



MAKING *Life* BETTER

### The Green Organic Dutchman Reports Q3 Results

**TORONTO, November 13, 2018** -- The Green Organic Dutchman Holdings Ltd. (the "**Company**" or "**TGOD**") (**TSX: TGOD**) (**US: TGODF**) reported its financial and operational results for the third quarter of fiscal 2018, ended September 30<sup>th</sup>, 2018. These filings are available for review on the Company's SEDAR profile at [www.sedar.com](http://www.sedar.com)

#### **Q3 Highlights:**

The Company:

- Continues to make significant progress on the construction of its facilities in Hamilton, Ontario and Valleyfield, Quebec, having deployed a total of \$33 million in capital expenditures in the third quarter of 2018. TGOD is on schedule to launch commercial production in both facilities during the first half of 2019.
- Is optimizing commercial cultivation at its existing facility in Hamilton, developing five new strains for placement into the medical and recreational markets to ensure it's in position to provide patients and consumers with consistent, reliable, premium product. The most recent commercial crop harvested will be allocated to TGOD's select "Grower's Circle" in January 2019. The Growers Circle will provide early investors and patients who rely on medical cannabis access to the Company's first commercial crop. It is limited to 200 patients and designed to support those who supported TGOD and those who are most in need of medical cannabis therapy.
- Is confident in a successful resolution of the appeal filed with the LPAT ("Local Planning Appeals Tribunal") in Hamilton regarding a zoning amendment required to produce cannabis in its new 123,000sq ft hybrid facility. TGOD has approval from the City's Agricultural and Rural Affairs Committee, the Planning Committee, the Ontario Federation of Agriculture and the support of the majority of local residents recently polled. Management is confident in a successful resolution in Q1 2019. TGOD's existing two facilities on the Hamilton site (total 27,000sq ft), are already zoned to produce medical cannabis.
- Invested in Jamaica, through Epican Medicinals, with current retail sales in its Kingston store and planned expansion into four additional retail stores and expanded production capacity to 14,000 kgs.
- Expanded its international footprint with the HemPoland acquisition that closed October 1. HemPoland has established production and sales of CBD oil and other industrial hemp products across Europe, providing immediate revenue for TGOD.
- Expects to have 170,000 kgs of annual cannabis capacity across Canada and Jamaica when construction is completed, as well as scalable hemp capacity in Poland. Utilizing state of the art facilities, the lowest power rates in Canada and premium pricing for organics, TGOD expects to have industry leading margins once achieving scale in late 2019.
- Has developed both THC and CBD beverage formulations with consumer pleasing taste profiles. TGOD expects to be ready before legalization occurs for beverages with a number of beverage products in varying flavours and formulations.
- Entered into a joint venture with one of largest pharmaceutical distributors in Mexico, ready to position TGOD products across 7,600 potential points of sale and take advantage of the new regulatory rulings in Mexico in support of medical and recreational cannabis use.
- Continues to negotiate supply and distribution agreements across Canada to meet the strong provincial demand for our organic product. TGOD is establishing national sales capabilities for medical and recreational markets in 2019.
- Expanding its operations, administration and marketing infrastructure to rapidly scale its business as noted above, resulting in a loss for the three and nine months ended September 30, 2018 of \$11.3 million and \$27.1 million respectively, which is in line with budgeted expectations. With the accelerated exercise of 16.45 million warrants at an average of \$2.91 per warrant, and the completion of the \$76.2 million bought deal offering post quarter end (includes 1.6 million underwriter warrants that were exercised), the Company currently has cash of over \$300 million on hand to execute its plans.

Please view our latest construction videos below:

[Hamilton construction progress video](#)  
[Valleyfield construction progress video](#)

"TGOD is on track to becoming the largest organic cannabis brand in the world as we continue to aggressively expand our global footprint, including Jamaica, Europe and Latin America, establishing leadership in organic cannabis." said Brian Athaide, CEO of TGOD. "We are excited with the quality and yield of our first commercial crop and are seeing our substantial investments in research and development leading to high quality product with industry leading margins. We are on schedule to scale up our new facilities to bring annual capacity of 170,000 organic kgs online. With international sales in Q4 2018, anticipated supply and distribution agreements, domestic sales commencing in Q1 2019, and additional global M&A opportunities, we expect a number of significant catalysts for our Company in the near term", continued Athaide.

"TGOD has secured its financial future by raising over \$450 million, fully funding our current domestic and international plans, and we have no plans to return to the market for additional capital at this time." said Sean Bovingdon, Chief Financial Officer. "We have de-risked the capital side of our business and with our focus now on delivering medical and recreational sales in Canada and internationally. We expect to drive significant value for shareholders in 2019 and beyond."

## **ABOUT THE GREEN ORGANIC DUTCHMAN HOLDINGS LTD**

The Green Organic Dutchman Holdings Ltd. is a premium global organic cannabis company, with operations focused on medical cannabis markets in Canada, Europe, the Caribbean and Latin America and the Canadian adult-use market. The Company grows high quality, organic cannabis with sustainable, all-natural principles. TGOD's products are laboratory tested to ensure patients have access to a standardized, safe and consistent product. TGOD has a funded capacity of 170,000 kgs and is building 1,382,000 sq. ft. of cultivation facilities across Ontario, Quebec and Jamaica.

The Company, through its wholly-owned operating subsidiary The Green Organic Dutchman Ltd., holds a license (the "License") issued by Health Canada pursuant to the Access to Cannabis for Medical Purposes Regulations (the "ACMPR") which allows the Company to produce and conduct research at its 100 acre property near Hamilton, Ontario (the "Hamilton Facility") dried marijuana, marijuana plants and fresh marijuana, and to sell such cannabis products within Canada to licensed producers or licensed dealers qualified under Section 22(2) of the ACMPR. The License was amended on April 20, 2018 to include the production and sale of cannabis oil and on October 12, 2018 to include sales to medical clients.

TGOD's Common Shares and warrants issued under the indenture dated November 1, 2017 trade on the TSX under the symbol "TGOD" and "TGOD.WT", respectively.

## **CONTACT INFORMATION**

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### **Forward-Looking Information Cautionary Statement**

*This news release includes statements containing certain "forward-looking information" within the meaning of applicable securities law ("forward-looking statements"). Forward looking statements in this release includes, but is not limited to, statements about the future legalization of recreational cannabis internationally, statements about the outcomes of zoning appeals in Hamilton, statements about future research, development and innovation by the Company, statements about production capacity, statements about costs and margins, statements about the offering, sales and pricing of any particular products by the Company in any jurisdiction, statements about raising capital, and statements regarding the future performance and shareholder value of the Company. Forward-looking statements are frequently characterized by words such as "plan", "continue", "expect", "project", "intend", "believe", "anticipate", "estimate", "may", "will", "potential", "proposed" and other similar words, or statements that certain events or conditions "may" or "will" occur. These statements are only predictions. Various assumptions were used in drawing the conclusions or making the projections contained in the forward-looking statements throughout this news release. Forward-looking statements are based on the opinions and estimates of management at the date the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. The Company is under no obligation, and expressly disclaims any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by applicable law.*

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