



CLS HOLDINGS USA, INC.

CONSENT AND PROXY FORM

**FOR HOLDERS OF
8.0% UNSECURED CONVERTIBLE DEBENTURES
DUE DECEMBER 31, 2023 AND DECEMBER 31, 2024
OF CLS HOLDINGS USA, INC.**

ISSUED UNDER

THE INDENTURE DATED DECEMBER 12, 2018, AS SUPPLEMENTED

Pursuant to the Notice of Meeting of Debentureholders dated December 7, 2023

Consent and Proxy for the Meeting to be held on December 29, 2023

Please return this Consent and Proxy Form to the Tabulation Agent:



**Odyssey Trust Company
Telephone: 1-587-885-0960**

CONSENT/VOTE BY E-MAIL:

*To be effective, this Consent and Proxy Form must be completed, signed and returned
by e-mail to:*

E-Mail: corptrust@odysseytrust.com

CONSENT/VOTE BY MAIL:

*If you choose the mail option, this Consent and Proxy Form must be completed, signed
and mailed to:*

**By Registered Mail, Mail, Hand or Courier
Stock Exchange Tower
1230 - 300 5th Avenue SW
Calgary, Alberta
T2P 3C4**

Attention: Corporate Trust Department

This Consent and Proxy Form (the “**Consent and Proxy Form**”) is delivered with the accompanying Notice of Meeting of Debentureholders of CLS Holdings USA, Inc. (the “**Company**”) dated December 7, 2023, as such may be amended or supplemented from time to time (the “**Notice of Meeting**”). This Consent and Proxy Form and the instructions and important notes hereto, together with the Notice of Meeting, constitute the Company’s solicitation (the “**Solicitation**”) of consents and proxies from holders of Debentures (as defined below) to the proposed amendments (the “**Proposed Indenture Amendments**”) to the indenture among the Company and Odyssey Trust Company (the “**Trustee**” or “**Odyssey**”), dated as of December 15, 2018 (the “**Original Indenture**”), as amended by the Supplemental Indenture dated as of March 31, 2021 (the “**First Supplemental Indenture**”) and the Supplemental Indenture dated as of September 15, 2022 (the “**Second Supplemental Indenture**”) (as so amended, the “**Indenture**”), pursuant to which the 8.0% Unsecured Convertible Debentures due December 31, 2023 and December 31, 2024 (the “**Debentures**”) were issued.

The undersigned holder of Debentures hereby:

(CLEARLY MARK ONLY THE APPLICABLE BOXES AND COMPLETE THE APPROPRIATE DETAILS BELOW)

Name and Address of holder (or CDS Participant)	CDS Participant Number (CUID) (if applicable)	Total Principal Amount of Debentures Held

CONSENTS TO/ VOTES
FOR:

<i>ISIN</i>	<i>Principal amount(s) of Note consented</i>
CA12565JAB67	\$
CA12565JAC41	\$

WITHHOLDS CONSENT FOR/ VOTES
AGAINST:

<i>ISIN</i>	<i>Principal amount(s) of Note consented</i>
CA12565JAB67	\$
CA12565JAC41	\$

The Proposed Indenture Amendments will amend the Indenture [terms used, but not otherwise defined, below have the meanings ascribed to them in the Indenture]:

- (a) 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;
- (b) to reduce the Conversion Price from US\$0.10 to US\$0.07;
- (c) 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;
- (d) to amend the Maturity Date to January 31, 2028;
- (e) to include a definition of “**Measurement Date**”, meaning the last day of each fiscal quarter of the Corporation;

(f) 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;

(g) 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 the Notice of Meeting 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;

(h) 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;

(i) 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;

(j) 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,

(k) 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 the Notice of Meeting.

For further details on the Proposed Indenture Amendments and the full text of the Proposed Indenture Amendments, please review the accompanying Notice of Meeting.

If the meeting proceeds as outlined in the Notice of Meeting, the undersigned hereby appoints Andrew Glashow, or, failing him, Charlene Soco, or, instead of either of the foregoing, _____ as proxyholder, with power of substitution, to attend, to act and to vote for and on behalf of the undersigned at the meeting (the “**Meeting**”) of the holders of Debentures to be held on December 29, 2023, and at any adjournment or postponement thereof, and at every poll that may take place in consequence thereof. Without restricting the general authorization and power hereby conferred, the designee named above is specifically instructed to vote the Debentures to which this Consent and Proxy Form relates as indicated above.

EXERCISE OF PUT RIGHT

If the Proposed Indenture Amendments are approved, and you wish to exercise your right to require the Corporation to redeem all or any part of such your Outstanding Debentures in cash at a redemption price equal to US\$600 per US\$1000 principal amount of Debentures elected to be redeemed, please indicate your desire to do so by checking the box below and indicating the principal amount of debentures to be so redeemed below, and duly completing, executing and delivering with this Consent and Proxy Form the notice of exercise appended hereto as Appendix "I".

EXERCISE PUT RIGHT
FOR:

<i>ISIN</i>	<i>Principal amount(s) of Debenture to be redeemed</i>
CA12565JAB67	\$
CA12565JAC41	\$

If duly completed with an affirmative indication in the boxes above, this Consent and Proxy Form constitutes a binding and irrevocable written consent for the Proposed Indenture Amendments in respect of the Debentures. In such respect, the undersigned agrees and acknowledges that, by the execution and delivery hereof, the undersigned hereby: (a) Consents to the Proposed Indenture Amendments as described in the Notice of Meeting, (b) makes and delivers a signed resolution in writing for the purposes of Section 12.3 of the Indenture (which section allows for the passing of an extraordinary resolution in writing by the holders of at least 66 2/3% in principal of the Debentures outstanding) in respect of the principal amount of the Debentures for which this Consent and Proxy Form is delivered, (c) authorizes the Trustee and the Company to execute any further instrument in writing that may be required to give effect to the Proposed Indenture Amendments pursuant to the Indenture, and (d) authorizes the Trustee and the Company to execute any supplement to the Indenture, to embody or give effect to the Proposed Indenture Amendments and to do all other things reasonably required to give effect to this Consent and Proxy Form and the Proposed Indenture Amendments.

If the Proposed Indenture Amendments are approved, and you elect to exercise your right to require the Corporation to redeem all or any part of such your Outstanding Debentures in cash at a redemption price equal to US\$600 per US\$1000 principal amount of Debentures elected to be redeemed, this Consent and Proxy Form constitutes a binding and irrevocable election to exercise this right. In such respect, the undersigned authorizes the Trustee and the Company to execute any further instrument in writing that may be required to give effect to the undersigned's election to require the Corporation to redeem the Outstanding Debentures indicated in such election in cash at a redemption price equal to US\$600 per US\$1000 principal amount of Debentures elected to be redeemed.

If the Meeting proceeds, the Debentures will be voted as directed in the spaces provided above or, if no direction is given by the holder of Debentures in this Consent and Proxy Form, the Debentures will be voted in favour of the Extraordinary Resolution (as defined in the Notice of Meeting) at the Meeting. The undersigned has the right to appoint a person, who need not be a holder of Debentures, to attend and to act for and on their behalf at the Meeting, and at any adjournment or postponement thereof, other than the persons designated above. To exercise such right, the names of the persons designated by management should be crossed out and the name of your appointee should be legibly printed in the blank space provided. The undersigned hereby confers upon the person(s) named herein discretionary authority with respect to amendments or variations to matters outlined above (as identified in the accompanying Notice of Meeting) and with respect to other matters that may properly come before the Meeting.

By completing and delivering this Consent and Proxy Form, the undersigned hereby revokes any proxies previously given for the purposes of the Meeting in respect of the Debentures. This Consent and Proxy Form does not revoke any Consents previously given for the purpose of the Solicitation, as any delivery of a Consent is irrevocable and may not be withdrawn.

By executing this Consent and Proxy Form, the undersigned acknowledges receipt of the Notice of Meeting. The terms of the Solicitation set forth in the Notice of Meeting are incorporated herein by reference and form part of the terms and conditions of this Consent and Proxy Form.

The Proposed Indenture Amendments will become effective with respect to the Debentures only upon the execution of the Supplemental Indenture (as such term is defined in the Notice of Meeting). If the necessary Consents are obtained or the Proposed Indenture Amendments are approved at the Meeting, the Supplemental Indenture is expected to be executed by the Company and the Trustee, and the Proposed Indenture Amendments will become binding upon all current holders of Debentures as of the date of such execution, including non-consenting holders, and all subsequent holders will be bound by the Proposed Indenture Amendments. Failure to complete and return a Consent and Proxy Form will have the effect of not consenting to the Proposed Indenture Amendments and withholding votes in respect of the Extraordinary Resolution (as defined in the Notice of Meeting).

The record date has been set for December 6, 2023 at 5:00 p.m. (Toronto time) (the "Record Date").

CDS (or its nominee) is the registered holder of the Debentures and only registered holders are conferred with the right to execute and deliver this Consent and Proxy Form. The Company anticipates that CDS (or its nominee) will execute an omnibus proxy to authorize its participants (the "CDS Participants") to execute Consent and Proxy Forms on behalf of CDS with respect to the Debentures held by such CDS Participants specified on the CDS position listing as of the Record Date. Accordingly, this Consent and Proxy Form has been

set up to be executed in such a manner and, if applicable, for purposes of this Consent and Proxy Form, the term “holder of Debentures” shall be deemed to include such CDS Participants.

Please read and refer to “Instructions and Important Notes” attached to this Consent and Proxy Form.

The undersigned must specify in the table above the aggregate principal amount of the Debentures to which this Consent and Proxy Form relates.

DATED _____ day of _____, 2023.
this _____

Signature of Authorized Signatory of holder of Debentures (or CDS Participant):	
Name of Authorized Signatory:	_____
Dated:	_____
Name of CDS Participant (if applicable)	_____
	(please print)
Address:	_____
	(including Postal / Zip Code)
Area Code and Telephone No.:	() _____

MEDALLION SIGNATURE GUARANTEE

Authorized Signature: _____

Name of Firm: _____ (Place Seal Here)

INSTRUCTIONS AND IMPORTANT NOTES

This Consent and Proxy Form should be read in conjunction with the Notice of Meeting and any accompanying documentation provided by the Company.

Deposit and Delivery

To be valid, this Consent and Proxy Form must be executed and received by Odyssey Trust Company no later than **9:00 a.m. (Toronto time) on December 27, 2023** (the “**Solicitation Expiration Time**”). As outlined in the Notice of Meeting, the Company reserves the right to extend the Solicitation Expiration Time, in its sole discretion.

The Company reserves the right to waive the applicable cut-off time and accept and treat as valid those Consent and Proxy Forms received after the Solicitation Expiration Time for the purpose of the Solicitation or the Meeting.

Appointment of Proxyholder

Every registered holder of Debentures has the right to appoint some other person or company of their choice, who need not be a holder of Debentures, to attend and act on their behalf at the meeting or any adjournment or postponement thereof. To exercise such right, the names of the persons designated by management should be crossed out and the name of the appointee should be legibly printed in the blank space provided.

Beneficial Holders

In order for a beneficial holder of Debentures to have its Debentures voted at the Meeting, it must complete and sign the voting instruction form provided by its broker or other intermediary and return such voting instruction form in accordance with the instructions provided therein in advance of the Meeting. Failure to do so will result in your Debentures not being voted at the Meeting.

Representations and Warranties

The signatory hereof hereby represents and warrants or is deemed to represent and warrant that such signatory has full power and authority to deliver this Consent and Proxy Form in their own capacity or for and on behalf of the holder of Debentures for which this Consent and Proxy Form pertains, and understands that the Consent contained in this Consent and Proxy Form will constitute a binding agreement between such person(s) and the Company.

Date and Signing

If the Debentures are registered in the name of more than one owner (for example, joint ownership, trustees, executors, etc.), then all those registered should sign this Consent and Proxy Form. If you are voting and consenting on behalf of a corporation or another individual you must sign this Consent and Proxy Form with signing capacity stated, and you may be required to provide documentation evidencing your power to sign this Consent and Proxy Form. If this Consent and Proxy Form is not dated, it will be deemed to bear the date on which it is mailed by the Company to the holders of Debentures. If this Consent and Proxy Form is executed by an authorized CDS Participant, such CDS Participant should execute this Consent and Proxy Form exactly as its name appears on the CDS position listing.

CDS Participants

CDS (or its nominee) is the registered holder of most of the Debentures and only registered holders are conferred with the right to execute and deliver this Consent and Proxy Form. The Company anticipates that CDS (or its nominee) will execute an omnibus proxy to authorize its participants (the “CDS Participants”) to execute Consent and Proxy Forms on behalf of CDS with respect to the Debentures held by such CDS Participants specified on the CDS position listing as of the Consent Record Date. Accordingly, this Consent and Proxy Form has been set up to be executed in such a manner and, if applicable, for purposes of this Consent and Proxy Form, the term “holder of Debentures” shall be deemed to include such CDS Participants.

Transfers of Debentures

If a person purchases Debentures after the Record Date and the Holder of such Debentures as of the Record Date previously Consented to the Proposed Indenture Amendments, such Consent of the Holder as of the Record Date, and not the subsequent holder, will be eligible for acceptance by Odyssey (in its capacity as tabulation agent) if it was validly submitted. However, if a person purchases Debentures after the Record Date and the Holder of such Debentures as of the Record Date has not previously consented to the Proposed Indenture Amendments, the purchaser will be deemed to have acquired the right to Consent from the transferring Holder.

Additional Information

Any questions, requests for assistance in completing the Consent and Proxy Form or requests for assistance or additional copies of the Notice of Meeting, the Consent and Proxy Form or any other documents relating to the Solicitation may be directed to the Corporation at shelley@ddplegal.com.

APPENDIX "I"
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

the full principal amount of such Debenture

OR

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

ISIN
CA12565JAC41

the full principal amount of such Debenture

OR

\$_____ 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
Stock Exchange Tower
1230 - 300 5th Avenue SW
Calgary,
Alberta T2P
3C4**

Email: corptrust@odysseytrust.com

Completed Consent and Proxy Forms must be returned to the Tabulation Agent.



**Odyssey Trust Company
Telephone: 1-587-885-0960**

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**By Registered Mail, Mail, or Hand
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Calgary, Alberta T2P 3C4
Attention: Corporate Trust Department**