

These materials are important and require your immediate attention. They require Debentureholders (as defined hereinafter) to make important decisions. If you are in doubt as to what decision to make, please contact your financial, legal, income tax and/or other professional advisors. If you have any questions, or require assistance with delivering your consent, please contact CLS Holdings USA, Inc., by email at shelley@ddplegal.com.

NOTICE OF MEETING

**OF 8.0% UNSECURED CONVERTIBLE DEBENTURES DUE DECEMBER 31, 2023 AND
DECEMBER 31, 2024**

OF

CLS HOLDINGS USA, INC.

TO BE HELD ON DECEMBER 29, 2023

CLS Holdings USA, Inc. (the “Corporation”) is soliciting consents and proxies from holders (the “Debentureholders”) of its 8.0% unsecured convertible debentures due December 31, 2023 and December 31, 2024 (the “Debentures”) in order to approve the proposed amendments to the Indenture (as defined below). To make these amendments, the Corporation needs the consent of Debentureholders representing not less than 66⅔% in principal amount of the outstanding Debentures under the Indenture. Your consent is important to us. If the Corporation does not reach this threshold for consent, it will hold the Meeting (as hereinafter defined) to seek approval of the proposed amendments. If you have any questions regarding the information contained in this Notice (as defined hereinafter), you may contact the Corporation, by email at shelley@ddplegal.com.

The Tabulation Agent for the Solicitation and the Depositary for Consent is:

Odyssey Trust Company
Stock Exchange Tower
1230 – 300 5th Avenue SW
Calgary AB T2P 3C4

Telephone: 1-587-885-0960

E-mail: corptrust@odysseytrust.com

TO CONSENT OR WITHHOLD CONSENT OR, IF THE MEETING IS HELD, VOTE FOR OR AGAINST THE PROPOSED AMENDMENTS TO THE INDENTURE, PLEASE COMPLETE THE APPLICABLE CONSENT AND PROXY FORM IN ACCORDANCE WITH THE INSTRUCTIONS SET OUT THEREIN AS SOON AS PRACTICABLE AND, IN ANY EVENT, NO LATER THAN 9:00 A.M. (TORONTO TIME) ON DECEMBER 27, 2023.

ONLY REGISTERED DEBENTUREHOLDERS AND THOSE AUTHORIZED BY A REGISTERED HOLDER THROUGH A DULY EXECUTED PROXY ARE PERMITTED TO COMPLETE AND DELIVER A CONSENT AND PROXY FORM AS DESCRIBED ABOVE. BENEFICIAL OR NON-REGISTERED DEBENTUREHOLDERS MUST INSTRUCT THE INTERMEDIARY WITH WHOM THEIR DEBENTURES ARE HELD, SUCH AS, AMONG OTHERS, BANKS, TRUST COMPANIES, SECURITIES DEALERS OR BROKERS BY DELIVERING A DULY EXECUTED VOTING INSTRUCTION FORM IN ACCORDANCE WITH THE INSTRUCTIONS PROVIDED BY SUCH INTERMEDIARY.

IF THE REQUISITE CONSENT FOR THE PROPOSED AMENDMENT TO THE INDENTURE IS OBTAINED FROM DEBENTUREHOLDERS PRIOR TO DECEMBER 29, 2023, PURSUANT TO THIS SOLICITATION, THEN THE CORPORATION INTENDS TO PROMPTLY CANCEL THE MEETING.

BENEFICIAL OR NON-REGISTERED DEBENTUREHOLDERS MUST CONTACT THE INTERMEDIARY WITH WHOM THEIR DEBENTURES ARE HELD, SUCH AS, AMONG OTHERS, BANKS, TRUST COMPANIES, SECURITIES DEALERS OR BROKERS AND OBTAIN AND FOLLOW THE INTERMEDIARIES' INSTRUCTIONS WITH RESPECT TO PROVIDING CONSENT.

CLS HOLDINGS USA, INC.

NOTICE OF MEETING OF DEBENTUREHOLDERS

NOTICE IS HEREBY GIVEN THAT a meeting (the “**Meeting**”) of holders (the “**Debentureholders**”) of the 8.0% unsecured convertible debentures due December 31, 2023 and December 31, 2024 (the “**Debentures**”) of CLS Holdings USA, Inc. (“**CLS Holdings**” or the “**Corporation**”) issued pursuant to an indenture dated as of December 12, 2018, as amended pursuant to a supplemental indenture dated as of March 31, 2021 and a supplemental indenture dated as of September 15, 2022 (as the same has otherwise been amended or may be amended, modified, restated, supplemented or replaced from time to time, collectively, the “**Indenture**”) will be held on Friday, December 29, 2023 at 9:00 a.m. (Toronto time) through Zoom and can be accessed through the following link:

<https://us02web.zoom.us/j/9164908479?pwd=dVV5UU5qV29pb2hDQitaTUIOVk9lZz09&omn=85957883156&from=addon>

for the following purposes:

1. To consider, and if deemed advisable, approve an Extraordinary Resolution (as such term is defined in the Indenture) of the Debentureholders to, among other things as described herein, implement the following amendments to the Indenture (collectively, the “**Amendments**”), to amend:
 - (i) to include a definition of “**CAFDS**”, meaning for any period ending on a “**Measurement Date**” (being the last day of each fiscal quarter of the Corporation commencing May 31, 2024) and for which financial statements are available, the excess of the Corporation’s gross revenues for such period, as determined in accordance with GAAP, minus the sum of the Corporation’s expenses for such period;
 - (ii) to reduce the Conversion Price from US\$0.10 to US\$0.07;
 - (iii) to amend the definition of the “**Interest Payment Date**” to mean the last day of each calendar month, and such other dates to which interest accrues and is payable pursuant to the Indenture, and to clarify, among other things, that (a) for a period (i) of 18 months from the Issue Date, and (ii) commencing on July 1, 2022 and continuing until February 28, 2025, any Interest Obligation payable under the Indenture will automatically accrue to the principal amount of the Debentures, and will thereafter be deemed to be part of the principal amount of the Debentures, and (b) with respect to interest accruing for that period commencing July 1, 2022 and continuing to December 31, 2023, the relevant Interest Payment Date shall be December 31, 2023;
 - (iv) to amend the Maturity Date to January 31, 2028;
 - (v) to include a definition of “**Measurement Date**”, meaning the last day of each fiscal quarter of the Corporation;
 - (vi) to include a provision of the Indenture regarding interest payments to provide that interest accrued from July 1, 2022 through February 28, 2025 will be capitalized on each Interest Payment Date, and will thereafter be deemed to be part of the principal amount of the Debentures, and to clarify that with respect to interest accruing for that period commencing July 1, 2022 and continuing to December 31, 2023, the relevant Interest Payment Date shall be December 31, 2023;
 - (vii) to include a provision providing for a put right (the “**Put Right**”), exercisable by the Debentureholders during the period commencing from the date on which the supplemental indenture (the “**Supplemental Indenture**”), substantially in the form attached as Schedule “A” to this Notice is entered into to and ending on December 29, 2023, which grants each Debentureholder the right to require the Corporation to redeem all or any part of such Debentureholder’s outstanding Debentures in cash, at a

redemption price equal to US\$600 per US\$1000 principal amount of Debentures elected to be redeemed. Any accrued but unpaid interest through to and including the redemption date will not be paid and will be cancelled;

(viii) to include a provision providing for a second put right (the “**CAFDS Put Right**”), exercisable by the Debentureholders during the period commencing on May 31, 2024 and ending on the Maturity Date, which grants each Debentureholder the right to require the Corporation to redeem all or any part of such Debentureholder’s outstanding Debentures in cash, at a redemption price equal to the aggregate principal amount of the Debentures being so redeemed (which aggregate amount must be in denominations of US\$1,000 or an integral multiple thereof), plus any accrued and unpaid interest thereon, if any, up to, but excluding, the applicable redemption date, if the Corporation’s CAFDS for any fiscal quarter exceeds US\$750,000 (such amount being the “**Excess Capital Amount**”), in an amount not to exceed the Excess Capital Amount with such redemption being on a *pro rata* basis in respect of all Holders who have elected to exercise such CAFDS Put Right;

(ix) to include a scheduled redemption provision, providing that the Corporation will redeem, on each Interest Payment Date (for the purposes of this paragraph, a “**Scheduled Redemption Date**”), outstanding Debentures in an aggregate amount equal to US\$108,799.73 less (i) the amount of interest paid on such Interest Payment Date, and (ii) an amount equal to amount delivered by the Corporation to the Trustee in respect of Debentureholders exercising CAFDS Put Rights in accordance with the Debenture since the immediately preceding Scheduled Redemption Date (as adjusted, the “**Scheduled Redemption Amount**”). Any redemption by the Corporation of Debentures pursuant to the said scheduled redemption provision will be on a *pro rata* basis, to the extent necessary, taking into account the Scheduled Redemption Amount;

(x) to update certain schedules and certificates appended to the Indenture in order to update references therein in order to better reflect and give due effect to the foregoing amendments; and,

(xi) to make such other conforming changes to the Indenture as are necessary or desirable to give effect to any of the foregoing Amendments,

all as more particularly described in the Supplemental Indenture, substantially in the form attached as Schedule “A” to this Notice.

2. To transact such other business as may properly come before the Meeting or any adjournment or postponement thereof.

Your vote is important.

This Notice is accompanied by a form of consent and proxy for registered Debentureholders (the “**Consent and Proxy**”) and a voting instruction form for non-registered Debentureholders (collectively, the “**Meeting Materials**”).

Debentureholders are invited to attend the Meeting virtually through Zoom using the following link:

<https://us02web.zoom.us/j/9164908479?pwd=dVV5UU5qV29pb2hDQitaTUIOVk9lZz09&omn=85957883156&from=addon>

or may be represented by proxy. Registered Debentureholders who are unable to attend the Meeting virtually are requested to complete, date and sign the accompanying Consent and Proxy and send it to the Corporation, c/o the Trustee under the Indenture, Odyssey Trust Company, Stock Exchange Tower 1230 – 300 5th Ave SW Calgary, Alberta, T2P 3C4. Non-registered Debentureholders who receive the Meeting Materials through their broker or other intermediary should complete and send the voting instruction form in accordance with the instructions provided.

The Board of Directors of the Corporation has, by resolution, fixed the close of business on December 6, 2023 as the record date for the determination of holders of Debentures entitled to receive notice of, and to vote at, the Meeting and any adjournment or postponement thereof. The Board of Directors of the Corporation has, by resolution, fixed 9:00 a.m. (Toronto time) on December 27, 2023, or no later than 48 hours (excluding Saturdays, Sundays and holidays) before the time of any adjournment(s) or postponement(s) of the Meeting, as the time before which proxies to be used or acted upon at the Meeting or any adjournment or postponement thereof must be deposited with the trustee for the Debentures.

Pursuant to the provisions of the Indenture, Debentureholders are to vote on any Extraordinary Resolution at a meeting of Debentureholders and as such, the favourable votes of the Debentureholders of not less than 66 $\frac{2}{3}$ % of the aggregate principal amount of the Debentures present or represented by proxy at a meeting at which a quorum is present (or represented by proxy) and voted upon on a poll on such resolution will be required in order to effect such Extraordinary Resolution, unless, the holders of, collectively, not less than 66 $\frac{2}{3}$ % in principal amount of the outstanding Debentures, consent to the proposed amendments to the Indenture by an instrument duly executed in writing prior to December 29, 2023, pursuant to this solicitation, in which case, the Corporation intends to promptly cancel the Meeting. The Extraordinary Resolution will be binding upon all Debentureholders, whether present at, or absent from, the Meeting.

If the Amendments are approved by the Debentureholders in the manner described above, the Corporation and Odyssey Trust Company, the Trustee, intend to execute a supplemental indenture to the Indenture (the "Amending Agreement") containing and implementing the proposed Amendments, substantially in the form contained in Schedule "A" hereto. If the Amendments are not approved by the Debentureholders in the manner described above, or this solicitation is terminated or withdrawn for any reason, the proposed Amendments will not become effective.

DATED at Toronto, Ontario, this 7th day of December, 2023.

BY ORDER OF THE BOARD

"Andrew Glashow"

Andrew Glashow
CEO and Chairman

GENERAL MATTERS

General

This Notice is furnished in connection with the solicitation of proxies by and on behalf of the management of the Corporation for use at the Meeting. Other than as set forth herein, no person has been authorized to give any information or make any representation in connection with the Amendments or any other matters to be considered at the Meeting other than those contained in this Notice and, if given or made, any such information or representation must not be relied upon as having been authorized.

The Meeting will be conducted in a virtual format. Debentureholders are urged to vote on the matters in advance of the Meeting by proxy and to participate in the Meeting virtually through Zoom using the following link:

<https://us02web.zoom.us/j/9164908479?pwd=dVV5UU5qV29pb2hDQitaTUIOVk9lZz09&omn=85957883156&from=addon>

Except as otherwise stated, the information contained in this Notice is given as of December 7, 2023.

The Consent and Proxy forwarded to Debentureholders with the Notice confers discretionary authority upon the proxy nominees with respect to Amendments or variations of matters identified in this Notice or other matters which may properly come before the Meeting.

This Notice does not constitute an offer to sell, or a solicitation of an offer to purchase, Debentures in connection with the Amendments, or the solicitation of a proxy, in any jurisdiction, to or from any person to whom it is unlawful to make such offer, solicitation of an offer or proxy solicitation in such jurisdiction. The delivery of this Notice does not under any circumstances imply or represent that there has been no change in the information set forth herein since the date of this Notice.

Debentureholders should not construe the contents of this Notice as legal, tax or financial advice and should consult with their own professional advisors in considering the relevant legal, tax, financial or other matters contained in this Notice.

THIS TRANSACTION HAS NOT BEEN APPROVED OR DISAPPROVED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION (THE "SEC"), ANY UNITED STATES FEDERAL OR STATE SECURITIES ADMINISTRATOR, OR ANY SECURITIES REGULATORY AUTHORITY IN CANADA, NOR HAS THE SEC, ANY UNITED STATES FEDERAL OR STATE SECURITIES ADMINISTRATOR, OR ANY SECURITIES REGULATORY AUTHORITY IN CANADA PASSED UPON THE ACCURACY OR ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE.

THE MEETING

The Corporation and Odyssey Trust Company, as Trustee (the “**Trustee**”), have entered into an indenture dated as of December 12, 2018, as amended pursuant to a supplemental indenture dated as of March 31, 2021 and a supplemental indenture dated September 15, 2022 (as the same has otherwise been amended or may be amended, modified, restated, supplemented or replaced from time to time, collectively, the “**Indenture**”) pursuant to which the Corporation has issued 8.0% unsecured convertible debentures currently due December 31, 2023 and December 31, 2024 (the “**Debentures**”).

This document has been prepared in connection with the solicitation of proxies by or on behalf of the management of CLS Holdings USA, Inc. (“**CLS Holdings**” or the “**Corporation**”) for use at the meeting or adjourned meeting duly reconvened in accordance with the Indenture (the “**Meeting**”), of holders of Debentures (the “**Debentureholders**”) to be held on Friday, December 29, 2023 at 9:00 a.m. (Toronto time), at the time and place and for the purposes set forth above and any adjournment or postponement thereof.

Solicitation of Proxies

The enclosed Consent and Proxy is being solicited by the management of the Corporation for use at the Meeting. Proxies may be solicited by mail, telephone, email, facsimile or other electronic means. Proxies may be solicited personally by directors or regular employees of the Corporation. These persons will receive no compensation for such solicitation other than their regular fees or salaries. The Corporation may also, upon request, reimburse brokers and other persons holding shares as nominees for their reasonable costs incurred in sending proxy material to beneficial owners of Debentures. The Corporation may also retain agents to assist in soliciting proxies, who may be paid a fee for such services. The cost of solicitation of proxies will be paid by the Corporation.

The Board of Directors of the Corporation (the “**Board**”) has, by resolution, fixed the close of business on December 6, 2023 (the “**Record Date**”) as the record date for the determination of the holders of Debentures entitled to notice of, and to vote at, the Meeting and any adjournment or postponement thereof. Debentureholders at the close of business on the Record Date will be entitled to vote in person or by proxy at the Meeting or at any adjournment or postponement thereof (subject, in the case of voting by proxy, to the timely deposit of a properly completed, signed and dated proxy with the Trustee as specified herein).

The Board has, by resolution, fixed 9:00 a.m. (Toronto time) on December 27, 2023, or no later than 48 hours (excluding Saturdays, Sundays and holidays) before the time of any adjournment or postponement of the Meeting, as the time before which proxies to be used or acted upon at the Meeting or any adjournment or postponement thereof must be deposited with the Trustee at Stock Exchange Tower 1230 – 300 5th Ave SW Calgary, Alberta, T2P 3C4 Attention: Dan Sander. The Chairman of the Meeting may extend or waive the proxy deadline without notice.

These materials are being sent to all non-registered owners of the securities. If you are a non-registered owner, your name and address and information about your holdings of securities, have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf.

Please return your voting instructions as specified in the request for voting instructions.

Appointment and Revocation of Proxies

The persons named in the enclosed Consent and Proxy are officers and/or directors of the Corporation. **A Debentureholder desiring to appoint some other person or entity to represent him, her or it at the Meeting may do so by inserting such person or entity’s name in the blank space provided in the Consent and Proxy or by completing another proper form of proxy and, in either case,**

depositing the completed proxy at the office of the Trustee, as indicated in the instructions accompanying or included in the form of proxy, not later than the time specified in this Notice.

In addition to revocation in any other manner permitted by law, a Debentureholder may revoke a proxy given pursuant to this solicitation by depositing an instrument in writing (including another proxy bearing a later date) executed by the Debentureholder or by an attorney authorized in writing to the Trustee at Stock Exchange Tower 1230 – 300 5th Ave SW Calgary, Alberta, T2P 3C4 Attention: Dan Sander at any time up to and including two business days preceding the day of the Meeting.

Meeting Procedures

The Meeting will be conducted in a manner substantially similar to the way the Corporation conducts its meetings of shareholders, including as required under the Corporation's constating documents and applicable law, as modified by the Indenture and for the fact that the Debentures are debt securities without general voting rights.

The Meeting will be conducted as a virtual meeting of Debentureholders through Zoom and can be accessed using the following link:

<https://us02web.zoom.us/j/9164908479?pwd=dVV5UU5qV29pb2hDQitaTUIOVk9lZz09&omn=85957883156&from=addon>

Quorum

A quorum of the Debentureholders is required to transact business at the Meeting. Pursuant to the Indenture, the quorum requirement for the Meeting will be satisfied and the Meeting will be properly constituted where there are present in person or represented by proxy at the Meeting Debentureholders representing at least 25% of the outstanding principal amount of the Debentures.

Voting of Proxies

The persons named in the accompanying Consent and Proxy Form will vote the Debentures in respect of which they are appointed in accordance with the direction of the Debentureholders appointing them. **In the absence of such direction, such Debentures will be voted in favour of the passing of all the matters and resolutions described below. The accompanying Consent and Proxy Form confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified herein and with respect to other matters which may properly come before the applicable Meeting.** As of the date hereof, management knows of no such amendments, variations or other matters to come before the Meeting. However, if any other matters that are not now known to management should properly come before the Meeting, the Consent and Proxy will be voted on such matters in accordance with the best judgment of the named proxies.

A proxy will not be valid unless it is signed by the registered Debentureholder, or by the registered Debentureholder's attorney with proof that they are authorized to sign. If you represent a registered Debentureholder that is a corporation, your proxy must be executed by an officer or an attorney, authorized in writing. If you execute a proxy as an attorney for an individual registered Debentureholder, or as an officer or attorney of a registered Debentureholder that is a corporation, you must include the original or notarized copy of the written authorization for the officer or attorney with your proxy form.

Non-Registered Holders

Only registered Debentureholders or the persons they appoint as their proxies are permitted to vote at the Meeting. However, in many cases, Debentures beneficially owned by a holder who is not a registered Debentureholder (a "**Non-Registered Debentureholder**") are registered either: (i) in the name of an intermediary with whom the Non-Registered Debentureholder deals in respect of the Debentures such as, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered Registered Retirement Savings Plans, Registered Retirement

Income Funds, Registered Education Savings Plans and similar plans (an “**Intermediary**”); or (ii) in the name of a clearing agency (such as CDS & Co., of which the Intermediary is a participant).

There are two kinds of Non-Registered Debentureholders: those who object to their name being made known to the issuers of securities which they own, and those who do not object to the issuers of the securities they own knowing who they are. In accordance with procedures used for communicating with beneficial securityholders used by public companies, the Corporation will distribute copies of this Notice and a Voting Instruction Form (as defined below) (collectively, the “**Mailed Materials**”) to the clearing agencies and Intermediaries for distribution to Non-Registered Debentureholders.

If you are a non-objecting Non-Registered Debentureholder, and the Corporation or its agent has sent the Mailed Materials directly to you, your name and address and information about your holdings of Debentures have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding the Debentures on your behalf.

Non-Registered Debentureholders will be given, in substitution for the Consent and Proxy otherwise contained in the proxy-related materials, a request for voting instructions (the “**Voting Instruction Form**”) which, when properly completed and, if applicable, signed by the Non-Registered Debentureholder and returned to the Intermediary or the Corporation, as applicable, will constitute voting instructions which the Intermediary or the Corporation, as applicable, must follow. The purpose of this procedure is to permit Non-Registered Debentureholders to direct the voting of the Debentures they beneficially own. Should a Non-Registered Debentureholder who receives the Voting Instruction Form wish to vote at the Meeting in person (or have another person attend the vote on behalf of the Non-Registered Debentureholder), the Non-Registered Debentureholder should so indicate in the place provided in the Voting Instruction Form for that purpose and a form of legal proxy will be sent to the Non-Registered Debentureholder by the intermediary. Every Intermediary has its own mailing procedures and provides its own return instructions, which should be carefully followed by Non-Registered Debentureholders in order to ensure that their Debentures are voted at the Meeting. If you have any questions respecting the voting of Debentures held through a broker or other Intermediary, please contact the broker or other Intermediary for assistance. The Corporation cannot issue legal proxies to Non-Registered Debentureholders to vote at the Meeting in person.

THE AMENDMENTS

Background to the Amendments

Management and the Board regularly review and evaluate the Corporation’s capital structure and strategic alternatives relating to the Debentures and other obligations of the Corporation with a view to meeting the Corporation’s financial obligations and enhancing securityholder value. As noted, the maturity date for the Debentures is currently December 31, 2023 for 50% of the outstanding principal amount and December 31, 2024 for all remaining principal amount of the Debentures. The Indenture also requires the Corporation to pay, subject to the terms thereof: (i) on December 31, 2023, one-third of the total scheduled accrued interest on the Debentures for the period from July 1, 2022 until December 31, 2024; and (ii) on December 31, 2024, the balance of the accrued interest on the Debentures for the said period. However, the Corporation does not anticipate being in a position to repay the principal amount of the Debentures and accrued interest payable thereon with cash on hand when they become due. Notwithstanding the efforts of management, the Corporation has not been able to secure commercially reasonable re-financing terms to facilitate repayment of the Debentures. As a result, management approached a number of Debentureholders regarding available alternatives and the need for the Corporation to reduce its overall debt and strengthen its balance sheet in order to position it for future financial success, with such discussions resulting in this request by the Corporation for approval of the Amendments by Debentureholders in accordance with the terms of the Indenture.

Effective Date of the Amendments

If the Extraordinary Resolution as contemplated herein is approved by Debentureholders, the Amendments (as defined below) will become effective on the date the Corporation and the Trustee

enter into a supplemental indenture providing for the Amendments (the “**Supplemental Indenture**”). Although the Corporation anticipates entering into the Supplemental Indenture on or about December 29, 2023, following receipt of approval of the Debentureholders as contemplated hereunder, it is not possible to state with certainty when the effective date of the Amendments will occur. The effective date of the Amendments could be delayed for a number of reasons. **Although the Corporation intends to enter into the Supplemental Indenture as soon as possible following approval of the Extraordinary Resolution, the Board will retain the discretion, without further notice to, or approval of, the Debentureholders, to revoke the Extraordinary Resolution at any time prior to the Corporation entering into the Supplemental Indenture.**

Grant of Security

In order to permit the Corporation to grant a security interest in any of the assets that form part of its Nevada operations, the Nevada Cannabis Control Board (“**CCB**”) must receive notice in advance of the proposed grant of the security interest, and the CCB reserves the right to vet the recipients thereof (including the Trustee and all Debentureholders). The Corporation will use commercially reasonable efforts to obtain all necessary regulatory approvals to permit it to grant to Debentureholders a security interest (“**Security**”) in certain of its select assets, such as its licenses, inventory (including work in process), equipment (excluding equipment subject to leases or purchase money financing) and contract rights (excluding investments in entities other than wholly owned subsidiaries); however, the grant of the Security will be subject to CCB approval, which has not yet been requested or received. The Corporation will notify the CCB of its intent to grant the Security only if Debentureholders have approved the Amendments as described herein. It is not possible to state with certainty when the effective date of the grant of the Security will occur, if at all. The grant of the Security is subject to the risk that CCB approval for the grant may not be received at all, or may be received with burdensome conditions for the Corporation and/or one or more of the Debentureholders that are not commercially reasonable to comply with and/or may be outside the control of the Corporation. In the event the Security is ultimately granted to Debentureholders, the Corporation will retain the ability to subsequently grant a security interest in the same assets comprising the Security to other debtholders of the Corporation whether existing on the date hereof or incurred by the Corporation in the future, and which debts are currently secured or may be secured in the future.

The amendments described in this Notice, if approved, shall be effective even if the CCB does not approve the security interest and the Supplemental Indenture may not address the Security.

Interests of Certain Persons in the Amendments

As at the date of this Notice, none of the directors or executive officers of the Corporation own any Debentures.

PARTICULARS OF MATTERS TO BE ACTED UPON

Text of Extraordinary Resolution

Debentureholder Extraordinary Resolution

“WHEREAS:

- A. Reference is made to the 8.0% unsecured convertible debentures due December 31, 2023 and December 31, 2024 (the “**Debentures**”) of CLS Holdings USA, Inc. (the “**Corporation**”) issued pursuant to an indenture dated as of December 12, 2018, between the Corporation and Odyssey Trust Company, as trustee (the “**Trustee**”) (as amended pursuant to a supplemental indenture dated as of March 31, 2021 and a supplemental indenture dated as of September 15, 2022, the “**Indenture**”).
- B. Terms used, but not otherwise defined, herein have the meanings ascribed to them in the Indenture.

- C. The Indenture provides for various powers that may be exercised at a meeting of the holders of the Debentures (the “**Debentureholders**”) by way of Extraordinary Resolution (which includes an instrument in writing signed by the holders of 66 2/3% of the principal amount of all outstanding Debentures), and further, provides that the Debentureholders may assent to any modification of, or change in, or addition to, or omission from, the provisions contained in the Indenture or any Debenture which shall be agreed to by the Corporation and may authorize the Trustee to concur in and execute any indenture supplemental hereto embodying any modification, change, addition or omission.
- D. The Corporation desires to amend the Indenture to implement the following amendments to the Indenture (collectively, the “**Amendments**”):
- (i) to include a definition of “**CAFDS**”, meaning for any period ending on a “**Measurement Date**” (being the last day of each fiscal quarter of the Corporation commencing May 31, 2024) and for which financial statements are available, the excess of the Corporation’s gross revenues for such period, as determined in accordance with GAAP, minus the sum of the Corporation’s expenses for such period;
 - (ii) to reduce the Conversion Price from US\$0.10 to US\$0.07;
 - (iii) to amend the definition of the “**Interest Payment Date**” to mean the last day of each calendar month, and such other dates to which interest accrues and is payable pursuant to the Indenture, and to clarify, among other things, that (a) for a period (i) of 18 months from the Issue Date, and (ii) commencing on July 1, 2022 and continuing until February 28, 2025, any Interest Obligation payable under the Indenture will automatically accrue to the principal amount of the Debentures, and will thereafter be deemed to be part of the principal amount of the Debentures, and (b) for that period commencing July 1, 2022 and continuing to December 31, 2023, the relevant Interest Payment Date shall be December 31, 2023;
 - (iv) to amend the Maturity Date to January 31, 2028;
 - (v) to include a definition of “**Measurement Date**”, meaning the last day of each fiscal quarter of the Corporation;
 - (vi) to include a provision of the Indenture regarding interest payments to provide that interest accrued from July 1, 2022 through February 28, 2025 will be capitalized on each Interest Payment Date, and will thereafter be deemed to be part of the principal amount of the Debentures, and to clarify that with respect to interest accruing for that period commencing July 1, 2022 and continuing to December 31, 2023, the relevant Interest Payment Date shall be December 31, 2023;
 - (vii) to include a provision providing for a put right (the “**Put Right**”), exercisable by the Debentureholders during the period commencing from the date on which the Supplemental Indenture (as defined below) is entered into to and ending on December 29, 2023, which grants each Debentureholder the right to require the Corporation to redeem all or any part of such Debentureholder’s outstanding Debentures in cash, at a redemption price equal to US\$600 per US\$1000 principal amount of Debentures elected to be redeemed. Any accrued but unpaid interest through to and including the redemption date will not be paid and will be cancelled;
 - (viii) to include a provision providing for a second put right (the “**CAFDS Put Right**”), exercisable by the Debentureholders during the period commencing on May 31, 2024 and ending on the Maturity Date, which grants each Debentureholder the right to require the Corporation to redeem all or any part of such Debentureholder’s outstanding Debentures in cash, at a redemption price equal to the aggregate principal amount of the Debentures being so redeemed (which aggregate amount must be in denominations of US\$1,000 or an integral multiple thereof), plus any accrued and unpaid interest thereon, if any, up to, but excluding, the applicable redemption date, if the Corporation’s CAFDS for any fiscal quarter exceeds US\$750,000 (such amount being the

“**Excess Capital Amount**”), in an amount not to exceed the Excess Capital Amount with such redemption being on a *pro rata* basis in respect of all Holders who have elected to exercise such CAFDS Put Right;

(ix) to include a scheduled redemption provision, providing that the Corporation will redeem, on each Interest Payment Date (for the purposes of this paragraph, a “**Scheduled Redemption Date**”), outstanding Debentures in an aggregate amount equal to US\$108,799.73 less (i) the amount of interest paid on such Interest Payment Date, and (ii) an amount equal to amount delivered by the Corporation to the Trustee in respect of Debentureholders exercising CAFDS Put Rights in accordance with the Debenture since the immediately preceding Scheduled Redemption Date (as adjusted, the “**Scheduled Redemption Amount**”). Any redemption by the Corporation of Debentures pursuant to the said scheduled redemption provision will be on a *pro rata* basis, to the extent necessary, taking into account the Scheduled Redemption Amount;

(x) to update certain schedules and certificates appended to the Indenture in order to update references therein in order to better reflect and give due effect to the foregoing amendments; and,

(xi) to make such other conforming changes to the Indenture as are necessary or desirable to give effect to any of the foregoing Amendments,

all as more particularly described in the Supplemental Indenture, substantially in the form attached as Schedule “A” to this Notice.

- E. Changes to the terms of the Debentures and amendments to the Indenture of this nature must be approved by way of an Extraordinary Resolution pursuant to Article 12 of the Indenture.

BE IT RESOLVED, AS AN EXTRAORDINARY RESOLUTION OF THE DEBENTUREHOLDERS, THAT:

1. The Debentureholders hereby authorize, consent to and approve the Amendments to the Indenture contained in the draft supplemental indenture (the “**Supplemental Indenture**”), substantially in the form attached as Schedule “A” to this Notice, subject to such further changes and amendments thereto as may be approved by the Corporation and the Trustee pursuant to subparagraph 3 below.
2. The Debentureholders hereby approve the form of the exercise notices for each of the Put Right and the CAFDS Put Right, each substantially in the form attached as Schedule “A” and Schedule “B”, respectively, to the Supplemental Indenture, subject to such further changes and amendments thereto as may be approved by the Corporation and the Trustee pursuant to subparagraph 3 below.
3. The Corporation and the Trustee are hereby authorized and directed by the Debentureholders to enter into, execute, deliver and perform all of their respective obligations under the Supplemental Indenture, subject to such further changes and amendments as may be approved by the Corporation and the Trustee pursuant to subparagraph 3 below, and when so executed, the Supplemental Indenture shall be conclusively deemed to be approved and authorized by, and referred to in, these resolutions.
4. All additional amendments to the Indenture reasonably necessary or desirable to give effect to the Amendments and the foregoing be and are hereby approved by the Debentureholders. The Trustee and the Corporation are each authorized and directed by the Debentureholders to further amend the Supplemental Indenture, or enter into any further supplemental indenture, as the case may be, as may be deemed necessary or advisable in connection with the foregoing.
5. The Debentureholders hereby authorize and direct the Trustee and the Corporation to execute and deliver all such other agreements, consents and documents and to do all such other acts and things

as may be necessary or desirable to give effect to this Extraordinary Resolution, or in connection with the performance by the Trustee and the Corporation of its respective obligations pursuant to the Supplemental Indenture, or as may otherwise be required or desirable from time to time to facilitate the treatment of the Debentures contemplated in the Supplemental Indenture,

6. Pursuant to Section 12.3(f) of the Indenture, the Debentureholders hereby waive, and hereby direct the Trustee to waive, any Default or Event of Default arising solely due to the Corporation's failure to deliver to the Trustee a certified cheque or wire transfer, whether deposited in the applicable Maturity Account or otherwise, in an amount sufficient to pay the cash amount payable in respect of the Debentures due for redemption on December 31, 2023, and all accrued and unpaid interest thereon, in accordance with Section 2.10 of the Indenture.
7. Notwithstanding that this Extraordinary Resolution has been passed by the Debentureholders, the Corporation is authorized, without further notice to or approval of the Debentureholders, to not proceed with the Amendments."

APPROVAL

The Board has approved the contents of this Notice and the sending thereof to the Corporation's Debentureholders.

ON BEHALF OF THE BOARD

"Andrew Glashow"

Andrew Glashow
CEO and Chairman
December 7, 2023

SCHEDULE "A"
SUPPLEMENTAL INDENTURE

(See attached)

THIS SUPPLEMENTAL INDENTURE dated as of [●], 202[●]

BY AND AMONG: **CLS HOLDINGS USA, INC.**, a corporation governed by the laws of the State of Nevada

(the “**Corporation**”)

AND: **ODYSSEY TRUST COMPANY**, a trust company existing under the laws of the Province of Alberta

(the “**Trustee**”)

WHEREAS:

A. The Corporation and the Trustee executed a debenture indenture dated as of December 12, 2018 (as amended on March 31, 2021 and September 15, 2022, the “**Indenture**”) providing for the issue of convertible debentures (the “**Debentures**”).

B. **[At a meeting held on ● / Pursuant to a consent resolution signed by holders of at least 66 2/3% of the outstanding principal amount of Debentures]**, the holders of the Debentures approved an Extraordinary Resolution (as such term is defined in the Indenture) to effect amendments to the Indenture to, *inter alia*: (i) change the maturity date of the Debentures to January 31, 2028, (ii) amend the Conversion Price (as such term is defined in the Indenture) to US\$0.07 per Unit (as such term is defined in the Indenture), (iii) capitalize all accrued interest and amend the payment terms with respect to interest payable on the Debentures, (iv) amend the principal payment terms and to provide for separate quarterly cash payment to Debenture holders based on excess cash available to the Corporation at the end of each such fiscal quarter, and (v) provide holders of Debentures with the rights (the “**Put Rights**”) to cause the Corporation to redeem all, or a portion of, their outstanding Debentures as more particularly provided for herein.

C. Section 12.2 of the Indenture provides for the creation of indentures supplemental to the Indenture, including to give effect to the above-noted Extraordinary Resolution.

D. The foregoing recitals are made as representations of the Corporation and not by the Trustee.

E. The Trustee has agreed to enter into this Supplemental Indenture and to hold all rights, interests and benefits contained herein for and on behalf of those persons who are holders of Debentures issued pursuant to the Indenture as modified by this Supplemental Indenture from time to time.

NOW THEREFORE THIS SUPPLEMENTAL INDENTURE WITNESSES that for good and valuable consideration mutually given and received, the receipt and sufficiency of which are hereby acknowledged, it is hereby agreed and declared as follows:

1. This Supplemental Indenture is supplemental to the Indenture and the Indenture shall henceforth be read in conjunction with this Supplemental Indenture and all the provisions of the Indenture, except only insofar as the same may be inconsistent with the express

provisions hereof, shall apply and have the same effect as if all the provisions of the Indenture and of this Supplemental Indenture were contained in one instrument and the terms and expressions used herein shall have the same meaning as is ascribed to the corresponding terms and expressions in the Indenture.

2. On and after the date hereof, each reference to the Indenture, as amended by this Supplemental Indenture, “this Indenture”, “this indenture”, “herein”, “hereby”, “hereunder”, “hereof” and similar references, and each reference to the Indenture in any other agreement, certificate, document or instrument relating thereto, shall mean and refer to the Indenture as amended hereby. Except as specifically amended by this Supplemental Indenture, all other terms and conditions of the Indenture shall remain in full force and unchanged.
3. Section 1.1 of the Indenture is amended to add the definition of “**CAFDS**” as follows:

“**CAFDS**” means, for any period ending on a Measurement Date and for which financial statements are available, the excess of the Corporation’s gross revenues for such period, as determined in accordance with GAAP, minus the sum of the Corporation’s expenses for such period, such expenses including, without limitation:

- (a) additions to property and equipment, net of lease incentives received in such period;
- (b) additions to intangible assets in such period;
- (c) repayment of long-term debt made in such period, excluding the principal amount of Debentures redeemed pursuant to Section 3.9 hereof during such period;
- (d) any payments made with respect to earn-out or similar arrangements existing as of December 31, 2023; and
- (e) any payments otherwise due and payable to the Holders pursuant to the terms of this Indenture;

in each case, such expenses calculated in accordance with GAAP.”

4. Section 1.1 of the Indenture is amended to replace the definition of “Conversion Price” with the following:

“**Conversion Price**” means US\$0.07 per Unit, subject to adjustment in accordance with the provisions of Section 4.6;”
5. Section 1.1 of the Indenture is amended to replace the definition of “Interest Payment Date” with the following:

“**Interest Payment Date**” means, subject to Section 2.3(4), the last day of each calendar month, and such other dates to which interest accrues and is payable pursuant to Section 2.3, it being acknowledged that (a) for a period (i) of 18 months from the Issue Date, and (ii) commencing on July 1, 2022 and continuing until February 28, 2025, any Interest Obligation payable hereunder shall automatically accrue to the principal amount of the Debentures, and shall thereafter be deemed to be part of the principal amount of the Debentures, and (b) for that period

commencing on July 1, 2022, and continuing up to and including December 31, 2023, such Interest Payment Date shall be December 31, 2023;”

6. Section 1.1 of the Indenture is amended to replace the definition of “Maturity Date” with the following:

“**Maturity Date**” means January 31, 2028;”

7. Section 1.1 of the Indenture is amended to add a definition of “Measurement Date” after the definition of “Maturity Date” as follows:

“**Measurement Date**” means the last day of each fiscal quarter of the Corporation;”

8. Subsection 2.3(4) of the Indenture is deleted in its entirety and replaced with the following:

“For a period (i) of 18 months from the Issue Date, and (ii) commencing on July 1, 2022 and continuing until February 28, 2025, any Interest Obligation payable hereunder shall automatically accrue on each Interest Payment Date to the principal amount of the Debentures, and shall thereafter be deemed to be part of the principal amount of the Debentures, provided, however, that notwithstanding anything herein to the contrary, Interest Obligations accruing and unpaid for that period commencing on July 1, 2022, and continuing up to and including December 31, 2023, shall be payable as of December 31, 2023, in accordance with this Section 2.3(4).”

9. Subsection 2.3(5) of the Indenture is deleted in its entirety.

10. New Section 3.8 of the Indenture is added as follows:

“(a)

(i) At any time during the period beginning on [●], 202[●]¹ and ending on December 29, 2023 (the “**Put Right Period**”) each Holder shall have the right (the “**Put Right**”) to require the Corporation to redeem, on the date which is not later than four (4) Business Days following the end of the Put Right Period, and provided such Holder delivers to the Trustee written notice of exercise of the Put Right (the “**Put Right Exercise Notice**”), in the form of notice attached as Schedule “A” hereto, duly executed by the holder or their executors or administrators or other legal representatives or their attorney duly appointed by an instrument in writing in form and executed in a manner satisfactory to the Trustee (the redemption date, the “**Put Date**”), all or any part of such Holder’s Outstanding Debentures in cash at a redemption price (the “**Put Price**”) equal to US\$600 per US\$1,000 principal amount of Debentures specified in the Put Right Exercise Notice in denominations of US\$1,000 or an integral multiple thereof, and shall be in excess of US\$1,000. Any accrued but unpaid interest through to and including the Put Date shall be not be paid and shall be cancelled.

¹ Note: To insert the date on which this supplemental indenture is adopted.

(ii) During the period commencing on May 31, 2024 and ending on the Maturity Date (the “**CAFDS Put Right Period**”), the Corporation shall promptly deliver, or cause to be delivered, to the Holders, as of the date of the public filing of the Corporation’s quarterly Form 10-Q or annual Form 10-K in the United States in accordance with Applicable Securities Laws, a notice in writing (a “**CAFDS Calculation Notice**”) setting forth in reasonable detail, (i) whether or not the Corporation’s CAFDS for such fiscal period exceeds US\$750,000.00, and if so, the amount (the “**Available Excess Amount**”) by which the Corporation’s CAFDS for such fiscal period exceeds US\$750,000.00, and (ii) the Corporation’s calculations with respect to such determination. In the event that a CAFDS Calculation Notice delivered to Holders during the CAFDS Put Right Period specifies that the Corporation’s CAFDS in respect of an applicable fiscal period exceeds US\$750,000.00, then each Holder shall have the right (the “**CAFDS Put Right**”), subject to pro rata as provided for in this subsection 3.8(a)(ii), to require the Corporation to redeem, on the date which is not later than 10 Business Days following the date of the applicable CAFDS Calculation Notice (the applicable redemption date, the “**CAFDS Put Date**”), all or any part of such Holder’s Outstanding Debentures in cash at a redemption price (the “**CAFDS Put Price**”) equal to the aggregate principal amount of the Debentures being so redeemed (which aggregate amount shall be in denominations of US\$1,000 or an integral multiple thereof), plus any accrued and unpaid interest thereon, if any, up to, but excluding, the applicable CAFDS Put Date. The CAFDS Put Right may be exercised by a Holder by delivering to the Trustee written notice of exercise of the CAFDS Put Right not later than 10 Business Days following the date of the applicable CAFDS Calculation Notice (the “**CAFDS Put Right Exercise Notice**”), in the form of notice attached as Schedule “B” hereto, duly executed by the Holder or their executors or administrators or other legal representatives or their attorney duly appointed by an instrument in writing in form and executed in a manner satisfactory to the Trustee. Notwithstanding anything to the contrary herein, (A) the maximum aggregate amount of Debentures (for certainty, such amount being the aggregate principal amount, together with accrued and unpaid interest thereon) the Corporation is required to redeem in respect of any fiscal quarter pursuant to this Section 3.8(a)(ii) upon the exercise of CAFDS Put Rights (in respect of such fiscal quarter) shall not under any circumstances exceed the Available Excess Amount in respect of such fiscal quarter, and (B) any redemption by the Corporation of Debentures pursuant to this Section 3.8(a)(ii) shall be on a *pro rata* basis in respect of the Holders who have delivered the CAFDS Put Right Exercise Notice in accordance herewith, to the extent necessary, taking into account the balance of the funds available to the Corporation (from the Available Excess Amount in respect of such fiscal quarter allocated for such purpose) at the applicable time, and any determination in respect of the foregoing shall be made by the Trustee in consultation with the Corporation, whose decision shall be final and binding upon all parties.

(b) Any exercise of the Put Right or the CAFDS Put Right by a Holder shall be conditional upon, and shall be valid only upon, such Holder delivering to the Trustee, the Put Right Exercise Notice or the CAFDS Put Right Exercise Notice, respectively and as applicable,

together with the Debentures with respect to which the applicable right is being exercised, in accordance with Section 3.8.

(c) In the event that a Holder exercises the Put Right or the CAFDS Put Right, as applicable, in respect of only a part of such Holder's Debentures, such Holder shall, upon the exercise of the Put Right or the CAFDS Put Right, as the case may be, surrender such Debenture to the Trustee in accordance with Section 3.4, and the Trustee shall cancel the same and shall without charge forthwith Authenticate and deliver to the holder, in accordance with the terms of this Indenture, a new Debenture or Debentures in an aggregate principal amount equal to the unredeemed part of the principal amount of the Debenture so surrendered.

(d) The Corporation will establish and maintain with the Trustee a payment account for the Debentures redeemed pursuant to this Section 3.8 (the "**Put Account**"). On or before 12:00 p.m. (Toronto time) not more than four (4) Business Days following the Put Date or CAFDS Put Date, as applicable (such date being the "**Put Payment Date**"), the Corporation will deliver to the Trustee a certified cheque or wire transfer for deposit in the Put Account in an amount sufficient to pay the cash amount payable in respect of the Debentures to be redeemed pursuant to the Put Right or CAFDS Put Right (which amount, with respect to the CAFDS Put Right only, shall not exceed the Available Excess Amount, and will be less any tax required by law to be deducted). The Trustee, on behalf of the Corporation, will pay to each holder entitled to receive payment the principal amount of and accrued and unpaid interest on the Debenture in accordance with Section 3.8, upon surrender of the Debenture at any branch of the Trustee designated for such purpose from time to time by the Corporation and the Trustee. The delivery of such funds to the Trustee for deposit to the Put Account will satisfy and discharge the liability of the Corporation for the Debentures to which the delivery of funds relates to the extent of the amount delivered (plus the amount of any tax deducted as aforesaid) and such Debentures so redeemed will thereafter to that extent not be considered as outstanding under this Indenture and such Holder will have no other right in regard thereto other than to receive out of the money so delivered or made available the amount to which it is entitled. Interest shall cease to accrue on the Debentures so redeemed upon the Put Date or CAFDS Put Date, as applicable, provided the Trustee has received, by the Put Payment Date from the Corporation all the funds due and payable on such Debentures being so redeemed.

(e) Subject to the provisions above in this Section 3.8 in respect of Debentures purchased in part only, all Debentures paid and redeemed under this Section 3.8 shall forthwith be delivered to the Trustee and cancelled and no Debentures shall be issued in substitution therefor.

(f) The Corporation will comply with all Applicable Securities Laws if the Corporation is required to redeem Debentures pursuant to this Section 3.8.

(g) If any excess amount in respect of the Available Excess Amount remains after compliance with Subsection 3.8(a)(ii) following the CAFDS Put Date, and after the Corporation has funded the Put Account in respect of the CAFDS Put Right Period pursuant to Section 3.8(d) hereof, the Corporation may use an amount equal to or less than the remaining portion of the Available Excess Amount, if any, for any purpose not prohibited by the terms of this Indenture."

11. New Subsection 3.9 of the Indenture is added as follows:

"(a) Commencing on March 31, 2025, and continuing to the Maturity Date, in addition to the interest payments payable to each Holder pursuant to Section 2.3 hereof, the Corporation shall redeem (the "**Scheduled Redemption**"), on each Interest Payment Date (for the purposes of this Section 3.9, the "**Scheduled Redemption Date**"), Outstanding Debentures in an aggregate amount equal to US\$108,799.73 less (i) the amount of interest

paid on such Interest Payment Date, and (ii) an amount equal to amount delivered by the Corporation to the Trustee in respect of Holders exercising CAFDS Put Right, in accordance with Section 3.8(d) hereof, since the immediately preceding Scheduled Redemption Date (as adjusted, the “**Scheduled Redemption Amount**”), which aggregate amount shall be payable in cash on a pro rata basis to the Holders (which aggregate amount shall be in denominations of US\$1,000 or an integral multiple thereof). Any redemption by the Corporation of Debentures pursuant to this Section 3.9(a) shall be on a *pro rata* basis, to the extent necessary, taking into account the Scheduled Redemption Amount and any determination in respect of the foregoing shall be made by the Trustee in consultation with the Corporation, whose decision shall be final and binding upon all parties.

(b) In the event that the exercise of the Scheduled Redemption redeems only a part of a Holder’s Debentures, such Holder shall, upon the exercise of the Scheduled Redemption, surrender such Debenture to the Trustee in accordance with Section 3.4, and the Trustee shall cancel the same and shall without charge forthwith Authenticate and deliver to the Holder, in accordance with the terms of this Indenture, a new Debenture or Debentures in an aggregate principal amount equal to the unredeemed part of the principal amount of the Debenture so surrendered.

(c) The Corporation will establish and maintain with the Trustee a payment account for the Debentures redeemed pursuant to this Section 3.9 (the “**Scheduled Redemption Account**”). On or before 12:00 p.m. (Toronto time) not more than on Business Day immediately preceding the relevant Scheduled Redemption Date, the Corporation will deliver to the Trustee a certified cheque or wire transfer for deposit in the Scheduled Redemption Account in an amount sufficient to pay the cash amount payable in respect of the Debentures to be redeemed pursuant to the Scheduled Redemption (which amount shall not exceed the Scheduled Redemption Amount, and will be less any tax required by law to be deducted). The Trustee, on behalf of the Corporation, will pay to each Holder entitled to receive payment the principal amount of the Debenture in accordance with Section 3.9, upon surrender of the Debenture at any branch of the Trustee designated for such purpose from time to time by the Corporation and the Trustee. The delivery of such funds to the Trustee for deposit to the Scheduled Redemption Account will satisfy and discharge the liability of the Corporation for the Debentures to which the delivery of funds relates to the extent of the amount delivered (plus the amount of any tax deducted as aforesaid) and such Debentures so redeemed will thereafter to that extent not be considered as outstanding under this Indenture and such Holder will have no other right in regard thereto other than to receive out of the money so delivered or made available the amount to which it is entitled. Interest shall cease to accrue on the Debentures so redeemed upon the Scheduled Redemption Date, provided the Trustee has received, by the Scheduled Redemption Date from the Corporation the Scheduled Redemption Amount.

(d) Subject to the provisions above in this Section 3.9 in respect of Debentures purchased in part only, all Debentures paid and redeemed under this Section 3.9 shall forthwith be delivered to the Trustee and cancelled and no Debentures shall be issued in substitution therefor.

(e) The Corporation will comply with all Applicable Securities Laws if the Corporation is required to repurchase Debentures pursuant to this Section 3.9.

(f) If any Available Excess Amount remains after compliance with Section 3.8(a)(ii) following the CAFDS Put Date and after the Corporation has funded the Put Account in respect of such CAFDS Put Right Period pursuant to Section 3.8(d) hereof, the Corporation may use an amount equal to or less than the remaining portion of the Available Excess amount, if any, for any purpose not prohibited by the terms of this Indenture.”

12. The first paragraph of Schedule 2.2 – *Form of Debenture* of the Indenture is deleted in its entirety and replaced with the following:

“CLS HOLDINGS USA, INC. (the “**Corporation**”), for value received, hereby acknowledges itself indebted and promises to pay to the order of the registered holder the principal sum of

[insert amount], as follows,

on January 31, 2028 (the “**Maturity Date**”), or on such earlier date as the principal amount hereof may become due in accordance with the provisions of the Indenture (as defined below) hereinafter mentioned, the principal amount of this Debenture, in lawful money of the United States, on presentation and surrender of this Debenture (as defined below) at the principal office of the Trustee (defined below) in the manner specified in the Indenture, in the City of Calgary, Province of Alberta, and to pay interest on the principal amount then Outstanding (as defined in the Indenture) at the rate of 8.0% per annum from the most recent Interest Payment Date (as defined below) to which interest has been paid or made available for payment on the Debentures then outstanding.”

13. The following provision in Schedule 2.2 – *Form of Debenture* of the Indenture is deleted in its entirety:

“This Debenture is one of the 8.0% Unsecured Convertible Debentures due December 31, 2023 and December 31, 2024 (the “**Debentures**”) created and issued under an Indenture dated as of December 12, 2018, as amended pursuant to supplemental indentures dated as of March 31, 2021 and September 15, 2022 (as the same has otherwise been amended or may be amended, modified, restated, supplemented or replaced from time to time, collectively, the “**Indenture**”), made between, inter alia, the Corporation and Odyssey Trust Company, as trustee (the “**Trustee**”).”

and replaced with the following:

“This Debenture is one of the 8.0% Unsecured Convertible Debentures due January 31, 2028 (the “**Debentures**”) created and issued under an Indenture dated as of December 12, 2018, as amended pursuant to supplemental indentures dated as of March 31, 2021, September 15, 2022, and [●, 202●] (as the same has otherwise been amended or may be amended, modified, restated, supplemented or replaced from time to time, collectively, the “**Indenture**”), made between, inter alia, the Corporation and Odyssey Trust Company, as trustee (the “**Trustee**”).”

14. The following provision in Schedule 2.2 – *Form of Debenture* of the Indenture is deleted in its entirety:

“At any time following the date that is 4 months and one day following the Issue Date, the Corporation may force the conversion of the principal amount of the then Outstanding Debentures at the Conversion Price on not less than 30 days’ notice should the VWAP of the Common Shares be greater than US\$0.20 for any 10 consecutive trading days.”

and replaced with the following:

“At any time following the date that is 4 months and one day following the Issue Date, the Corporation may force the conversion of the principal amount of the then Outstanding Debentures at the Conversion Price on not less than 30 days’ notice

should the VWAP of the Common Shares be greater than US\$0.14 for any 10 consecutive trading days.”

15. The reference to “December 31, 2023 and December 31, 2024” in the Trustee’s Certificate appended to Schedule 2.2 of the Indenture is replaced with “January 31, 2028.”
16. References to “December 31, 2023 and December 31, 2024” in Schedule Section 2.26 of the Indenture - *Form of Regulation S Rule 904 Transfer Certificate* are replaced with “January 31, 2028”.
17. The Indenture shall be and continue to be in full force and effect, unamended, except as provided herein, and the Corporation hereby confirms the Indenture in all other respects.
18. This Supplemental Indenture shall be governed by and be construed in accordance with the laws of the Province of Alberta and shall be binding upon the parties hereto and their respective successors and assigns.
19. This Supplemental Indenture may be simultaneously executed in several counterparts (including by electronic means), each of which when so executed shall be deemed to be an original and such counterparts together shall constitute one and the same instrument and notwithstanding their date of execution shall be deemed to bear the date set out at the top of the first page of this Supplement Indenture.

[Remainder of page left intentionally blank]

IN WITNESS WHEREOF the parties hereto have executed this Supplemental Indenture under the hands of their proper officers in that behalf.

CLS HOLDINGS USA, INC.

By: _____
Name: Andrew Glashow
Title: CEO and Chairman

ODYSSEY TRUST COMPANY, as Trustee

By: _____
Name: Dan Sander
Title: Authorized Signatory

By: _____
Name: Amy Douglas
Title: Authorized Signatory

SCHEDULE "A"
FORM OF NOTICE OF EXERCISE OF PUT RIGHT

To: CLS Holdings USA, Inc. (the "Corporation")

Note: All capitalized terms used herein have the meaning ascribed thereto in the indenture dated December 12, 2018, between the Corporation and Odyssey Trust Company (the "Trustee"), as trustee (as amended on March 31, 2021 and September 15, 2022, the "Indenture").

Subject to the amendments (the "**Amendments**") to the Indenture described in the notice of meeting of holders of 8.0% unsecured convertible debentures of the Corporation (the "**Debentures**") dated December 7, 2023 being approved by the Debentureholders as required pursuant to the terms of the Indenture, and conditional upon the Corporation and the Trustee entering into a supplemental indenture (in the form required under the terms of the Indenture) to give effect to such Amendments (the "**Third Supplemental Indenture**"), the undersigned registered holder of Debentures irrevocably elects to put:

- | | |
|---|---|
| ISIN
CA12565JAB67 | ISIN
CA12565JAC41 |
| <input type="checkbox"/> the full principal amount of such Debenture | <input type="checkbox"/> the full principal amount of such Debenture |
| OR | OR |
| <input type="checkbox"/> \$_____ in principal amount of such Debenture [See note below] | <input type="checkbox"/> \$_____ in principal amount of such Debenture [See note below] |

to the Corporation to be purchased by the Corporation on _____ (the "**Put Date**") in accordance with the terms of the Indenture, as amended by the Third Supplemental Indenture, at a price of \$600 for each \$1,000 principal amount of Debentures (the "**Total Put Price**") and tenders herewith such Debentures. **The undersigned registered holder further agrees and acknowledges (i) that it has read and fully understands the substance of the Amendments, and (ii) that any accrued but unpaid interest through to, and including, the Put Date payable on the Debentures tendered herewith shall not be paid and shall instead be cancelled.**

**If less than the full principal amount of such Debenture, indicate in the space provided the principal amount (which must be \$1,000 or integral multiples thereof).*

Name of Registered Holder

Dated: _____

(Signature of Registered Holder)

The Total Put Price will be payable upon presentation and surrender of such Debenture with this form on or after the Put Date at the following corporate trust office:

Odyssey Trust Company
1230 – 300 5th Avenue SW
Calgary, Alberta, T2P 3C4
Email: corptrust@odysseytrust.com

SCHEDULE "B"

FORM OF NOTICE OF EXERCISE OF CAFDS PUT RIGHT

To: CLS Holdings USA, Inc. (the "Corporation")

Note: All capitalized terms used herein have the meaning ascribed thereto in the indenture dated December 12, 2018, between the Corporation and Odyssey Trust Company (the "Trustee"), as trustee (as amended on March 31, 2021 and September 15, 2022, the "Indenture").

Subject to the amendments (the "**Amendments**") to the Indenture described in the notice of meeting of holders of 8.0% unsecured convertible debentures of the Corporation (the "**Debentures**") dated December 7, 2023 being approved by the Debentureholders as required pursuant to the terms of the Indenture, and conditional upon the Corporation and the Trustee entering into a supplemental indenture (in the form required under the terms of the Indenture) to give effect to such Amendments (the "**Third Supplemental Indenture**"), the undersigned registered holder of Debentures irrevocably elects to put:

ISIN

ISIN

CA12565JAB67

CA12565JAC41

the full principal amount of such Debenture

the full principal amount of such Debenture

OR

OR

\$ _____ in principal amount of such Debenture [See note below]

\$ _____ in principal amount of such Debenture [See note below]

to the Corporation to be purchased by the Corporation on _____ (the "**CAFDS Put Date**") in accordance with the terms of the Indenture, as amended by the Third Supplemental Indenture, at a price equal to the aggregate principal amount of the Debentures being tendered herewith, plus any accrued and unpaid interest thereon, if any, up to, but excluding, the applicable CAFDS Put Date (collectively, the "**Total Put Price**") and tenders herewith such Debentures.

Name of Registered Holder

Dated: _____

(Signature of Registered Holder)

**If less than the full principal amount of such Debenture, indicate in the space provided the principal amount (which must be \$1,000 or integral multiples thereof).*

The Total Put Price will be payable upon presentation and surrender of such Debenture with this form on or after the CAFDS Put Date at the following corporate trust office:

Odyssey Trust Company
1230 – 300 5th Avenue SW
Calgary, Alberta, T2P 3C4
Email: corptrust@odysseytrust.com

The interest upon the principal amount of such Debenture put to the Corporation hereunder will cease to be payable from and after the Put Date unless payment of the Total Put Price is not made on presentation for surrender of such Debenture at the above-mentioned corporate trust office on or after the CAFDS Put Date or prior to the setting aside of the Total Put Price pursuant to the Indenture.

[Remainder of page intentionally left blank.]