

PROPOSED SETTLEMENT OF  
TILT HOLDINGS INC. CLASS ACTION

**Did you acquire TILT Holdings Inc. securities  
between October 12, 2018 and May 1, 2019?**

**A proposed settlement may affect you. Please read this notice carefully.**

A proposed class action was commenced against TILT Holdings Inc., Alexander Coleman, Mark Herron, Michael Orr and Todd Halpern on behalf of all persons who acquired securities of TILT Holdings Inc. between October 12, 2018 and May 1, 2019.

The parties have reached a proposed settlement of the class action which is subject to approval by the Court. This notice provides information about this proposed settlement and related matters and how to opt out of the class action.

Your legal rights are affected even if you do nothing. Please read this notice carefully.

**YOUR LEGAL RIGHTS AND OPTIONS IN THIS PROPOSED SETTLEMENT**

- OPT OUT:** Submit an opt out form to **exclude** yourself from the class action and the settlement. You will be **unable to participate** in the proposed settlement if you opt out.
- OBJECT:** Remain in the class action but write to the court to express your views if you do not like the proposed settlement.
- GO TO A HEARING:** Ask to speak by Zoom Videoconference in the Ontario Superior Court of Justice about the proposed settlement on November 29, 2021.
- DO NOTHING:** Remain in the class action, do not object to or opt out of the proposed settlement, and receive benefits in the settlement if entitled.

These rights and options and the deadlines to exercise them are explained in this notice.

## **What This Notice Contains**

### **BASIC INFORMATION**

1. Why did I get this notice?
2. What is a class action lawsuit?
3. What does this lawsuit complain about?
4. Why is there a proposed settlement?

### **WHO IS INCLUDED IN THE PROPOSED SETTLEMENT?**

5. Who is included in the proposed settlement?
6. What if I am not sure whether I am included in the proposed settlement?
7. How do I exclude myself from the class action and the proposed settlement?

### **PROPOSED SETTLEMENT BENEFITS?**

8. What does the proposed settlement provide?
9. How will the lawyers be paid?
10. When will I receive my payment?
11. What am I giving up in the class action and the proposed settlement?

### **HOW TO RECEIVE A PAYMENT?**

12. How can I receive a payment?
13. How will payments be calculated?
14. What if my claim is denied?

### **THE LAWYERS REPRESENTING YOU**

15. Who are the lawyers for the plaintiff?

### **SUPPORTING OR OBJECTING TO THE PROPOSED SETTLEMENT**

16. How do I tell the court if I do not like the proposed settlement?

### **THE APPROVAL HEARING**

17. When and where will the court decide whether to approve the proposed settlement?
18. Do I have to attend the hearing?
19. May I speak at the hearing?
20. What if I do nothing?

### **GETTING MORE INFORMATION**

21. How do I get more information?

## BASIC INFORMATION

### 1. Why did I get this notice?

The Ontario Superior Court of Justice authorized this notice to let you know about the certification of the class action against TILT Holdings Inc., the proposed settlement and ancillary matters, and about all of your options before the court decides whether to give final approval to the proposed settlement. This notice explains the class action lawsuit, the proposed settlement, and your legal rights.

### 2. What is a class action lawsuit?

In a class action, one or more people called the “**Representative Plaintiff(s)**” sue on behalf of people who have similar claims. All of these people are collectively called the “**Class**” or “**Class Members**.” The court resolves the issues for everyone affected, except for those who exclude themselves from the lawsuit by opting out (explained in question 7 below).

### 3. What does this lawsuit complain about?

This lawsuit complains that TILT Holdings Inc. made misrepresentations in its public disclosure, and that when these misrepresentations were publicly corrected, persons who acquired securities of TILT Holdings Inc. between October 12, 2018 and May 1, 2019 suffered damages. None of these claims have been proven in court. **The Defendants do not admit any wrongdoing or liability.**

### 4. Why is there a proposed settlement?

The Representative Plaintiff and TILT Holdings Inc., Alexander Coleman, Mark Herron, Michael Orr and Todd Halpern have agreed to a proposed settlement agreement. By agreeing to the proposed settlement, the parties avoid the costs and uncertainty and delay of proceeding to a trial, and Class Members receive the benefits described in this notice and in the agreement. It also means that the Class Members will not need to testify in court. The Representative Plaintiff and his lawyers think the proposed settlement is in the best interests of all Class Members.

## WHO IS INCLUDED IN THE PROPOSED SETTLEMENT?

### 5. Who is included in the proposed settlement?

The proposed settlement includes:

All persons who acquired TILT Holdings Inc. securities between October 12, 2018 and May 1, 2019 (the “**Class Members**”)

If the settlement is approved, all Class Members except those who validly opt out of the class action will benefit from and be bound by the proposed settlement and will be covered by the releases in the proposed settlement. If you do not wish to be included in the class action and the settlement, you can opt out of the class action. More information about opting out of the class action is set out in question 7.

## **6. What if I am not sure whether I am included in the class action and the proposed settlement?**

If you are not sure whether you are included in the proposed settlement, you may email [tilt@kalloghlianmyers.com](mailto:tilt@kalloghlianmyers.com).

## **7. How do I exclude myself from the class action and the proposed settlement?**

You can exclude yourself from the class action and from the proposed by “**opting out**”. Opting out means you will not be bound by any order made in this class action and **will not be eligible for compensation from the proposed settlement**. You will be able to hire and pay for your own lawyer and commence your own lawsuit. If you want to commence your own lawsuit, you must Opt Out. If you Opt Out, you must abide by all applicable limitation periods and should consult a lawyer. You can opt out of the class action by filling out an Opt Out Form and providing all required information and documentation. The deadline for opting out of this class action is November 24, 2021. A copy of the Opt Out Form is available here: [www.kalloghlianmyers.com/tilt](http://www.kalloghlianmyers.com/tilt).

## **PROPOSED SETTLEMENT BENEFITS**

### **8. What does the proposed settlement provide?**

If approved, the settlement provides compensation of US\$3.65 million. More details are in a document called the Settlement Agreement, which is available at [www.kalloghlianmyers.com/tilt](http://www.kalloghlianmyers.com/tilt).

### **9. How will the lawyers be paid?**

Class Counsel is seeking court approval to be paid legal fees of 33.3% of the settlement fund plus disbursements made during the lawsuit, plus applicable tax. These fees will not be paid until the Ontario Superior Court of Justice declares that the proposed legal fees are fair and reasonable. Class Counsel will also ask for deductions to be made from the settlement fund for a small separate payment (an “honorarium”) to the Representative Plaintiff.

### **10. When will I receive my payment?**

If the settlement is approved, a Claims Administrator will be selected to process Class Member claims to a share of the settlement fund, after deductions approved by the Court. Class Members will be asked to submit an electronic Claim Form and other documentation confirming their acquisition of TILT Holdings Inc. securities, as discussed below. Once the deadline for claim form submissions has passed, the Claims Administrator will calculate each Class Member’s entitlement on a *pro rata* basis up to the value of their calculated loss, and make payment. If approved, each Class Member’s entitlement will be calculated in accordance with Plan of Distribution. The proposed Plan of Distribution is available here: [www.kalloghlianmyers.com/tilt](http://www.kalloghlianmyers.com/tilt)

## **11. What am I giving up in the class action and the proposed settlement?**

If you do not opt out of the class action, you will give up your right to sue TILT Holdings Inc., Alexander Coleman, Mark Herron, Michael Orr and Todd Halpern for alleged misrepresentations in TILT Holdings Inc.'s public disclosure between October 12, 2018 and May 1, 2019. If the proposed settlement is approved, you will be "releasing" TILT Holdings Inc., Alexander Coleman, Mark Herron, Michael Orr and Todd Halpern, which means you cannot sue them for anything at all related to misrepresentations in their public disclosure during this time. The Settlement Agreement describes the released claims with specific descriptions, so read it carefully. If you have any questions, you can talk to the law firms listed in Question 15 or you can talk to your own lawyer if you have questions about what this means.

## **HOW TO RECEIVE A PAYMENT**

### **12. How can I receive a payment?**

You can only make a claim under the proposed settlement if the proposed settlement is approved by the Ontario Superior Court of Justice. To ask for a payment you will need to complete and submit the required Claim Form and provide supporting documentation. All claims will be assessed by the Claims Administrator. Claim Forms are available at [www.kalloghlianmyers.com/tilt](http://www.kalloghlianmyers.com/tilt)

### **13. How will payments be calculated?**

The Claims Administrator will review your Claim Form and determine if you qualify for a payment. If you do, the Claims Administrator will determine the amount of your payment based on the process described in Question 10.

### **14. What if my claim is denied?**

If your claim is denied, you will receive a notice of the decision.

## **THE LAWYERS REPRESENTING YOU**

### **15. Who are the lawyers for the Plaintiff?**

The lawyers for the Plaintiff are:

- Kalloghlian Myers LLP; and
- Paul Bates.

If you want to be represented by or receive advice from another lawyer, you may hire one to appear in court for you at your own expense.

## **SUPPORTING OR OBJECTING TO THE PROPOSED SETTLEMENT**

### **16. How do I tell the court if I like, or do not like, the proposed settlement?**

You can participate in the hearing to voice your support for the proposed settlement, or, you can object to the proposed settlement if you do not like some part of it. The Court will consider your views. If you object to the proposed settlement, you must complete an Objection Form and email it to [tilt@kalloghlianmyers.com](mailto:tilt@kalloghlianmyers.com) by November 24, 2021.

The Objection Form must include the following information: (a) your name, address, and telephone number; (b) your trading records showing that you purchased TILT Holdings Inc. shares between October 12, 2018 and May 1, 2019; (c) the reason you object to the proposed settlement or ancillary matters, along with any supporting materials; and (d) your signature. If you file a Notice of Objection, you can also attend at the settlement approval hearing before the Ontario Superior Court of Justice to make an oral objection. The settlement approval hearing will be conducted by Zoom videoconference. The Zoom videoconference coordinates will be posted here: [www.kalloghlianmyers.com/tilt](http://www.kalloghlianmyers.com/tilt).

## **THE APPROVAL HEARING**

### **17. When and where will the court decide whether to approve the proposed settlement?**

The Ontario Superior Court of Justice will hold an approval hearing by Zoom Videoconference on November 29, 2021.

The hearing date and coordinates may be moved without additional notice, so it is a good idea to check [www.kalloghlianmyers.com/tilt](http://www.kalloghlianmyers.com/tilt) in advance if you are planning to attend.

At the hearing, the Ontario Superior Court of Justice will consider whether the proposed settlement, class counsel legal fees and disbursements, the plaintiff's proposed honorarium of \$5,000, and the Plan of Distribution are fair, reasonable, and in the best interests of the Class. If there are objections, the Ontario Superior Court of Justice will consider them and will listen to people who have asked to speak at the hearing. After the hearing, the Court will decide whether to approve the proposed settlement. It is not known how long these decisions will take.

### **18. Do I have to attend the hearing?**

No. Class Counsel will answer questions the Court may have. However, you or your own lawyer are welcome to attend at your own expense to participate in the hearing – either to show your support for, or to object to, the proposed settlement. If you send an objection, you do not have to come to the Court to talk about it. As long as you mailed your written objection on time, the Court will consider it. You may also have your own lawyer attend, but it is not necessary.

### **19. May I speak at the Approval Hearing?**

Yes, you may ask the Court for permission to speak at the approval hearing. To do so you must submit an Objection Form and indicate that you wish to speak at an approval hearing.

## **20. What if I do nothing?**

If you do nothing, you are choosing not to object to the proposed settlement. The approval hearing will proceed and the Court will consider whether the proposed settlement is fair, reasonable, and in the best interests of the Class without your views on the matter.

## **GETTING MORE INFORMATION**

### **21. How do I get more information?**

More details are in the Settlement Agreement. You can get a copy of the Settlement Agreement at [www.kalloghlianmyers.com/tilt](http://www.kalloghlianmyers.com/tilt). You can send your questions to [tilt@kalloghlianmyers.com](mailto:tilt@kalloghlianmyers.com).

DO NOT send any questions to or otherwise contact the Court directly.