

**Form 51-102F3**

**MATERIAL CHANGE REPORT**

**Item 1: Name and Address of Reporting Issuer**

4Front Ventures Corp.  
5060 North 40<sup>th</sup> Street, Suite 120  
Phoenix, Arizona  
USA 85018

**Item 2: Date of Material Change**

October 26, 2020

**Item 3: News Release**

The news release announcing the material change was disseminated through CNW on October 27, 2020 and filed on SEDAR at [www.sedar.com](http://www.sedar.com).

**Item 4: Summary of Material Change**

On October 26, 2020, 4Front Ventures Corp. (“**4Front**” or the “**Company**”) announced that it has entered into definitive purchase and sale agreements with an affiliate of Innovative Industrial Properties, Inc., providing for the sale and leaseback of 4Front's cultivation and production facilities in Tumwater, WA and Georgetown, MA.

**Item 5: Full Description of Material Change**

On October 26, 2020 4Front announced that it entered into definitive purchase and sale agreements with an affiliate of Innovative Industrial Properties, Inc., providing for the sale and leaseback of 4Front's cultivation and production facilities in Tumwater, WA and Georgetown, MA (the “**Transaction**”).

The all cash sale price of US\$30 million will be used by the Company to pay down the outstanding senior secured debt obligation to affiliates of Gotham Green Partners, and for other general corporate purposes. The Transaction is subject to various closing conditions, including standard property/title inspections and appraisals and is scheduled to close in early December 2020.

In accordance with the terms of the Transaction, 4Front will occupy the Tumwater, WA and Georgetown, MA facilities pursuant to 20-year lease agreements, with two 5-year extensions exercisable at 4Front's discretion. 4Front anticipates no disruption to its operations as a result of the Transaction.

**Item 6: Reliance on Subsection 11.2(2) of National Instrument 81-106 – *Investment Fund Continuous Disclosure***

Not applicable.

**Item 7: Omitted Information**

Not applicable.

**Item 8: Executive Officer**

Leo Gontmakher, CEO

Phone: (602) 633-3992

**Item 9: Date of Report**

November 3, 2020

***Cautionary Note Regarding Forward-Looking Information***

*Statements in this material change report that are forward-looking statements are subject to various risks and uncertainties concerning the specific factors disclosed here and elsewhere in 4Front's periodic filings with securities regulators. When used in this material change report, words such as "will, could, plan, estimate, expect, intend, may, potential, believe, should," and similar expressions, are forward-looking statements.*

*Forward-looking statements may include, without limitation, statements related to future developments and the business and operations of 4Front, statements regarding when or if transactions will close or if/when required conditions to closing are attained, the impact of the transactions on the business of 4Front and other statements regarding future developments of the business. The closing of the transactions described in this material change report is subject to customary conditions and there can be no guarantee that such transactions will close.*

*Although 4Front has attempted to identify important factors that could cause actual results, performance or achievements to differ materially from those contained in the forward-looking statements, there can be other factors that cause results, performance or achievements not to be as anticipated, estimated or intended, including, but not limited to: dependence on satisfying closing conditions, [obtaining regulatory approvals]; and engagement in activities currently considered illegal under U.S. federal laws; change in laws; limited operating history; reliance on management; requirements for additional financing; competition; hindering market growth and state adoption due to inconsistent public opinion and perception of the medical-use and adult-use marijuana industry and; regulatory or political change.*

*There can be no assurance that such information will prove to be accurate or that management's expectations or estimates of future developments, circumstances or results will materialize. As a result of these risks and uncertainties, the results or events predicted in these forward-looking statements may differ materially from actual results or events. Accordingly, readers should not place undue reliance on forward-looking statements. The forward-looking statements in this material change report are made as of the date of this material change report. 4Front disclaims any intention or obligation to update or revise such information, except as required by applicable law, and 4Front does not assume any liability for disclosure relating to any other company mentioned herein.*