect the consideration described above.

Listing of the Common Shares on the CSE remains subject to any necessary stock exchange and regulatory approvals.

About TILT

TILT Holdings Inc. is a vertically-integrated technology and infrastructure platform delivering the most comprehensive range of products and services across the cannabis industry. TILT strives to deliver the highest quality products and services through knowledge based technology systems for both businesses and consumers. TILT technologies have a presence in more than 1,000 dispensaries across the U.S., Canada, Puerto Rico and Jamaica. For more information, please visit www.tiltholdings.com

The CSE has not in any way passed upon the merits of the Business Combination or the listing of the Common Shares, and has neither approved nor disapproved the contents of this news release. Approval of the CSE for the listing of the Common Shares will be subject to, among other things, the Company satisfying the listing requirements of the CSE. There can be no assurance that the approval of the CSE regarding the listing of the Common Shares will be obtained.

This press release does not constitute an offer for sale or a solicitation of an offer to buy, in the United States or to, or for the account or benefit of, any "U.S. Person" (as such term is defined in Regulation S under the U.S. Securities Act of 1933, as amended (the "1933 Act")) of any equity or other securities. None of the securities to be issued pursuant to the Business Combination have been or will be registered under the 1933 Act or any applicable securities laws of any state of the United States, and any securities issued in the Business Combination were issued in reliance upon the exemptions from such registration requirements of the 1933 Act provided by Section 3(a)(10) thereof and/or Section 4(a)(2) thereof and in accordance with applicable exemptions under any applicable securities laws of any state of the United States.

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, statements regarding the operations, business, financial condition, expected financial results, performance, 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 the Company, and the listing of the Common Shares on the CSE. 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, Baker's, Briteside's, Sea Hunter's and SVT's experience and perceptions of historical trends, current conditions and expected future developments, as well as other factors that are believed to be reasonable in the circumstances.

Examples of the assumptions underlying the forward-looking statements contained herein include, but are not limited to those related to: the receipt of all necessary consents and approvals for the listing of the Common Shares, the ability of TILT to obtain necessary financing in the future to pursue its business plans, the achievement of goals, the obtaining of all necessary permits and governmental approvals, as well as expectations regarding availability of equipment, skilled labour and services needed for cannabis operations, intellectual property rights, development, operating or regulatory risks, trends and developments in the cannabis industry, business strategy and outlook, expansion and growth of business and operations, the timing and amount of capital expenditures; future exchange rates; the impact of increasing competition; conditions in general economic and financial markets; access to capital; future operating costs; government regulations, including future legislative and regulatory developments involving medical and recreational marijuana and the timing thereto; receipt of appropriate and necessary licenses in a timely manner; the effects of regulation by governmental agencies; the anticipated changes to laws regarding the recreational use of cannabis; the demand for cannabis products and corresponding forecasted increase in revenues; and the size of the medical marijuana market and the recreational marijuana market.

Although such statements are based on management's reasonable assumptions at the date such statements are made, there can be no assurance that they it 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 the Company, Baker, Briteside, Sea Hunter or SVT, and that may cause actual outcomes to differ materially from those discussed in the forward-looking statements. These factors include, but are not limited to: denial or delayed receipt of all necessary consents and approvals; need for additional capital expenditures; increased costs and timing of operations; unexpected costs associated with environmental liabilities; requirements for additional capital; reduced future prices of cannabis; failure of plant, equipment or processes to operate as anticipated; accidents,

labour disputes and other risks of the cannabis industry; delays in obtaining governmental approvals, permits or financing or in the completion of development or construction activities; title disputes; claims limitations on insurance coverage; risks related to the integration of acquisitions; fluctuations in the spot and forward price of certain commodities (such as diesel fuel and electricity); changes in national and local government legislation, taxation, controls, regulations and political or economic developments in the countries where the Company may carry on business in the future; liabilities inherent in cannabis operations; risks relating to medical and recreational cannabis; cultivation, extraction and distribution problems; competition for, among other things, capital, licences and skilled personnel; risks relating to the timing of legalization of recreational cannabis; changes in laws relating to the cannabis industry; and management's success in anticipating and managing the foregoing factors.

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