

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT  
Pursuant to Section 13 or 15(d)  
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): April 21, 2023

**TILT HOLDINGS INC.**  
(Exact name of registrant as specified in its charter)

British Columbia  
(State or other jurisdiction  
of incorporation)

000-56422  
(Commission  
File Number)

83-2097293  
(I.R.S. Employer  
Identification Number)

2801 E. Camelback Road #180  
Phoenix, Arizona  
(Address of principal executive offices)

85016  
(Zip Code)

(623) 887-4900  
(Registrant's telephone number, including area code)

Not applicable  
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

<input type="checkbox"/>	Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.424)
<input type="checkbox"/>	Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
<input type="checkbox"/>	Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
<input type="checkbox"/>	Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act: None

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

**Item 5.02 Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers.**

*Resignation of Chief Executive Officer*

On April 21, 2023, Gary F. Santo, Jr. resigned as Chief Executive Officer (the "Resignation") of TILT Holdings Inc. (the "Company"). In connection with the Resignation, the Company and Mr. Santo entered into a Separation Agreement (the "Separation Agreement"), effective April 21, 2023 (the "Separation Date") which supersedes and replaces Mr. Santo's employment agreement dated May 13, 2021 (the "Employment Agreement") with the Company. Pursuant to the Separation Agreement, Mr. Santo is entitled to the following separation benefits:

- payment of his base salary for three months following the Separation Date;
- vesting on the Separation Date of 25% or 207,982 of the remaining unvested restricted stock units granted to him on June 1, 2021;
- subject to his eligibility and timely election of continuation coverage pursuant to the Consolidated Omnibus Budget Reconciliation Act of 1985 ("COBRA"), reimbursement of the difference between the amount of monthly health insurance premiums paid by him pre- and post-COBRA coverage until the earliest of (i) the 18-month anniversary of the Separation Date; (ii) the date he is no longer eligible to receive COBRA continuation coverage; or (iii) the date on which he receives or becomes eligible to receive substantially similar health care coverage from another employer or other source;
- reduction of the restricted period of post-termination non-solicitation obligations set forth in the Employment Agreement from twelve months to three months; and
- waiver of the post-termination non-competition obligations set forth in the Employment Agreement.

In exchange for the consideration provided in the Separation Agreement, Mr. Santo agreed to release and discharge the Company and certain related parties from claims and causes of action, including arising out of or relating to his employment by the Company or his separation from the Company. The Company has also agreed to release Mr. Santo from certain claims and causes of action arising out of or relating to his employment by the Company or his separation from the Company, other than violations of applicable federal or state criminal law or claims which a court has not approved indemnification by the Company to Mr. Santo pursuant to the existing Indemnification Agreement with Mr. Santo or has determined that indemnification is prohibited under Section 163 of the British Columbia Business Corporations Act.

The foregoing description is qualified in its entirety by reference to the full text of the Separation Agreement between the Company and Mr. Santo, which is included as Exhibit 10.1 to this Current Report on Form 8-K and is incorporated herein by reference.

*Appointment of Interim Chief Executive Officer*

The Board of Directors (the "Board") of the Company approved, effective as of April 21, 2023, the appointment of Tim Conder, a current director of the Company, as Interim Chief Executive Officer of the Company.

Mr. Conder, 40, has served as a member of the Board since October 2019. Mr. Conder served as the Chief Operating Officer of the Company from July 2019 to November 2020, the Senior Vice President of Software and Services for the Company from January 2019 to July 2019 and the President of the Company from February 2020 to October 2020. Since January 2015, Mr. Conder has served as Founder and Chief Executive Officer of Blackbird Logistics Company, a technology and logistics provider in the cannabis space. Since December 2021, Mr. Conder has served as the Chief Technology Officer of HERBL, Inc., a distributor and supply chain provider for cannabis. Mr. Conder previously co-founded Bootleg Courier Company, a bike messenger business in Reno, Nevada.

Mr. Conder previously entered into the following related party transaction with the Company, as defined by Item 404(a) of Regulation S-K. On November 30, 2020, Baker Technologies Inc. ("Baker"), an indirect wholly owned subsidiary of the Company, issued to Slam Dunk, LLC ("Slam Dunk"), in connection with the sale of Blkbrd Holdings Corp. ("Blackbird") a convertible senior secured promissory note of \$10,000,000 and up to an additional \$1,000,000 of additional funding amounts (the "Blackbird Note"). During 2020, the Company had provided a total of \$1,000,000 additional funding amounts. The Company had a note receivable as of December 31, 2020 of \$7,127,980 from Slam Dunk, a Nevada limited liability company, controlled by Mr. Conder, in relation to the Blackbird Note. Subsequent to Slam Dunk's sale of the assets and liabilities pertaining to Blackbird, the Company settled the Blackbird Note on June 11, 2021 in exchange for 36,937 class B common shares of HERBL, Inc. and \$1,500,000 in cash. Based on the \$7,900,000 fair value of the Blackbird Note, recorded by the Company immediately prior to the settlement, the Company determined the fair value of the Class B Common Stock of HERBL received to be \$6,400,000, which is equal to the difference between the Blackbird Note fair value and \$1,500,000 cash received.

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As a non-independent director, Mr. Conder does not receive any compensation for his service on the Board. The compensation terms for Mr. Conder's service as Interim Chief Executive Officer have not yet been determined and the Company expects to file an amendment to this Form 8-K within four business days after such information is determined or available.

There are no family relationships between Mr. Conder and any of the Company's officers or directors that are required to be disclosed pursuant to Item 401(d) of Regulation S-K. There are no arrangements or understandings between Mr. Conder and any other person pursuant to which Mr. Conder was selected as an officer of the Company required to be disclosed pursuant to Item 401(b) of Regulation S-K.

#### Item 8.01 Other Events

On April 24, 2023, the Company issued a press release announcing the resignation of Mr. Santo as Chief Executive Officer and appointments of Mr. Conder as Interim Chief Executive Officer and Mark Scatterday, former Chief Executive Officer and Board member of the Company, as senior advisor. A copy of the press release is filed as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated herein by reference.

#### Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
<a href="#">10.1†</a>	<a href="#">Separation Agreement dated April 21, 2023 by and between TILT Holdings Inc. and Gary F. Santo, Jr.</a>
<a href="#">99.1</a>	<a href="#">Press Release dated April 24, 2023</a>
104	Cover Page Interactive Data File – the cover page XBRL tags are embedded within the Inline XBRL document.

† In accordance with Item 601(a)(6) of Regulation S-K, certain information has been excluded from this exhibit.

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#### SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

TILT Holdings Inc.

Date: April 25, 2023

By: /s/ Timothy Conder  
Name: Timothy Conder  
Its: Interim Chief Executive Officer

April 21, 2023

Gary F. Santo, Jr.

Re: **Separation Agreement and General Release**

Dear Gary:

This letter sets forth the agreement (the "Agreement") between you and TILT Holdings Inc. (the "Company") regarding your resignation from employment with the Company, effective today, April 21, 2023 (the "Separation Date"). Except as specifically stated herein, this Agreement supersedes and replaces the Employment Agreement between you and the Company dated May 13, 2021 (the "Employment Agreement"). Capitalized terms not defined herein shall have the respective meanings ascribed to them in the Employment Agreement.

Regardless of whether you sign this Agreement, within the time period required by applicable law, you will receive payment of all wages earned through the Separation Date, including payment for all vacation days that you have earned but not used through the Separation Date. You will also be reimbursed for all approved business-related expenses, provided you provide proof of same as required by Company policy within fourteen (14) days of the Separation Date.

On the Separation Date, your employment with the Company will terminate, you will be deemed to have resigned from any and all positions and offices that you hold with the Company or any of its affiliates, without any further action required therefor, and you will no longer be eligible to participate in any of the Company's bonus plans or employee benefits plans, except as specifically provided by law, by this Agreement, or by the terms of the plans themselves.

In addition, if you timely sign (and do not rescind) this Agreement, and provided you comply with all of its terms, you will receive the separation benefits described below.

You and the Company agree as follows:

1. **Separation Benefits.** In consideration for the mutual promises set forth herein:

(a) The Company will continue to pay your current base salary for three (3) months following the Separation Date (the "Separation Pay"). The Separation Pay will be subject to applicable withholdings and deductions and made in accordance with the Company's regular payroll practices. The first installment of the Separation Pay shall be paid on the next regular Company payroll date following the expiration of the seven (7) day rescission period described in Section 14(h) below and shall include any retroactive amounts accrued.

(b) Twenty-five percent (25%), or 207,982, of the remaining unvested RSUs granted to you on June 1, 2021 shall immediately vest as of the Separation Date (the "RSU Acceleration"). The terms and conditions of the TILT Holdings Inc. Amended and Restated 2018 Stock and Incentive Plan Restricted Stock Unit Award Agreement and June 1, 2021 Notice of Restricted Stock Unit Grant remain in full force and effect.

[Signature Page to Separation Agreement]

(c) Should you be eligible for and timely elect continuation coverage pursuant to the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended ("COBRA"), for yourself, your spouse and eligible dependents, as applicable, the Company will reimburse you for the difference between the amount of monthly health insurance premiums paid by you pre-and post-COBRA coverage (the "COBRA Payments"), provided that you provide to the Company, on a monthly basis, evidence of your payment of said COBRA premium. Such reimbursement payments shall be made to you on the next regular Company payroll cycle following the Company's receipt of each month's evidence of payment of the COBRA premium. The Company shall provide such reimbursement until the earliest of: (i) the 18-month anniversary of the Separation Date; (ii) the date you are no longer eligible to receive COBRA continuation coverage; or (iii) the date on which you receive or become eligible to receive substantially similar health care coverage from another employer or other source.

(d) The Company will reduce the restricted period of your post-termination non-solicitation obligations set forth in Sections 9 and 10 of the Employment Agreement from twelve (12) months to three (3) months, and will waive entirely the non-competition obligations set forth in Section 8 of the Employment Agreement (the "Reduced Restrictions").

(e) The Company's provision of the Separation Pay, RSU Acceleration, COBRA Payments, and Reduced Restrictions (the "Separation Benefits") to you are contingent upon your compliance with the terms of this Agreement. You acknowledge and agree that the Separation Benefits are over and above anything owed to you by law, contract, or under the policies of the Company, and that they are being provided to you expressly in exchange for you entering into this Agreement.

2. **General Release.**

(a) In consideration of the mutual promises contained herein, on behalf of yourself, your agents, assignees, attorneys, heirs, executors and administrators, you agree and do release and forever discharge the Company, its predecessors, successors, assigns, parents, investors, subsidiaries and affiliates, and its and their present and former officers, directors, employees and agents, individually and in their official capacities (collectively, the "Releasees") to the greatest extent permitted by law from any and all claims and causes of action, of whatever kind or nature, known or unknown, including but not limited to those arising out of or relating to your employment by the Company or your separation from employment. This release includes, but is not limited to, any claims you may have under any federal, state, or local employment laws and any federal, state, or local laws prohibiting discrimination, harassment, or retaliation in employment, including but not limited to Title VII of the Civil Rights Act of 1964, any other provision of any of the federal Civil Rights Acts, the Americans with Disabilities Act, the Age Discrimination in Employment Act (ADEA, 29 USC §§ 623 et seq.) as amended by the Older Workers Benefit Protection Act (OWBPA, 29 U.S.C. § 621), and the Massachusetts Fair Employment Practices Act (Mass. Gen. Laws ch. 151B et seq.); claims under the Employee Retirement Income Security Act, the National Labor Relations Act, the Sarbanes-Oxley Act of 2002, the Worker Adjustment and Retraining Notification Act and any similar state law; claims under any federal, state or local leave laws, including but not limited to the Family Medical Leave Act and the Massachusetts Paid Family and Medical Leave Law; claims for unpaid salary, wages, commissions, bonuses or other compensation under any federal, state or local wage and hour laws or wage claim statutes, including but not limited to the Massachusetts Wage Act (including Mass. Gen. Laws ch. 149, §§ 148 and 150); claims alleging any legal restriction on the Company's right to terminate its employees; any personal injury claims, including without limitation, wrongful discharge, detrimental reliance, violation of privacy rights, defamation, misrepresentation, tortious interference with contract or business expectancy, and emotional distress; claims alleging breach of express or implied contract; and claims for compensatory, emotional or mental distress damages, punitive or liquidated damages, attorney fees, costs, interests or penalties.

(b) This release of claims in Section 2(a) does not include the release of your right to enforce the terms of this Agreement, any claims that cannot be released by law, or any future claims that have not arisen as of the date that you signed this Agreement. Further, you will not be waiving any rights you may have under the Company's employee benefit plans and such rights shall be governed by the terms of those plans and applicable law. For the avoidance of doubt, the release of claims in Section 2(a) does not include any claim under the workers compensation or unemployment compensation statutes, or any other claim, which, as a matter of law, cannot be released by private agreement.

(c) In exchange for the consideration provided in this Agreement, the Company irrevocably and unconditionally fully and forever waives, releases, and discharge Gary F. Santo, Jr., including his heirs, executors, representatives, administrators, agents, and assigns (collectively, the "Released Employee Parties"), from any and all claims, demands, actions, causes of actions, judgments, settlements, arbitration disputes, rights, fees, damages, debts, obligations, liabilities, and expenses (inclusive of attorneys' fees) of any kind whatsoever, whether known or unknown that the Company may have or has ever had against the Released Employee Parties, or any of them, arising out of, or in any way related to Mr. Santo's hire, benefits, employment, termination, or separation from employment with the Company by reason of any actual or alleged act, omission, transaction, practice, conduct, occurrence, or other matter from the beginning of time up to and including the date of the effective date of this Agreement. Notwithstanding the foregoing, the release set forth in this Section 2(c) shall not release the Released Employee Parties from (i) claims arising from any actions by Gary F. Santo, Jr. that constitute a violation of applicable federal or state criminal law, or (ii) claims which a court of competent jurisdiction has not approved indemnification by the Company to Gary F. Santo, Jr. pursuant to the Indemnification Agreement dated October 28, 2020 or has determined that indemnification is prohibited pursuant to Section 163 of the British Columbia Business Corporations Act.

3. **Director & Officers Insurance:** As of the Separation Date, you remain a covered insured under a directors and officers liability insurance policy held by the Company ("**D&O Policy**"). Further, the Company acknowledges and agrees to comply with its obligations pursuant to Section 5.01(4) of the Indemnification Agreement dated October 28, 2020 for a period of six (6) years from the Separation Date. Further, you shall not be responsible for any premiums or other payments under any D&O Policy.

4. **No Pending Suits.** You represent that you have not filed any lawsuit or complaint against the Company or any of the other Releasees in any court of law or administrative agency that is pending as of the date you sign this Agreement. While the release of claims in Section 2(a) nor any other provision of this Agreement is intended to preclude you from filing an administrative charge with, or testifying, assisting, or participating in an investigation, hearing, or proceeding conducted by the Equal Employment Opportunity Commission ("EEOC") or similar state agency, you further agree to waive any right to accept any monetary award obtained on your behalf from any Releasee by the EEOC or any other local, state or federal governmental agency for any claim otherwise subject to the release set forth in this Agreement, with the exception of monetary recovery on whistleblower awards.

5. **Non-Disparagement.** You agree, on behalf of yourself, your agents, assignees, attorneys, heirs, executors and administrators, except as expressly permitted in Section 3 or herein, not to make any oral or written communication publicly, on social media, or to any person or entity, including but not limited to any media outlet, industry group, or current or former customer of any Releasee, which has the effect of damaging the reputation of, or otherwise working in any way to the detriment of, the Company, the Releasees, or the Company's products and services. The Company agrees to instruct its senior management team, defined as all Vice Presidents and above, not to make any oral or written communication publicly, on social media, or to any person or entity, including but not limited to any media outlet, industry group, or current or former customer of any Releasee, which has the effect of damaging your reputation or otherwise working in any way to your detriment. Nothing in this Agreement prohibits you from reporting possible violations of federal law or regulation to any governmental agency or entity or making other disclosures that are protected under the whistleblower provisions of federal law or regulation. The Company will publicly message your separation as a voluntary resignation and will not make any communication publicly that the Company terminated your employment, that you performed your functions in bad faith, that your separation resulted from violation of Company policy or any law or regulation, or any substantially similar statement. This Section 4 is a material term of this Agreement.

6. **Return of Company Property.** By signing this Agreement, you represent that you have returned all Company property, including but not limited to (a) all physical, computerized, electronic or other types of records, documents, proposals, notes, lists, files and any and all other materials, including computerized electronic information, that refer, relate or otherwise pertain to the Company or any of its Affiliates (as defined in the Employment Agreement) that were in your possession, subject to your control or held by you for others; and (b) all property or equipment that you have been issued by the Company or any of its Affiliates during the course of your employment or property or equipment that you otherwise possessed, including any keys, credit cards, office or telephone equipment, computers (and any software, power cords, manuals, computer bag and other equipment that was provided to you with any such computers), tablets, smartphones, and other devices. You acknowledge that you are not authorized to retain any physical, computerized, electronic or other types of copies of any such physical, computerized, electronic or other types of records, documents, proposals, notes, lists, files or materials, and are not authorized to retain any property or equipment of the Company or any of its Affiliates. You further agree that you will immediately forward to the Company (and thereafter destroy any electronic copies thereof) any business information relating to the Company or any of its Affiliates that has been or is inadvertently directed to you following the date of the termination of your employment, and that you have provided the Company with account information for any credit card, phone or other account for which the Company or any of its Affiliates may have any obligation. Notwithstanding the foregoing, you may retain your Company-provided iPad Pro, provided all Company software, Confidential Information, and other Company property and information is removed from the device by the Company.

7. **Continuing Obligations.** You agree that your separation from employment is a voluntary resignation, and that nothing in this Agreement shall in any way limit your post-termination obligations under the Employment Agreement, including Sections 7, 8, 9, 10, 11, 14 and 16, which remain in full force and effect (as amended by Section 1(d) of this Agreement). You agree to comply with those obligations after the Separation Date.

8. **Confidentiality.** You promise to keep the terms of this Agreement confidential except (a) that you may disclose the terms to your immediate family and any financial or legal advisors if they agree to be bound by this confidentiality provision; and (b) to the extent disclosure is required by applicable law.

9. **Defend Trade Secrets Act Notice.** Federal law provides that you cannot be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that (a) is made (i) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (b) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. The law further provides that an individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual (i) files any document containing the trade secret under seal, and (ii) does not disclose the trade secret, except pursuant to court order.

10. **Non-Admission.** The existence and execution of this Agreement shall not be considered, and shall not be admissible in any proceeding, as an admission by the Company or the Releasees of any liability, error, violation or omission.

11. **Assistance.** You promise to assist the Company with any investigation or legal claim relating to your employment by making yourself available upon reasonable notice for interviews or testimony. If your cooperation requires you to incur expenses, the Company will reimburse you if you provide appropriate documentation.

12. **Internal Revenue Code Section 409A.** You agree that this letter agreement will be interpreted to avoid any reasonably avoidable liability under Section 409A of the Internal Revenue Code (Section 409A). You agree that if your time period to sign it (plus any revocation period) begins in one calendar year and ends in the next calendar year, you will not receive any compensation for signing the agreement until the second calendar year (even if you sign sooner). You agree that, if you are a "specified Executive" within the meaning of Section 409A, payment of your compensation for signing the agreement shall be delayed to the extent Section 409A so requires. You, not the Company, are responsible for any tax penalties imposed on you.

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13. **Reformation; Severability.** The provisions of this Agreement and the provisions of the Employment Agreement that remain in full force and effect are severable, and in the event that any provision of this Agreement shall be found by a court of competent jurisdiction to be invalid or unenforceable, the parties agree that a court shall reform such provision to render it valid and enforceable to the extent necessary to protect the Company's legitimate business interests, and that such reformation shall not affect the validity or enforceability of the remaining provisions, which shall remain valid and enforceable to the fullest extent permitted by law.

14. **Execution.** This Agreement may be executed in counterparts, each of which shall be an original, but all of which together shall constitute one agreement. A facsimile or PDF signature shall be deemed an original and valid signature.

15. **Miscellaneous.**

(a) You agree that this is an individually negotiated agreement, and not part of any continuing arrangement, plan, scheme or program.

(b) You acknowledge that this Agreement constitutes an articulation of all pay and benefits to which you are entitled, and that you are not entitled to any other payments, benefits or privileges that have not been specifically included in this Agreement.

(c) You further represent, warrant, and acknowledge that you have received all wages, bonuses, commissions, expense reimbursement, equity compensation, vacation pay or any other compensation or benefits of any kind due and owing through the Separation Date, and that you are not entitled to any additional payments or compensation except as specifically provided in this Agreement.

(d) This Agreement supersedes all prior written, verbal, or implied agreements between you and the Company, except for (i) Sections 7, 9, 10, 11, 14 and 16 of the Employment Agreement (as amended by Section 1(d) of this Agreement); (ii) the TILT Holdings Inc. Amended and Restated 2018 Stock and Incentive Plan Restricted Stock Unit Award Agreement and June 1, 2021 Notice of Restricted Stock Unit Grant; and (iii) the Indemnification Agreement dated October 28, 2020, all of which remain in full force and effect.

(e) This Agreement may not be modified except in writing signed by you and an authorized officer of the Company. This Agreement shall be construed under the laws of the Commonwealth of Massachusetts and shall be binding upon you and your heirs and personal representatives, and the Company and its agents, successors and assigns.

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(f) You acknowledge that before entering this Agreement you were offered a period of at least twenty-one (21) days to consider it and to consult with an attorney or other advisor of your choice and that, by this Agreement, you were advised to do so.

(g) You further acknowledge that you have entered into this Agreement knowingly and voluntarily, that you have read and understood this Agreement, and that no promises or representations have been made to you by any person to induce you to enter into this Agreement other than the express terms set forth herein.

(h) You may rescind your acceptance of this Agreement by providing written notice of your decision to rescind to me by email at barravecchia@cox.net. Your written notice of rescission must be received within seven (7) days of your execution of this Agreement. This Agreement shall not become effective until this rescission period has expired without your having rescinded the Agreement.

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[Signature Page Follows]

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If you choose to accept this Agreement, please sign and date below where indicated and return it to me by email at [\*\*\*] on or before **May 12, 2023**.

Sincerely,

/s/ John Barravecchia

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John Barravecchia  
Chairman of the Board of Directors  
TILT Holdings Inc.

I understand that by signing this letter agreement I am entering into an important, legally binding agreement that includes a general release of claims and other important provisions. I have carefully read and considered the letter agreement. I have had an opportunity to consult with a lawyer about it. I hereby agree to all of the terms and conditions of this letter agreement.

/s/ Gary F. Santo, Jr.

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Gary F. Santo, Jr.

Date: April 24, 2023

*[Signature Page to Separation Agreement]*

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**TILT Holdings Board of Directors Announces Leadership Change; Appoints Tim Conder as Interim CEO**

PHOENIX—April 24, 2023 TILT Holdings Inc. (“TILT” or the “Company”) (NEO: TILT) (OTCQX: TLLTF), a global provider of cannabis business solutions that include inhalation technologies, cultivation, manufacturing, processing, brand development and retail, today announced a leadership change where Gary Santo has resigned as Chief Executive Officer (“CEO”) of the Company, and board of directors (“Board”) member, Tim Conder, is appointed Interim CEO, effective April 21, 2023.

Mr. Conder has been a Board member since October 2019. Previously, Mr. Conder served as the Company’s President and Chief Operating Officer from 2019 until 2020, following TILT’s acquisition of its former business unit Blackbird, a cannabis software and services company co-founded by Mr. Conder.

In addition to Mr. Conder’s appointment as Interim CEO, the Board also announced the appointment of Mark Scatterday as a senior advisor focused on the Company’s Jupiter inhalation business. Mr. Scatterday was previously the founder of Jupiter and CEO of TILT until May 2021 and was Chair of the Board through December 2022 and a board member until February 2023. Mr. Scatterday is a significant beneficial owner of the Company’s securities and a significant holder of the Company’s outstanding debt.

“Tim has served TILT as an executive leader, director, and trusted advisor for more than four years, and is familiar with our business strategy, executive team, and financial objectives,” said TILT Board Chair, John Barravecchia. “The Board is confident in Tim’s ability to seamlessly step in to helm day-to-day operations as we conduct our search for a permanent successor. We believe that we have the right leadership in place during this transition.”

“We thank Gary for his contributions over the past two years. We will continue to prioritize serving our brand partners and customers with a renewed focus on generating free cash flow through operational excellence and purposeful capital allocation.”

**About TILT**

TILT helps cannabis businesses build brands. Through a portfolio of companies providing technology, hardware, cultivation and production, TILT services brands and cannabis retailers across 39 states in the U.S., as well as Canada, Israel, Mexico, South America and the European Union. TILT’s core businesses include Jupiter Research LLC, a wholly-owned subsidiary and leader in the vaporization segment focused on hardware design, research, development and manufacturing; and cannabis operations, Commonwealth Alternative Care, Inc. in Massachusetts, Standard Farms LLC in Pennsylvania and Standard Farms Ohio, LLC in Ohio. TILT is headquartered in Phoenix, Arizona. For more information, visit [www.tiltholdings.com](http://www.tiltholdings.com).

**Forward-Looking Information**

This news release contains forward-looking information and statements (together, “forward-looking information”) under applicable Canadian and U.S. securities laws which are based on current expectations. Forward-looking information is provided for the purpose of presenting information about TILT 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, expectations relating to the impact of the leadership change on TILT’s operations, TILT’s search for a permanent successor for the CEO role, TILT’s business strategy and growth opportunities, the opinions or beliefs of management, 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 TILT. Generally, forward-looking information can be identified by the use of forward-looking terminology such as “plans”, “expects” or “does not expect”, “is expected”, “will”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases or state that certain actions, events or results “may”, “could”, “would”, “might” or “will be taken”, “occur” or “be achieved”. 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, the ability of TILT to maximize shareholder value, current conditions and expected future developments, as well as other factors that are believed to be reasonable in the circumstances.

Although such statements are based on management’s reasonable assumptions at the date such statements are made, there can be no assurance that it will 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 risk 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 information. Such risk factors include, but are not limited to, TILT’s ability to find a permanent successor CEO, the impact of the announcement of the leadership change on TILT’s stock, performance, operations, results of operations, employees, suppliers and customers and those risks described under the heading “Item 1A Risk Factors” in the Annual Report on Form 10-K for the fiscal year ended December 31, 2022 filed by TILT with the United States Securities and Exchange Commission at [www.sec.gov](http://www.sec.gov) and on SEDAR at [www.sedar.com](http://www.sedar.com).

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