

RELATED PARTY TRANSACTIONS POLICY

The Board of Directors (the “**Board**”) of Planet 13 Holdings, Inc. (the “**Corporation**”) recognizes that certain transactions present a heightened risk of conflicts of interest or the perception thereof. Therefore, acting upon the recommendation of its Corporate Governance and Nominating (“**CG&N**”) Committee, the Board has adopted the following policy to ensure that all Related Person Transactions (as defined below) shall be subject to review, approval or ratification in accordance with the procedures set forth below.

I. POLICY

It is the responsibility of the Audit Committee of the Board (the “**Committee**”) to administer this Policy. Related Party Transactions, which are limited to those described in this policy, shall be subject to the approval of or ratification by the Committee in accordance with this Policy.

II. BACKGROUND

Our Code of Business Conduct and Ethics, which applies to all employees and directors, provides that all conflicts of interest should be avoided. Pursuant to Item 404 of Regulation S-K of the Securities and Exchange Commission (“**SEC**”), certain transactions between the Corporation and certain related persons need to be disclosed in our filings with the SEC. In addition, under Section 148 of the British Columbia Business Corporations Act, certain transactions between or involving the Corporation and our directors and officers need to be disclosed to the Corporation. Finally, SEC rules require our Board to assess whether relationships or transactions exist that may impair the independence of our outside directors. This Policy is intended to provide guidance and direction on Related Party Transactions.

III. DEFINITIONS

A “**Related Party Transaction**” directly or indirectly involves any “**Related Party**” and would be required to be publicly disclosed under Item 404(a) of the SEC’s Regulation S-K.

Under Item 404(a), the Corporation is required to disclose any transaction occurring since the beginning of its last fiscal year, or any currently proposed transaction, involving the Corporation or in which the Corporation is a “**participant**,” the amount(s) involved exceed \$120,000, and in which any “**Related Party**” had or will have a direct or indirect material interest. “**Related Party Transaction**” also includes any material amendment or modification to an existing Related Party Transaction.

“**Related Party**” means any person who is or was (since the beginning of the last fiscal year for which the Corporation has filed an Annual Report on Form 10-K and proxy statement, even if such person does not presently serve in that role) any of the following:

- a. a director (which term when used herein includes any director nominee) of the Corporation,
- b. an executive officer of the Corporation,
- c. a person known by the Corporation to be the beneficial owner of more than 5% of the Corporation’s common stock (a “**5% stockholder**”),
- d. an “**Immediate Family Member**” of any of the foregoing, or
- e. any “**Affiliate**” of any of the foregoing.

“**Immediate family member**” of a person means any child, stepchild, parent, stepparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, and any person (other than a tenant or employee) sharing that person’s household.

“**Affiliate**” of a person means any firm, corporation or other entity in which such person is employed or is an officer, director, partner or principal or in a similar position or in which such person has a 5% or greater

beneficial ownership interest) and any charitable or non-profit organization for which such person is actively involved in fundraising or otherwise serves as a director, trustee or in a similar capacity.

IV. IDENTIFICATION OF POTENTIAL RELATED PARTY TRANSACTIONS

Related Party Transactions will be brought to management's and the Committee's attention in a number of ways. Prior to entering into a Related Party Transaction, the Related Party (or if the Related Party is an Immediate Family Member of an executive officer or director of the Corporation, such executive officer or director) shall notify the Committee of the facts and circumstances of the proposed transaction. In addition, each such director and executive officer completes the questionnaire as appended hereto as Appendix "A" on an annual basis designed to elicit information about any potential Related Party Transactions.

Any potential Related Party Transactions that are brought to our attention are analyzed by our General Counsel, in consultation with management and with outside counsel, as appropriate, to determine whether the transaction or relationship does, in fact, constitute a Related Party Transaction requiring compliance with this Policy or disclosure.

V. REVIEW AND APPROVAL OF RELATED PARTY TRANSACTIONS

At each of its meetings, the Committee will be provided with the details of each new, existing or proposed Related Party Transaction, including the terms of the transaction, the business purpose of the transaction, and the benefits to the Corporation and to the relevant Related Party subject to the exceptions described below. In determining whether to approve or ratify a Related Party Transaction, the Committee will consider, among other factors, the following factors to the extent relevant to the Related Party Transaction:

- a. whether the transaction was undertaken in the ordinary course of business of the Corporation,
- b. whether the Related Party Transaction was initiated by the Corporation, a subsidiary of the Corporation or the Related Party,
- c. whether the transaction with the Related Party is proposed to be, or was, entered into on terms no less favorable to the Corporation than terms that could have been reached with an unrelated third party,
- d. the purpose of, and the potential benefits to the Corporation of, the Related Party Transaction,
- e. whether the Related Party Transaction would impair the independence of an outside director; and
- f. whether the Related Party Transaction would present an improper conflict of interests for any director or executive officer of the Corporation, taking into account the size of the transaction, the overall financial position of the director, executive officer or Related Party, the direct or indirect nature of the director's, executive officer's or Related Party's interest in the transaction and the ongoing nature of any proposed relationship, and any other factors the Committee deems relevant.

The Committee shall review all relevant information available to it about the Related Party Transaction. The Committee may approve the Related Party Transaction only if the Committee determines in good faith that, under all of the circumstances, the transaction is in the best interests of the Corporation and its shareholders. The Committee, in its sole discretion, may impose such conditions as it deems appropriate on the Corporation or the Related Party in connection with the approval of the Related Party Transaction.

If a Related Party Transaction involves a Related Party who is a director or an Immediate Family Member of a director, such director may not participate in any discussion or vote regarding approval or ratification of approval such transaction. However, such director shall provide all material information concerning the

Related Party Transaction to the Committee. Such director may be counted in determining the presence of a quorum at a meeting of the Committee that considers such transaction.

If the Corporation becomes aware of a Related Party Transaction that has not been approved under this Policy, the Related Party Transaction shall be reviewed in accordance with the procedures set forth herein and, if the Committee determines it to be appropriate, ratified at the Committee's next regularly scheduled meeting. In any case where the Committee determines not to ratify a Related Party Transaction that has been commenced without approval, the Committee may direct additional actions including, but not limited to, immediate discontinuation or rescission of the transaction, modification of the transaction to make it acceptable for ratification, or disciplinary action with respect to the person(s) who are participants in the transaction.

VI. EXCEPTIONS

A. Ongoing Transactions

If a Related Party Transaction will be ongoing, the Committee may establish guidelines for the Corporation's management to follow in its ongoing dealings with the Related Party. Thereafter, the Committee, on at least an annual basis, shall review and assess ongoing relationships with the Related Party to ensure that they are in compliance with the Committee's guidelines and that the Related Party Transaction remains appropriate.

B. Standing Pre-Approval for Certain Interested Transactions

The Committee has reviewed the types of Related Party Transactions described below and determined that each of the following types of Related Party Transactions shall be deemed to be pre-approved or ratified, as applicable, by the Committee, even if the aggregate amount involved will exceed \$120,000, unless specifically determined otherwise by the Committee. In connection with each regularly scheduled meeting of the Committee, a summary of each new Related Party Transaction deemed pre-approved pursuant to this paragraph shall be provided to the Committee for its review.

1. Employment of Executive Officers

Any employment by the Corporation of an executive officer of the Corporation or any of its subsidiaries if:

- a. the related compensation is reported in the Corporation's proxy statement under Item 402 of Regulation S-K (generally applicable to "named executive officers"); or
- b. the executive officer is not an Immediate Family Member of another executive officer or director of the Corporation, the related compensation would be reported in the Corporation's proxy statement under Item 402 of Regulation S-K if the executive officer was a "named executive officer," and the Corporation's Compensation Committee approved (or recommended that the Board approve) such compensation.

2. Director Compensation

Any compensation paid to a member of the Board if the compensation is reported in the Corporation's proxy statement under Item 402 of Regulation S-K.

3. Certain Transactions with Other Companies

Any transaction with another company at which a Related Party's only relationship is as (i) an employee (other than an executive officer) or director, (ii) a beneficial owner of less than 10%, together with his or her Immediate Family Members, of that company's outstanding equity, or (iii) in the case of partnerships, a limited partner, if the limited partner, together with his or her Immediate Family Members, has an interest of less than 10% and the limited partner does not hold another position in the partnership.

4. Certain Charitable Contributions

Any charitable contribution, grant or endowment by the Corporation to a charitable organization, foundation or university at which a Related Party's only relationship is as an employee (other than an executive officer), if the aggregate amount involved does not exceed the greater of \$1,000,000 or two percent of the charitable organization's total revenues.

5. Transactions Where All Shareholders Receive Proportional Benefits

Any transaction where the Related Party's interest arises solely from the ownership of a class of equity securities of the Corporation and all holders of that class of equity securities received the same benefit on a pro rata basis.

6. Transactions Involving Competitive Bids

Any transaction involving a Related Party where the rates or charges involved are determined by competitive bids.

7. Regulated Transactions

Any transaction with a Related Party involving the rendering of services as a common or contract carrier, or public utility, at rates or charges fixed in conformity with law or governmental authority.

8. Certain Banking-Related Services

Any transaction with a Related Party involving services as a bank depository of funds, transfer agent, registrar, trustee under a trust indenture, or similar services.

9. Indemnification

Indemnification and advancement of expenses made pursuant to the Corporation's Articles of Incorporation or pursuant to any agreement.

C. Existing Policies and Procedures

Related Party Transactions must also comply with the Corporation's existing policies and procedures, including the Code of Business Conduct and Ethics.

Enacted June 11, 2018

Updated by the CG&N Committee & Board
by resolution on December 10, 2021

Appendix A
Related Party Transactions Questionnaire

Recipients of this questionnaire are required to respond. No response will be deemed a confirmation that no related party transactions exist or are anticipated.

YES NO QUESTION

- | | | |
|--------------------------|--------------------------|--|
| <input type="checkbox"/> | <input type="checkbox"/> | Neither I nor my affiliates, associates, or immediate family members have entered into any transaction or proposed any transaction to which the Corporation or any of its subsidiaries is to be a party since January 1, 20__. |
| <input type="checkbox"/> | <input type="checkbox"/> | Neither I nor my affiliates, associates, or immediate family members have any direct or indirect interest in any transaction or proposed transaction to which the Corporation or any of its subsidiaries is to be a party since January 1, 20__. |
| <input type="checkbox"/> | <input type="checkbox"/> | Neither I nor my affiliates, associates, or immediate family members have entered into any transaction or proposed transaction which would present an improper conflict of interest since January 1, 20__. |
| <input type="checkbox"/> | <input type="checkbox"/> | Neither I nor my affiliates, associates, or immediate family members have any direct or indirect interest in any transaction or proposed transaction which would present an improper conflict of interest since January 1, 20__. |

If you answered NO to any of the above questions, please attach a memorandum describing the names of the parties to the transaction(s) and their relationship to you, the nature of the interest in the transaction (including the related party's position with or ownership in a firm, corporation or other entity that is a party to or has an interest in such transaction), the amount of the interest in the transaction, and any other information regarding the transaction or related party that would be material to an investor.

Date: _____

Signature

Print Name