



ADASTRA HOLDINGS LTD.

5451 - 275 Street, Langley, BC V4W 3X8
Tel: 778-715-5011

NOTICE OF ANNUAL AND SPECIAL GENERAL MEETING

TO THE SHAREHOLDERS:

NOTICE IS HEREBY GIVEN that the annual general and special meeting (the “**Meeting**”) of shareholders of Adastra Holdings Ltd. (the “**Company**”) will be held at 900 – 885 West Georgia Street, Vancouver, British Columbia, on Thursday, September 14, 2023 at 10:00 a.m. (Vancouver time) for the following purposes:

1. to receive the audited financial statements of the Company for the fiscal year ended December 31, 2022, and the accompanying report of the auditor;
2. to set the number of directors of the Company at three (3);
3. to elect Michael Forbes, Paul Morgan and John Smoke Wallin as directors of the Company;
4. to appoint Davidson & Company LLP, Chartered Professional Accountants, as the auditor of the Company for the fiscal year ending December 31, 2023 and to authorize the directors of the Company to fix the remuneration to be paid to the auditor for the fiscal year ending December 31, 2023;
5. to amend the Articles of the Company as a special resolution to reduce the quorum requirement for the transaction of business at any meeting of the shareholders to one or more persons, present in person or by proxy;
6. to consider and, if thought fit, to pass an ordinary resolution (not including votes attaching to securities beneficially owned by related persons (as such term is defined in National Instrument 45-106 Prospectus Exemptions) to whom securities may be issued as compensation or under the Company’s Omnibus Equity Incentive Plan), to approve the adoption of the Omnibus Equity Incentive Plan, as described in the accompanying Management Information Circular (the “**Information Circular**”) and the granting of equity awards thereunder in an amount up to 20% of the Company’s total number of issued and outstanding common shares from time to time; and
7. to transact such further or other business as may properly come before the Meeting and any adjournment or postponement thereof.

The accompanying Information Circular provides additional information relating to the matters to be dealt with at the Meeting and is supplemental to, and expressly made a part of, this notice of meeting (the “**Notice of Meeting**”).

The Company’s board of directors has fixed August 8, 2023 as the record date for the determination of shareholders entitled to notice of and to vote at the Meeting and at any adjournment or postponement thereof. Each registered shareholder at the close of business on that date is entitled to such notice and to vote at the Meeting in the circumstances set out in the accompanying Information Circular.

If you are a registered shareholder of the Company and unable to attend the Meeting in person, please vote by proxy by following the instructions provided in the form of proxy at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) before the time and date of the Meeting or any adjournment or postponement thereof.

If you are a non-registered shareholder of the Company and received this Notice of Meeting and accompanying materials through a broker, a financial institution, a participant, a trustee or administrator of a retirement savings plan, retirement income fund, education savings plan or other similar savings or investment plan registered under the *Income Tax Act* (Canada), or a nominee of any of the foregoing, that holds your securities on your behalf (an “**Intermediary**”), please complete and return the materials in accordance with the instructions provided to you by your Intermediary.

Dated at Vancouver, British Columbia, this 14th day of August, 2023.

ON BEHALF OF THE BOARD OF DIRECTORS OF

ADASTRA HOLDINGS LTD.

“Michael Forbes”

Michael Forbes
Chief Executive Officer, Corporate Secretary and Director