



INSIDER TRADING POLICY

**DATED APRIL 17, 2019,
AS AMENDED AND RESTATED AUGUST 19, 2021**

EXECUTIVE SUMMARY

- If you possess material, non-public information relating to TILT Holdings Inc. (the “**Corporation**”) you may not: (i) use such information to purchase or sell any securities of the Corporation; or (ii) pass any such information on to others.
- You may not trade your securities in the Corporation during the period commencing on the **10th** day prior to the end of each fiscal quarter or year-end and ending at the close of business on the **first** trading day following the dissemination by the Corporation of such quarterly and annual results.
- **You may not trade in the Corporation’s securities without providing prior notification to the Chief Financial Officer.**
- You should not trade in call or put options or short-sell the securities of the Corporation and should acquire these securities only as a long-term investment.
- **Failure to comply with this policy will result in disciplinary action, which may include termination of employment, the imposition of fines and/or the possibility of imprisonment.**
- This policy should be viewed as the minimum criteria for compliance with insider trading laws. Additional guidance should be sought when uncertainty exists regarding a contemplated transaction.
- This policy applies to persons or companies who acquire information from a source known by them to be in a *special relationship* with the Corporation (including spouses and close friends).
- Reporting insiders are required to file insider reports through the SEDI website (www.sedi.ca). It is your responsibility to ensure that all of your trades are updated on the SEDI website.
- Any inquiry as to the application of these policies should be directed to the Chief Financial Officer.

TILT HOLDINGS INC.
(the “Corporation”)

INSIDER TRADING POLICY

It is a cornerstone of the capital markets in Canada that all persons investing in securities listed on a public stock exchange have equal access to information that may affect their investment decisions. Public confidence in the integrity of the capital markets requires timely disclosure of material information concerning the business and affairs of companies, like the Corporation, whose shares are listed on the NEO Exchange (the “**Exchange**”), thereby placing all market participants on an equal footing. Please note that the term “Corporation” as used herein shall include the Corporation and all of its subsidiaries from time to time.

Material Information

Material information is any information relating to the business and affairs of the Corporation that results in or would reasonably be expected to result in a significant change in the market price or value of the Corporation’s securities.

Material information consists of both *material facts* and *material changes* relating to the business and affairs of the Corporation.

Material fact means a fact that would reasonably be expected to have a significant effect on the market price or value of the securities.

Material change means: (i) a change in the business, operations or capital of the reporting issuer that would reasonably be expected to have a significant effect on the market price or value of any of the securities of the reporting issuer; or (ii) a decision to implement a change referred to in paragraph (i) made by the board of directors or other persons acting in a similar capacity or by senior management of the reporting issuer who believe that confirmation of the decision by the board of directors or any other persons acting in a similar capacity is probable.

Canadian securities laws require that an issuer must provide disclosure of a *material change*. National Instrument 51-102 – *Continuous Disclosure Obligations* (“**NI 51-102**”) requires the disclosure of any *material change* by filing a report as soon as reasonably practicable and, in any event, within 10 days of the date on which such change occurs. Canadian securities laws and NI 51-102 are supplemented by Exchange Policy 5 – Timely Disclosure, Trading Halts and Posting Requirements (“**Policy 5**”), which requires that *material information* concerning the business and affairs of a listed company such as the Corporation be disclosed immediately after management of the Corporation becomes aware of the existence of such information. Where information is previously known, it must be disclosed immediately upon it becoming apparent that the information is material. Senior management of the Corporation will determine what information is material according to the above definitions and will bear responsibility for compliance with the timely disclosure obligations under applicable securities laws and requirements of the Exchange.

Examples of developments in the business and affairs of the Corporation which are likely to require immediate public disclosure in accordance with Policy 5 include, but are not limited to, the following:

1. changes in share ownership that may affect control of the Corporation;
2. changes in corporate structure, such as reorganizations and amalgamations;
3. take-over bids or issuer bids;
4. major corporate acquisitions or dispositions;
5. changes in capital structure;
6. borrowing of a significant amount of funds;
7. public or private sale of additional securities;
8. development of new products and developments affecting the Corporation's resources, technology, products or market;
9. entering into or loss of significant contracts;
10. firm evidence of significant increases or decreases in near-term earnings prospects;
11. changes in capital investment plans or corporate objectives;
12. significant changes in management;
13. significant litigation;
14. major labour disputes or disputes with major contractors or suppliers;
15. events of default under financing or other agreements;
16. any material change in the Corporation's inventory or its ability to continue production, including the details with respect to any license renewals; and
17. any other developments relating to the business and affairs of the Corporation that might reasonably be expected to influence or change an investment decision of a reasonable investor.

Definition of “Trade”

Canadian securities laws generally define “trade” to include:

- (a) a disposition of a security for valuable consideration whether the terms of payment be on margin, instalment or otherwise, but does not include a purchase of a security or a transfer, pledge, mortgage or other encumbrance of a security for the purpose of giving collateral for a debt,
- (b) entering into a futures contract,

- (c) entering into an option that is an exchange contract,
- (d) participation as a trader in a transaction in a security or exchange contract made on or through the facilities of an exchange or reported through the facilities of a quotation and trade reporting system,
- (e) the receipt by a registrant of an order to buy or sell a security or exchange contract,
- (f) a transfer of beneficial ownership of a security to a transferee, pledgee, mortgagee or other encumbrancer under a realization on collateral given for a debt, and
- (g) any act, advertisement, solicitation, conduct or negotiation directly or indirectly in furtherance of any of the activities specified above.

Persons in a “*Special Relationship*” with the Corporation

The restrictions on insider trading set out in Canadian securities laws apply to any person or company in a “*special relationship*” with a reporting issuer. For the purposes of this policy, persons in such a relationship with the Corporation include:¹

1. directors, officers and employees of the Corporation;
2. insiders, affiliates or associates of the Corporation;
3. a person or company that is or proposes to engage in any business or professional activity with or on behalf of the Corporation;
4. a person or company that knows of a *material fact* or of a *material change* with respect to the Corporation, having acquired the knowledge while in a *special relationship* with the Corporation; and
5. a person or company that knows of a *material fact* or *material change* with respect to the Corporation, having acquired the knowledge from another person at a time when that other person was in a *special relationship* with the Corporation and the person that acquired knowledge knew or reasonably ought to have known of the *special relationship*.

Thus, each of the employees and the insiders of the Corporation are in a *special relationship* with the Corporation. As such, the provisions of this policy apply to each of them and they are all restricted from trading on the basis of *material information* regarding the business and affairs of the Corporation that is not generally disclosed. The policies set out herein are designed to assist the employees and insiders of the Corporation in complying with applicable securities laws.

Please note that persons who learned of a *material fact* or *material change* while in a *special relationship* with the Corporation, but who are no longer in such a *special relationship*, are

¹ Additional persons considered to be in a *special relationship* with the Corporation will include those who are insiders, affiliates or associates of the Corporation, a person or company proposing to make a take-over bid of the Corporation, and a person or company proposing to become a party to a reorganization, amalgamation, merger or similar business arrangement with the Corporation.

similarly prohibited from purchasing or selling securities of the Corporation, unless the material fact or material change has been generally disclosed.

The potential scope of a chain of tippees is significantly expanded by the inclusion in the definition of *special relationship*, persons or companies who acquire information from a source known to them to have a *special relationship* with the Corporation. It would, for example, also capture spouses and close friends.

The Corporation has established a firm rule prohibiting all persons who have access to confidential information from making use of such information in trading in the Corporation's securities before such information has been fully disclosed to the public and a reasonable period of time for dissemination of the information has passed. (See – "General Restrictions on Trading by Persons in a *Special Relationship* with the Corporation").

Confidentiality

No one in a *special relationship* with the Corporation may inform or 'tip' another person or company of a previously undisclosed *material fact* or *material change* with respect to the business and affairs of the Corporation, other than in the necessary course of business. Such tipping is in direct contravention of securities laws and exposes the disclosing party to potential sanctions. Unless specifically authorized by senior management, you must maintain undisclosed material information regarding the business and affairs of the Corporation in strict confidence. The following questions should be considered prior to any disclosure being made:

1. Is the information a *material fact* or a *material change*?
2. Has the information in question been generally disclosed?
3. Is the disclosure in the necessary course of business?

Further, no one in a *special relationship* with the Corporation who has knowledge of an undisclosed *material fact* or *material change* with respect to the Corporation may recommend or encourage another person or company to purchase or sell securities of the Corporation, other than in the necessary course of business. Providing such recommendations or encouragement is in direct contravention of applicable securities laws and exposes the recommending or encouraging party to potential sanctions. The following questions should be considered prior to any recommendation or encouragement being made:

1. Do you have knowledge of a *material fact* or a *material change*?
2. Has the information in question been generally disclosed?
3. Is the recommendation or encouragement in the necessary course of business?

Where you are uncertain about any of the above questions, a member of Senior Management should be contacted prior to the disclosure of any information.

Restrictions on Trading by Persons in a *Special Relationship* with the Corporation

Persons or companies in a *special relationship* with the Corporation and who either possess or have access to *material information* regarding the business and affairs of the Corporation are prohibited from trading until the *material information* has been fully disclosed to the public and a reasonable period of time has passed for the information to be disseminated. This prohibition applies not only to trading in the securities of the Corporation but also to trading in other securities whose value might be affected by changes in the price of the Corporation's securities. Furthermore, persons or companies in a *special relationship* with the Corporation who possess material non-public information relating to the Corporation may not pass any such information onto others or recommend or encourage others to purchase or sell securities of the Corporation (*tippees*).

Persons or companies in a *special relationship* with the Corporation who, while acting for the Corporation, obtains material non-public information which relates to any other company, including customers or suppliers of the Corporation, may not buy or sell securities of that company or otherwise misuse such information.

Subject to certain limited exceptions, the applicable corporate law statutes specifically prohibit insiders from engaging in the following transactions:

- (a) selling short; or
- (b) trading in call or put options.

You should also refrain from frequent buying and selling of the securities of the Corporation for the purpose of realizing the short-term profits and should acquire securities only as a long-term investment.

As noted above under the heading "Confidentiality", persons or companies in a *special relationship* with the Corporation must not discuss or disclose any non-public information about the Corporation or its activities that may have an impact on the value of the Corporation's shares.

The restrictions on trading based on *material information* apply not only when such information is non-public, but also for a limited time after such information has been made public. The Corporation's shareholders and the investing public must be afforded time to receive and digest *material information*.

As a general rule, you should consider material information to be non-public from the time that you become aware of it until at least one (1) business day after it has been released by the Corporation to the public and, accordingly, you should not engage in any share transactions until the second business day after *material information* has been released to the public. If the information is complex or is not widely disseminated, you should consider waiting for an even longer period of time.

The restrictions on trading set forth above apply not only to a person with material information but also to members of that person's household. They are responsible for the compliance by such

persons of these restrictions and should, if necessary, review this policy with them and the general prohibitions on insider trading.

The foregoing prohibition does not include the exercise of stock options granted under the Corporation's stock option plan but does include the sale of the underlying securities. Please note that a "same day cashless exercise" of stock options funded by a broker is considered a sale of shares for this purpose.

Financial Instruments

Insiders of the Corporation are prohibited from purchasing financial instruments, including, for greater certainty, prepaid variable forward contracts, equity swaps, collars or units of exchange funds, that are designed to hedge or offset a decrease in market value of equity securities of the Corporation granted as compensation to such insiders or held, directly or indirectly by such insiders.

"Blackout" Procedures

Persons or companies in a *special relationship* with the Corporation may not trade their securities in the Corporation during the period commencing on the 10th day prior to the end of each fiscal quarter or year-end and ending at the close of business on the first trading day following the dissemination by the Corporation of such quarterly and annual results (the "**Regular Blackout Period**").

For the purposes hereof, the open or close of business shall be defined as the open or close of trading on the Exchange.

Note that the Corporation must release its interim financial statements no later than 60 days following the end of each fiscal quarter and must release its audited annual financial statements no later than 120 days following the end of its financial year end.

Notwithstanding the above, all insiders of the Corporation must provide prior notification to the Chief Financial Officer before trading in any securities of the Corporation.

All persons or companies subject to this Blackout Policy shall also observe additional "blackout periods" due to material developments which may arise, as specified from time to time by the Chief Executive Officer, Chief Financial Officer or Chairman, during which times trading shall be prohibited (the "**Special Blackout Period**").

Senior Management of the Corporation shall take reasonable precautions to ensure that access to undisclosed *material information* is restricted to those employees, officers, directors and others who must have access to such information for the purpose of performing the duties expected of them by the Corporation.

Waiver of Blackout Policy

The board of directors of the Corporation (the “**Board of Directors**”) may waive in whole or in part the Regular Blackout Period in its discretion, provided that no Special Blackout Period is then in effect.

Securities of Other Companies

In the course of the Corporation’s business, an Insider may obtain “inside information” about another publicly traded entity. Applicable securities laws prohibit trading in securities of that entity while in possession of such inside information or communicating such inside information to another person. The restrictions set out in this policy apply to any Insider with respect to trading in the securities of, and communicating inside information about, any such other entity.

Responsibility

The policies and procedures set forth herein present only a general framework within which a person or company in a *special relationship* with the Corporation may purchase and sell securities of the Corporation without violating securities laws.

You bear the ultimate responsibility for complying with securities laws.

You should therefore view this policy and the attendant procedures as the minimum criteria for compliance with insider trading laws and should obtain additional guidance when uncertainty exists regarding a contemplated transaction.

Sanctions

Failure to comply with this policy or the procedures set out herein may result in the Corporation taking appropriate disciplinary action, which may include termination of employment.

Canadian securities laws provide that breach of the prohibition against trading in securities with knowledge of undisclosed material information or providing undisclosed material information to others, in addition to civil liability for damages, may result in imprisonment for up to five years and/or a fine of up to the greater of: (i) \$5 million; and (ii) an amount equal to three times the profit obtained or loss avoided by reason of the contravention. Penalties may also be levied by Canadian securities regulatory authorities for not complying with the requirements to file insider reports.

The securities commissions in the relevant jurisdictions also have broad powers to, among other things, obtain a court order that a person comply with or cease contravening the applicable provisions of securities legislation, deny the availability of certain exemptions for trades in securities or order that trading in a reporting issuer’s securities cease.

Reporting Insiders

Certain persons and companies who are in a *special relationship* with the Corporation are also considered “reporting insiders” of the Corporation and, as such, have certain reporting obligations.

Pursuant to National Instrument 55-104 – *Insider Reporting Requirements and Exemptions* (“**NI 55-104**”), only insiders of a reporting issuer who fall within the definition of a “reporting insider” are required to file reports. “Reporting insider” is defined in NI 55-104 to include, among others:

- the CEO, CFO or COO of the reporting issuer, of a significant shareholder² of the reporting issuer or of a major subsidiary of the reporting issuer;
- a director of the reporting issuer, of a significant shareholder of the reporting issuer or of a major subsidiary³ of the reporting issuer;
- a person or company responsible for a principal business unit, division or function of the reporting issuer;
- a significant shareholder of the reporting issuer;
- a significant shareholder based on post-conversion beneficial ownership of the reporting issuer’s securities and the CEO, CFO, COO and every director of the significant shareholder based on post-conversion beneficial ownership;
- the reporting issuer itself, if it has purchased, redeemed or otherwise acquired a security of its own issue, for so long as it continues to hold that security; or
- any other insider that: (i) in the ordinary course receives or has access to information as to material facts or material changes concerning the reporting issuer before the material facts or material changes are generally disclosed; and (ii) directly or indirectly exercises, or has the ability to exercise, significant power or influence over the business, operations, capital or development of the reporting issuer.

In addition to complying with the restrictions imposed on persons and companies in a *special relationship* with the Corporation, reporting insiders of the Corporation will be required to electronically file insider reports through the System for Electronic Disclosure by Insiders (“**SEDI**”). Such reports are due within **ten** (10) days of becoming a reporting insider and thereafter within **five** (5) days of the date of a trade.

Before a reporting insider can file their insider reports on SEDI, they must register and file an insider profile. Reporting insiders can take these steps themselves or use an agent to register and

² “Significant shareholder” is defined in NI 55-104 as “a person or company that has beneficial ownership of, or control or direction over, whether direct or indirect, or a combination of beneficial ownership of, and control or direction over, whether direct or indirect, securities of an issuer carrying more than 10 per cent of the voting rights attached to all the issuer’s outstanding voting securities, excluding, for the purpose of the calculation of the percentage held, any securities held by the person or company as underwriter in the course of a distribution.”

³ “Major subsidiary” is defined in NI 55-104 as “a subsidiary of an issuer if: (a) the assets of the subsidiary, as included in the issuer’s most recent annual audited or interim balance sheet, or, for a period relating to a financial year beginning on or after January 1, 2011, a statement of financial position, are 30 per cent or more of the consolidated assets of the issuer reported on that balance sheet or statement of financial position, as the case may be, or (b) the revenue of the subsidiary, as included in the issuer’s most recent annual audited or interim income statement, or, for a period relating to a financial year beginning on or after January 1, 2011, a statement of comprehensive income, is 30 per cent or more of the consolidated revenue of the issuer reported on that statement.”

file their insider profiles and insider reports for them. For more detailed information on how to register and file insider reports on SEDI, please see **Appendix A – SEDI Filing by Insiders**.

Failure to file a report on time will result in late fees being levied on the reporting insider and may cause future regulatory filings by the Corporation to be reviewed or cleared on an untimely basis by securities regulators, thereby impairing the Corporation's access to capital markets.

Further Inquiries

Any inquiry as to the application of these policies should be directed to the Chief Financial Officer.

Acknowledgement

Each Reporting Insider must complete the form of acknowledgement attached hereto as Appendix B and return same to the Chief Financial Officer, as soon as possible.

Currency of this Mandate

This policy was last approved by the Board of Directors on August 19, 2021.

APPENDIX A

SEDI FILING BY REPORTING INSIDERS

All reporting insiders of reporting issuers (other than mutual funds) (“**SEDI Issuers**”) are required to file their insider reports through the System for Electronic Disclosure by Insiders (“**SEDI**”). SEDI is the insider trade reporting system available over the internet at www.sedi.ca.

As a reporting insider of a SEDI Issuer, you need to:

1. *register on SEDI; and*
2. *create an insider profile.*

And then on a continuous basis:

- *file insider reports within five (5) days of any change in ownership*
- *amend your profile if there is a change in the information disclosed*

SEDI Registration

Before you can file your insider reports on SEDI, you must register with SEDI. You can take these steps yourself or use an agent to register and file your insider profile and insider reports for you.

In order to register, you (or your agent) need to:

1. *go to the SEDI web site (www.sedi.ca) and click on 'Register as a SEDI User'*
2. *follow the screen instructions and complete Form 55-102F5 - Register as a SEDI user*
3. *print the completed form that is dated and time stamped, and sign it in the space provided*
4. *send the signed form to the SEDI operator at the address provided on Form 55-102F5 (email: sedi@csa-acvm.ca)*

The CSA Service Desk will then process your registration and activate your SEDI user account.

In order for any of your filings to be valid, you must complete this registration process and have your account activated by the CSA Service Desk as a SEDI user.

Password and User ID

You will be issued a password and a SEDI user ID after you complete, certify and submit your SEDI user registration on the system. The password is tied to the SEDI user ID and allows you, as that user, to log on to SEDI.

Insider Profiles

Before filing any insider reports you (or your agent) must complete and file an insider profile identifying yourself as a reporting insider and your relationship to one or more SEDI Issuers. The insider profile will consist principally of the same information that is currently required on the paper insider report. If: (i) there is a change to your name; (ii) there is a change in your relationship to a SEDI Issuer; or (iii) you cease to be a reporting insider of any SEDI Issuers, amendments to such profile must be filed within 10 days. Any other change will not be required to be filed until your next SEDI filing. Once the profile is created the insider reports must be filed through SEDI.

Access Code

In order to provide reporting insiders with the ability to control the information filed by others on their behalf, SEDI will issue each reporting insider an access code upon the filing of the insider profile. Any filing of information through SEDI on behalf of any reporting insider or issuer will require the use of the access code in order to complete a valid filing. Reporting insiders will have the ability to obtain a new access code at any time in order to retain ultimate control over filings made on their behalf.

Public Access

Except for certain confidential personal and other information, the public will be able to access: (i) insider profiles; (ii) summary reports of insider information consisting of insider profiles and insider reports; and (iii) information relating to SEDI issuers consisting of issuer profiles and supplements and issuer event reports through the SEDI website.

Additional Information

The Canadian Securities Administrators Staff Notice 55-315 – *Frequently Asked Questions about National Instrument 55-104 Insider Reporting Requirements and Exemptions* can be reviewed at http://www.osc.gov.on.ca/documents/en/Securities-Category5/csa_20100430_55-315_faq-55-104.pdf. For a complete listing of requirements, please consult National Instrument 55-102 System for Electronic Disclosure by Insiders. Additional information is posted on the SEDI website at www.sedi.ca.

APPENDIX B
ACKNOWLEDGEMENT

TO: TILT HOLDINGS INC.

(Attention: Chief Financial Officer)

**RE: INSIDER TRADING POLICY DATED APRIL 17, 2019, AS AMENDED AND
RESTATED AUGUST 19, 2021**

The undersigned hereby acknowledges receipt from you of a copy of the above-referenced policy and confirms that the undersigned has read and is familiar with and agrees to be bound thereby.

DATED this ____ day of _____, 20__.

Name: