

4FRONT VENTURES CORP.

MANDATE OF THE BOARD OF DIRECTORS

Date: July 31, 2019

1. Introduction

The board of directors (the “**Board**”) of 4Front Ventures Corp. (“**4Front**” or the “**Company**”) is elected by the shareholders of 4Front and is responsible for the stewardship of 4Front. The purpose of this mandate is to describe the principal duties and responsibilities of the Board, as well as some of the policies and procedures that apply to the Board in discharging its duties and responsibilities.

2. Chair of the Board

The Chair of the Board (“**Chair**”) will be appointed by the Board, after considering the recommendation of the Board, for such term as the Board may determine. If the Chair is not an independent director, the Board will also appoint a lead director, who must be independent.

3. Independence

At least two of the directors on the Company’s Board shall be Independent Directors. Independence shall be determined based on applicable Canadian law and the rules of the Canadian Securities Exchange.

4. Role and Responsibilities of the Board

The role of the Board is to represent the shareholders of 4Front, enhance and maximize shareholder value and conduct the business and affairs of 4Front ethically and in accordance with the highest standards of corporate governance. The Board is ultimately accountable and responsible for providing independent, effective leadership in supervising the management of the business and affairs of 4Front. The responsibilities of the Board include:

- managing conflicts of interest, any appearance of a conflict of interest that could taint the Board’s deliberations;
- candour with, and loyalty to, the Company;
- maintaining confidential information;
- adopting a strategic planning process that reflects and addresses the opportunities and risks of 4Front’s business;
- implementation and enforcement of policies and/or guidelines to standardize the review and approval of material transactions, initiatives and contracts;

- reviewing and approving annual operating plans and budgets;
- overseeing the Company's commitment to corporate social responsibility, ethics and integrity;
- succession planning, including the appointment, training and supervision of management;
- delegations and general approval guidelines for management;
- monitoring financial reporting and management;
- monitoring internal control and management information systems;
- corporate disclosure and communications;
- monitoring compliance with, and enforcing, 4Front policies at Board and management levels;
- adopting measures for receiving feedback from stakeholders; and
- adopting key corporate policies designed to ensure that 4Front, its directors, officers and employees comply with all applicable laws, rules and regulations and conduct their business ethically and with honesty and integrity.

Meetings of the Board will be held at least quarterly, with additional meetings to be held depending on the state of 4Front's affairs and in light of opportunities or risks which 4Front faces. Board members are expected to attend Board meetings and meetings of committees on which they serve, as well as each annual meeting of the shareholders of 4Front. In addition, the Board shall meet without management for a portion of each meeting of the Board and each committee of the Board.

The Board will delegate responsibility for the day-to-day management of 4Front's business and affairs to 4Front's senior officers and will supervise such senior officers appropriately.

The Board may delegate certain matters it is responsible for to Board committees, presently consisting of the Audit Committee and the Compensation Committee. The Board will, however, retain its oversight function and ultimate responsibility for these matters and all delegated responsibilities.

5. Strategic Planning Process and Risk Management

The Board will adopt a strategic planning process to establish objectives and goals for 4Front's business and will review, approve and modify as appropriate the strategies proposed by senior management to achieve such objectives and goals. The Board will review and approve, at least on an annual basis, a strategic plan which takes into account, among other things, the opportunities and risks of 4Front's business and affairs.

The Board, in conjunction with management, will identify the principal risks of 4Front's business and oversee management's implementation of appropriate systems to effectively monitor, manage and mitigate the impact of such risks.

6. Corporate Social Responsibility, Ethics and Integrity

The Board will provide leadership to 4Front in support of its commitment to corporate social responsibility, set the ethical tone for 4Front and its management and foster ethical and responsible decision making by management. The Board will take all reasonable steps to satisfy itself of the integrity of the Chief Executive Officer and management and satisfy itself that the Chief Executive Officer and management create a culture of integrity throughout the organization.

7. Succession Planning, Appointment and Supervision of Management

The Board will approve the succession plan for 4Front, including the selection, appointment, supervision and evaluation of the Chief Executive Officer and the other senior officers of 4Front, and will also approve the compensation of the Chief Executive Officer and the other senior officers of 4Front.

8. Delegations and Approval Authorities

The Board will delegate to the Chief Executive Officer and senior management authority over the day-to-day management of the business and affairs of 4Front. This delegation of authority will be subject to specified financial limits and any transactions or arrangements in excess of general authority guidelines will be reviewed by, and subject to, the prior approval of the Board or a committee thereof.

9. Monitoring of Financial Reporting and Management

The Board will approve all regulatory filings, including the annual audited financial statements, interim financial statements, the notes and management discussion and analysis accompanying such financial statements, quarterly and annual reports, management proxy circulars, annual information forms, prospectuses, and all capital investments as deemed necessary, equity financings, borrowings and all annual operating plans and budgets.

The Board will adopt procedures that seek to: ensure the integrity of internal controls and management information systems; ensure compliance with all applicable laws, rules and regulations; and prevent violations of applicable laws, rules and regulations relating to financial reporting and disclosure, violations of 4Front's Code of Business Conduct and Ethics and fraud against shareholders.

10. Corporate Disclosure and Communications

The Board will seek to ensure that all corporate disclosure complies with all applicable laws, rules and regulations and the rules and policies of the stock exchanges upon which 4Front's securities are listed.

11. Corporate Policies

The Board will adopt and annually review policies, procedures, mandates, charters, codes, and other instruments (collectively, “**Policies**”) designed to ensure that 4Front, and its directors, officers, and employees comply with all applicable laws, rules and regulations and conduct 4Front’s business ethically and with honesty and integrity. Principal Policies consist of the following:

- (i) Code of Business Conduct and Ethics;
- (ii) Board Charter;
- (iii) Audit Committee Charter;
- (iv) Compensation Committee Charter; and
- (v) Disclosure, Confidentiality and Insider Trading Policy.

12. Review of Mandate

The Board will annually review and assess the adequacy of, and compliance with, this mandate and recommend any proposed changes to the Board for consideration.

Dated: July 31, 2019

Approved by: Board of Directors