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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Check this box to indicate that a transaction was made pursuant to a contract, instruction or written plan for the purchase or sale of equity securities of the issuer that is intended to satisfy the affirmative defense conditions of Rule 10b5-1(c). See Instruction 10.

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| 1. Name and Address of Reporting Person * <u>Kelly Nathaniel Christopher</u> _____ (Last) (First) (Middle) C/O TILT HOLDINGS INC. 2801 E. CAMELBACK ROAD #180 _____ (Street) PHOENIX AZ 85016 _____ (City) (State) (Zip) | 2. Issuer Name and Ticker or Trading Symbol <u>TILT Holdings Inc. [TLLTF]</u> | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner Officer (give title below) Other (specify below) Chief Revenue Officer |
| | 3. Date of Earliest Transaction (Month/Day/Year) 08/29/2023 | |
| 4. If Amendment, Date of Original Filed (Month/Day/Year) | | |

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | | 4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5) | | | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|------------|-------------------------|---|--|---|
| | | | Code | V | Amount | (A) or (D) | Price | | | |
| Common Shares, no par value | 08/29/2023 | | M | | 140,625 | A | \$0.00 | 140,625 | D | |
| Common Shares, no par value | 08/29/2023 | | F | | 33,007 ⁽¹⁾ | D | \$0.0294 ⁽²⁾ | 107,618 | D | |

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) | | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | | 6. Date Exercisable and Expiration Date (Month/Day/Year) | | 7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4) | | 8. Price of Derivative Security (Instr. 5) | 9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4) | 10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|-----|--|-----------------|---|----------------------------|--|--|---|--|
| | | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares | | | | |
| Restricted Share Units | (3) | 08/29/2023 | | A | | 562,500 ⁽³⁾ | | (3) | (4) | Common Shares, no par value | 562,500 | \$0.00 | 562,500 | D | |
| Restricted Share Units | \$0.00 ⁽³⁾ | 08/29/2023 | | M | | 140,625 | | (3) | (4) | Common Shares, no par value | 140,625 | \$0.00 | 421,875 | D | |

Explanation of Responses:

- Represents common shares that have been withheld by the Issuer to satisfy its income tax withholding and remittance obligations in connection with the vesting and net settlement of restricted share units ("RSU") and does not represent a sale by the Reporting Person.
- The price provided in this column was calculated based on the closing price of the Issuer's common shares on Cboe Canada formerly known as the NEO Exchange on August 29, 2023 which was CAD\$0.04. The share price of CAD\$0.04 was converted to U.S. dollars using the exchange rate provided by the Bank of Canada of USD\$1.00= CAD\$1.3593 on August 29, 2023.
- Each RSU is equivalent in value to one share of the Issuer's common shares, no par value. 140,625 RSUs vested on August 29, 2023, 140,625 RSUs will vest on March 1, 2024, 140,625 RSUs will vest on March 1, 2025 and 140,625 RSUs will vest on March 1, 2026, subject to the Reporting Person's continued employment with the Issuer on each vesting date.
- RSUs do not expire; they either vest or are cancelled.

/s/ Mark Higgins as attorney-in-fact for Nathaniel Christopher Kelly 09/29/2023

** Signature of Reporting Person Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

* If the form is filed by more than one reporting person, see Instruction 4 (b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.