

January 3, 2019



TILT Holdings Agrees to Acquire Jupiter Research

Jupiter Research's proprietary inhalation technology advances and diversifies TILT's comprehensive portfolio of cannabis solutions across the supply chain

Jupiter is one of the largest companies in the cannabis industry to be acquired, profitably booking US\$105M in orders in 2018, with approximately 20% EBIDTA margins

CAMBRIDGE, Mass.--(BUSINESS WIRE)-- [TILT Holdings Inc.](#) ("TILT" or the "Company") (CSE: TILT) (OTC: SVVTF), the vertically-integrated infrastructure and technology platform serving the cannabis industry, announced today it has agreed to acquire [Jupiter Research](#) ("Jupiter"), a leading inhalation and vaporization technology company, to further expand its technology ecosystem and B2B reach across the supply chain. The Company signed a definitive agreement on January 2nd to acquire Jupiter Research for US\$210 million to bolster TILT's hardware offerings.

Jupiter Research, founded in 2015 by prior NJOY product developer Mark Scatterday and Bob Crompton, is leading the charge in the multibillion-dollar industry of vaporization. Scatterday, Jupiter's President, stated, "Our rich heritage in CPG and e-cigarette product innovation combined with long-standing manufacturing partnerships in China provided us a market leading advantage to bring advanced high-performance technologies to the cannabis industry."

Jupiter Research produces power supplies and cartridges specifically designed for cannabis oil in the market today, featuring exclusively ceramic CCELL technology. Jupiter's team with decades of combined experience in vaporization partners with more than 700 brands and cannabis retailers across the U.S., Canada, Israel and the E.U. Jupiter generated approximately US\$77M in 2018 revenue with an estimated 20 percent EBIDTA margin, and already has US\$28M in booked orders going into Q1.

"Our acquisition of Jupiter Research is paramount to our goal of consolidating and centralizing services for all industry verticals: cultivation, production and retail," said Alex Coleman, Chief Executive Officer of TILT Holdings. "Vaporization is increasingly becoming the preferred method for cannabis consumption. With Jupiter's proprietary inhalation technology, our offerings in this category are going to be unparalleled."

Crompton added, "Jupiter Research's monthly sales continue to increase 15 percent month over month, and we already have US\$28M of booked orders going into Q1. The opportunity to combine the synergies of the TILT portfolio of companies is expected to add to our rapid growth."

Consideration for the Jupiter acquisition is US\$210M, consisting of US\$70M cash and 56,116,723 common shares of TILT. The outside date for the closing of the acquisition is

January 31, 2019.

More information about TILT's other recent acquisitions and moves within the cannabis industry can be found [here](#).

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

This news release does not constitute an offer to sell or a solicitation of an offer to sell any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

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. 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.

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 approval for the acquisition of Jupiter, 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 Holdings 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. 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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