

January 28, 2019



TILT Holdings Announces Official Closing of Standard Farms Deal

Standard Farms expands TILT's cultivation expansion in Pennsylvania, increases capabilities and offerings to cannabis consumers

CAMBRIDGE, Mass.--(BUSINESS WIRE)-- [TILT Holdings Inc.](#) ("TILT" or the "Company") (CSE: TILT) (OTC: SVVTF), a global technology and infrastructure company engaged in the research, development, manufacturing and sale of a broad range of products for the cannabis industry, announced today it has finalized the acquisition of Standard Farms LLC ("Standard Farms"). Standard Farms is a vertically integrated cannabis operator, with the majority of its operations in Pennsylvania. The Acquisition (the "Acquisition"), initially announced on December 4, 2018, further expands TILT's infrastructure platform, providing access to 13 million additional potential customers and bringing its total addressable market to over 100 million people.

Standard Farms is virtually universal in Pennsylvania—its products are carried in 95 percent of the state's dispensaries and the company has shipped over 200,000 units of product. Combining cutting edge science and cultivation, Standard Farms provides clean and pure medical cannabis products including vape cartridges, capsules and dry flower. With over 18,000 square feet of canopy and a planned extension of an additional 16,000 square feet in 2019, it will have one of the largest canopies in the State of Pennsylvania. Standard Farms was founded in 2017 in White Haven and has 45 employees.

"At TILT, our goal is to build and operate a comprehensive technology and infrastructure platform across markets where cannabis laws permit. The addition of Standard Farms' market leading operations is consistent with this goal," said Alex Coleman, Chief Executive Officer of TILT Holdings. "Standard Farms not only brings a high quality operation but also a very talented management team who will be assisting with our overall efforts. Having now completed this transaction, TILT is able to focus on the consumer in new markets such as Pennsylvania through B2C offerings where we already have a B2B presence."

"It is with pride and distinction that we close our merger with TILT—this is our most important milestone to date," said Standard Farms Co-founder and CFO, Jonathon Goldrath. "TILT will solidify Standard Farms' position as a leader in one of the fastest growing and most exciting cannabis markets in the Northeast. TILT's platform, perspective and professionalism will have a profound impact on the way in which Standard Farms' go-to-market strategy will evolve over the coming years. Alongside TILT, we are eager to raise the bar for excellence in the Commonwealth."

Consideration paid for the Acquisition is approximately US\$40M, consisting of approximately US\$12M cash and 11,090,453 shares of TILT. More information about TILT's other recent acquisitions and moves within the cannabis industry can be found [here](#).

More information about Standard Farms can be found at <https://www.standard-farms.com>.

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 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 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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