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# TILT Holdings Announces US\$6.8 Million Strategic Private Placement Equity Financing from Weston Capital

Weston Capital increases ownership to further support TILT's differentiated business model and rapid growth

CAMBRIDGE, Mass.--(BUSINESS WIRE)-- [TILT Holdings Inc.](#) ("TILT" or the "Company") (CSE: TILT) (OTC: SVVTF), a vertically-integrated infrastructure and technology platform serving the cannabis industry, is pleased to announce a US\$6.8 million private placement equity financing with Weston Capital Group ("WCG"). An affiliate of Weston Capital purchased 1,734,194 units ("Units") of the Company at a price of C\$5.25 per Unit, with each Unit consisting of one common share in the capital of the Company ("Common Share") and one Common Share purchase warrant ("Warrant") exercisable into Common Shares at C\$5.25 for a period of 12 months from the closing of the private placement.

New York and San Francisco based WCG, and its principals, are sophisticated investors in leading technology-enabled platform businesses with over US\$2 billion in realized investment gains, participated in TILT's US\$119 million equity capital raise, which closed on November 21, 2018, with a US\$5 million investment; as such, Weston Capital's total investment in TILT to US\$11.8 million.

Following due diligence on TILT's business the broader industry and the competitive set, WCG determined that TILT has a unique technology-driven business model and has entered into several acquisitions that will provide significant scale that will position the company for rapid growth and expansion. TILT is the only cannabis company in which WCG has invested. This additional investment above TILT's current stock price provides incremental capital for the significant growth opportunity ahead and reflects WCG's confidence in TILT's potential ability to deliver long-term shareholder value across broader market cycles.

WCG's noted reasons for its investment include:

- \* TILT's medical-background and focus on cutting-edge genetics that will help suffering patients.
- \* TILT is the disruptive leader in e-commerce and CRM for the cannabis industry with one third of market share already.
- \* TILT's retail store designs and per-square-foot revenues are among the best in the sector.
- \* Talented management team has experience in high-growth businesses and executing accretive M&A.

\* Weston Capital Group believes that the market does not yet reflect the strong combined value that TILT has created via its recent business combination which created distinctive scale in the fast growing counter cyclical industry.

In addition to this private placement, WCG has committed to serve in an operating and advisory capacity to support TILT's continued industry-leading growth. As part of the investment, WCG has entered into a strategic agreement with the Company effective December 13, 2018 ("Strategic Agreement") WCG will provide TILT with operating advice on the integration of the businesses and assets of the Company, marketing and brand development and such further services as the Company and WCG shall agree to from time to time. In exchange for WCG's entry into the Strategic Agreement, TILT has issued WCG 2,724,694 Warrants exercisable into Common Shares for a period of one year following the entry into the Strategic Agreement at C\$5.25.

"Having WCG as a strategic investor and partner presents a number of great opportunities for TILT," said Alex Coleman, Chief Executive Officer of TILT Holdings. "WCG shares our vision for TILT's ongoing expansion across the entire cannabis ecosystem and their investment validates TILT's position as a global cannabis leader and the best positioned tech-centric cultivator, manufacturer and B2B distributor within the cannabis industry."

## **About TILT**

TILT Holdings Inc. is a vertically-integrated technology and infrastructure company that provides the most comprehensive range of products and services in the cannabis industry. TILT uses its technology, brands and industry expertise to deliver high quality products and solutions to cultivators, wholesalers, retailers and consumers in every segment of the industry. TILT technologies have a presence in more than 1,000 dispensaries across the U.S., Canada, Puerto Rico and Jamaica. TILT's same-day delivery service handles delivery for retailers, wholesalers and consumers in four states, including Nevada where it has over 90% market share. TILT has more than two-dozen of its own cultivation, extraction, manufacturing and retail locations in nine states and Canada. TILT is rapidly expanding into new markets. For more information, please visit [www.tiltholdings.com](http://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 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 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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