

April 16, 2019



TILT Provides Standard Farms with US\$3M Loan for Processing Operations in Ohio

CAMBRIDGE, Mass.--(BUSINESS WIRE)-- TILT Holdings Inc. ("TILT" or the "Company") (CSE: TILT) (OTCQB: SVVTF), a leading provider of products and services to businesses operating in the cannabis industry, announced today that the Company's wholly-owned subsidiary, Baker Technologies, Inc. ("Baker Technologies"), has closed a loan (the "Loan") to Standard Farms Ohio LLC ("Standard Farms") for up to US\$3,000,000, which will allow the companies to work together in the rapidly growing Ohio medical marijuana market.

Standard Farms is constructing a state-of-the-art 10,000 sq. ft. processing facility (the "Facility") in Garfield Heights that will utilize technologies and Standard Operating Procedures based on current Good Manufacturing Practices. Currently, Standard Farms holds a provisional processor permit for the Facility, which it expects to be operational in late 2019, subject to, among other things, the receipt of a certificate of operation (the "Certificate of Operation") from the State of Ohio Department of Commerce. Utilizing expertise honed at its Pennsylvania operations, Standard Farms anticipates providing clean and pure medical marijuana products including proprietary vaporization cartridges, capsules and tinctures.

The Loan is split into two tranches. The first tranche of US\$1,000,000 was funded on closing and the remaining US\$2,000,000 will be funded in late 2019 subject to, among other things, Standard Farms' receipt of the Certificate of Operation. The Loan is secured by substantially all assets of Standard Farms except its license and any marijuana products. The proceeds of the Loan will be distributed to the holders of all of the membership interests in Standard Farms, Bio Alpha Venture LLC ("BAV"), and Goldrath Alpha Venture LLC ("GAV"), wholly owned companies of Jonathon Goldrath and Peter Bio, respectively. Subject to receipt of applicable regulatory approvals and the terms and conditions provided in the agreement, GAV's and BAV's ownership interests in Standard Farms may be transferred to Baker Technologies in exchange for the cancellation and conversion of the outstanding principal amount of the loan.

"Ohio is a large and rapidly growing cannabis market and we look forward to increasing our exposure to the Buckeye state through this relationship," said Alex Coleman, Chairman and CEO of TILT.

Ohio is set to become one of the largest limited licenses states as the seventh most populous state in the United States ("U.S."), with nearly 12 million residents. As of this month, 24,556 patients and 1,489 caregivers have completed registrations to purchase cannabis, the state reported. According to Arcview Market Research, the Ohio cannabis market is expected to grow to an estimated \$290 million by 2022. TILT is actively pursuing similar lending relationships with other operators in Ohio to ensure adequate supply and finished product are available to patients across the state.

"Our mission at Standard Farms is to provide our patients with compassionate care, with the

goal of helping them reach a better quality of life,” said Kyle Olcott, Director of Formulation and Extraction for Standard Farms. “We are very pleased to partner with TILT to provide an exceptional experience to Ohioans and deliver on this mission.”

About TILT

TILT is a leading provider of products and services to businesses operating in the cannabis industry. The Company offers the contract manufacturing of marijuana in a variety of form factors, vaporizer and inhalation devices, business and consumer delivery services and a broad suite of software products for over 1,500 retailers and brands throughout the U.S., Canada and Europe. The majority of TILT’s products are customized to client specifications and branding, all enabling them to operate their businesses more efficiently and connect with their customers more effectively. The Company is organized in two main business units, Software & Services and Consumer Devices & Packaged Goods, designed to augment competencies across the organization in research, manufacturing, packaging and technology to deliver end-to-end services and customer solutions. All of TILT’s products are supported by an extensive research process led by scientists and engineers, using data analytics and discovery to produce new products helping shape the industry. Headquartered in Cambridge, MA, with offices throughout the U.S., Toronto and London, TILT has over 500 employees and has sales in 40 U.S. states, Canada and Europe. For more information, please 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, the receipt of the Certificate of Operation by Standard Farms, the operational date of the Facility, the expected growth of the Ohio cannabis market, the opinions or beliefs of management, 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, 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 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 TILT, and that may cause actual outcomes to differ materially from those discussed in the forward-looking statements.

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

View source version on businesswire.com:

<https://www.businesswire.com/news/home/20190416005314/en/>

Joel Milton
SVP of Business Development
Phone: (303) 872-7255

Investor Contact:

Scott Van Winkle
ICR
Phone: 617-956-6736
investors@tiltholdings.com

Media Contact:

Cory Ziskind
ICR
Phone: 646-277-1232
tiltholdings@icrinc.com

Source: TILT Holdings Inc.