

Form 51-102F3
Material Change Report

Item 1 Name and Address of Company

Goodness Growth Holdings, Inc. (the “**Company**” or “**Goodness Growth**”)
207 South 9th Street
Minneapolis, MN 55402
USA

Item 2 Date of Material Change

August 11, 2023

Item 3 News Release

A news release was issued by the Company on August 14, 2023, through the facilities of GlobeNewswire and was subsequently filed on SEDAR.

Item 4 Summary of Material Change

The Company announced that its subsidiary (the “**Subsidiary**”) has entered into an option agreement (the “**Option Agreement**”) effective on August 11, 2023, whereby the Company has the right to purchase all of the issued and outstanding equity of HA-MD, LLC (the “**Target**”), which owns two state-licensed cannabis dispensaries in the State of Maryland, USA.

Item 5.1 Full Description of Material Change

The Option Agreement provides the Subsidiary with the right to purchase (the “**Option**”) all of the issued and outstanding equity of the Target, which indirectly owns two state-licensed cannabis dispensaries (the “**Dispensaries**”) in the State of Maryland, on satisfaction of certain conditions including authorization from the appropriate Maryland regulator. The purchase price for the Target is USD\$6.4 million if Target has not relocated either of the Dispensaries at the time of exercise of the Option. If the Target has relocated one or more of the Dispensaries at the time the Subsidiary exercises the Option, the purchase price will be determined based in part upon the revenues of the relocated Dispensary or Dispensaries. The purchase price will be payable partly in cash and partly by assumption of certain indebtedness of the Target.

Item 6 Reliance on Subsection 7.1(2) of National Instrument 51-102

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Executive Officer

Joshua Rosen
Interim Chief Executive Officer
Tel: (612) 999-1606

Item 9 Date of Report

August 17, 2023.

Forward Looking Information

This Material Change Report contains “forward-looking information” within the meaning of applicable United States and Canadian securities legislation. To the extent any forward-looking information in this report constitutes “financial outlooks” within the meaning of applicable United States or Canadian securities laws, such information is being provided as preliminary financial results and the reader is cautioned that this information may not be appropriate for any other purpose and the reader should not place undue reliance on such financial outlooks. Forward-looking information contained in this report may be identified by the use of words such as “should,” “believe,” “could,” “looking forward,” “may,” “continue,” “expect,” “will,” “subject to,” and variations of such words and phrases, or any verbs in the future tense. These statements should not be read as guarantees of future performance or results. Forward-looking information includes both known and unknown risks, uncertainties, and other factors which may cause the actual results, performance, or achievements of Goodness Growth or its subsidiaries to be materially different from any future results, performance, or achievements expressed or implied by the forward-looking statements or information contained in this report. Forward-looking information is based upon a number of estimates and assumptions of Goodness Growth’s management team, believed but not certain to be reasonable, in light of management’s experience and perception of trends, current conditions, and expected developments, as well as other factors relevant in the circumstances, including assumptions in respect of current and future market conditions, the current and future regulatory environment, and the availability of licenses, approvals and permits.

Although Goodness Growth believes that the expectations and assumptions on which such forward-looking information is based are reasonable, undue reliance should not be placed on the forward-looking information because Goodness Growth can give no assurance that they will prove to be correct. Actual results and developments may differ materially from those contemplated by these statements. Forward-looking information is subject to a variety of risks and uncertainties that could cause actual events or results to differ materially from those projected in the forward-looking information. Such risks and uncertainties include, but are not limited to, risks related to the timing of adult-use legislation in markets where Goodness Growth currently operates; current and future market conditions, including the market price of the shares of Goodness Growth; risks related to epidemics and pandemics, federal, state, local, and foreign government laws, rules, and regulations, including federal and state laws and regulations in the United States relating to cannabis operations in the United States and any changes to such laws or regulations; operational, regulatory and other risks; execution of business strategy; management of growth; difficulties inherent in forecasting future events; conflicts of interest; risks inherent in an agricultural business; risks inherent in a manufacturing business; liquidity risks and other risk factors set out in Goodness Growth’s Annual Report for the year ended December 31, 2022, which is available, if applicable, on EDGAR with the U.S. Securities and Exchange Commission and filed with the Canadian securities regulators and available under Goodness Growth’s company profile on SEDAR at www.sedar.com.

The statements in this report are made as of the date of this report. Except as required by law, the Company undertakes no obligation to update any forward-looking statements or forward-looking information to reflect events or circumstances after the date of such statements.