

STEM HOLDINGS, INC.

AMENDED AND RESTATED  
NOTICE OF MEETING OF HOLDERS OF DEBENTURES  
TO BE HELD ON APRIL 7, 2020

NOTICE IS HEREBY GIVEN that the meeting (the "**Meeting**") of the holders ("**Debentureholders**") of 8.00% senior unsecured convertible debentures (the "**Debentures**") of STEM HOLDINGS, INC. (the "**Corporation**") issued and outstanding under a debenture indenture (the "**Debenture Indenture**") dated December 27, 2018 between the Corporation and Olympia Trust Company (the "**Trustee**") will be held at 11:00 AM (Toronto time) on April 7, 2020 via conference call at +1 (855) 668-7200 (Conference Code: 558916#), for the following purposes:

- (a) to consider, and if thought appropriate, to approve an extraordinary resolution ("**Extraordinary Resolution**"), the full text of which is set out in the accompanying information circular (the "**Information Circular**") to amend the Debenture Indenture to:
  - (i) reprice the Debentures from the current conversion price of C\$3.00 per share of Common Stock of the Corporation (the "**Common Shares**") to C\$1.15 per Common Share (the "**New Conversion Price**");
  - (ii) extend the maturity date of the Debentures to three years from the date of issuance; and
  - (iii) permit the Corporation to force the conversion of the principal amount of the then outstanding Debentures and any accrued and unpaid interest thereon at the New Conversion Price on not less than 30 days' prior written notice should the closing trading price of the Common Shares on the Canadian Securities Exchange exceed C\$1.90 for a period of 10 consecutive trading days; and
- (b) to transact such other business as may properly come before the Meeting or any adjournment thereof.

This amended and restated notice of Meeting amends and restates the previously delivered notice of Meeting. Additionally, the Information Circular and the form of proxy accompanying the Information Circular are hereby amended to remove all references to a physical location for the Meeting and replace such references with the conference call details set forth herein.

The Information Circular previously mailed to you provides additional information with respect to the matters to be considered at the Meeting and forms part of this notice of Meeting. Debentureholders holding Debentures as of March 13, 2020 will be entitled to vote at the Meeting.

Regardless of whether or not you are able to attend the Meeting, please date, sign and return the form of proxy accompanying the Information Circular. To be effective, forms of proxy must be received by 11:00 AM (Toronto time) on April 3, 2020, or if the Meeting is adjourned, not later than 48 hours, excluding Saturdays, Sundays and holidays of any adjournment of the Meeting.

Pursuant to the provisions of the Debenture Indenture, any extraordinary resolution passed at the Meeting or any adjournment or postponement thereof will, if passed in accordance with the provisions of the Debenture Indenture, be binding upon all Debentureholders to which the resolution related, whether present or absent at the Meeting.

DATED this 30<sup>th</sup> day of March, 2020.

BY ORDER OF THE BOARD OF DIRECTORS

*"Adam Berk"*

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Adam Berk  
Chief Executive Officer