FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

The Green Organic Dutchman Holdings Ltd.

Item 2 Date of Material Change

October 18, 2019

Item 3 News Release

A news release was issued by The Green Organic Dutchman Holdings Ltd. (the "**Company**" or "**TGOD**") on October 18, 2019 and distributed through Canada Newswire and filed on SEDAR and is attached to this report.

Item 4 Summary of Material Change

The Company announced a new strategic, construction and operating plan, including a series of actions to reduce the Company's financing requirements and to calibrate construction of cultivation facilities to anticipated initial demand in Canadian markets. In particular, the Company's construction of its facility in Valleyfield, Québec will be demarcated into smaller phases, with later phases to be assessed in the light of developing market conditions.

Item 5 Full Description of Material Change

5.1 - Full Description of Material Change

Please see the attached press release for a full description of the material change.

5.2 - Disclosure for Restructuring Transactions

Not applicable.

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

Not applicable.

Item 7 Omitted Information

No significant facts remain confidential in, and no information has been omitted from, this report.

Item 8 Executive Officer

Brian Athaide
Chief Executive Officer
Telephone: 905-304-4201

Item 9 Date of Report

October 23, 2019.

SCHEDULE

The Green Organic Dutchman Unveils New Strategic Plan to Reduce Financing Requirements While Maintaining Near Term Path to Profitability

- Increased agility by reducing capital requirements
- Maintaining objective to become EBITDA and operating cash flow positive by Q2 2020
- Adapting to slower legal market conversion by deferring excess capacity and expenses
- Ability to easily scale up production as more retail locations open and legal sales increase

Toronto, ON, October 18, 2019 - The Green Organic Dutchman Holdings Ltd. (the “Company” or “TGOD”) (TSX:TGOD) (US:TGODF), a leading producer of premium certified organic cannabis, today unveiled a new strategic plan, including a series of actions to reduce the Company’s financing requirements while maintaining its path to profitability. These actions will result in increased agility, lower capital requirements and an optimal production capacity to serve the organic segment.

“These actions are logical next steps in TGOD’s road to profitability. While we are committed to – and our strategy continues to leverage – our unparalleled scale as an organic producer as well as our international assets, we have identified areas where our scale would not provide for meaningful returns in the near term given the slower pace of legal market conversion. We will optimize our operating efficiency by deferring excess capacity and expenses, whether they center on production facilities, international expansion projects or technology,” commented Brian Athaide, CEO of TGOD.

Given current market conditions, the Company is adopting a new construction and operating plan to reduce its cash needs, with a prudent production ramp leading to expected positive operating cash flow in Q2 2020. The Ancaster greenhouse is complete, and the Ancaster processing facility is approximately five weeks from material completion. TGOD’s large scale project in Valleyfield, Quebec will be demarcated into smaller phases, with more to be completed once the market further develops. The combined facilities will enable TGOD to produce 20,000 kg to 22,000 kg in 2020.

The Company estimates that it will need approximately $70M to $80M between now and the end of Q2 2020 to undertake the plan and reach positive operational cash flow by Q2 2020; it has engaged with an advisor and is currently evaluating a variety of options to secure the required funding. This plan maintains the optionality to recommence completion of Valleyfield Phase 1a to full 65,000 kg capacity and Phase 1b for a further 65,000 kg once there is a clear path to Canadian retail store expansions and legal revenue growth. Funding is expected to come from operating cash flow or with lower cost financing given proven production and revenue from Ancaster and the smaller first phase of Valleyfield.

“With the current Canadian legal market being smaller than initially anticipated, mainly due to a slow rollout of retail locations in key provinces, we believe that our revised plan will allow TGOD to right size its production to capture the organic segment, while maintaining optionality to quickly accelerate and expand as more retail locations begin to open,” added Athaide.

Some of the actions included in TGOD’s new strategic plan are:

Cannabis 2.0:

- TGOD is ready to commercialize its portfolio of new products, including organic teas, infusers and vapes by mid-December.
- The Company already has formulations and is working with several co-packers to launch liquid beverages and topicals during 2020 as Health Canada licenses these facilities.
- The portfolio is consumer inspired and concept tested to ensure clear differentiation and product superiority, including preliminary pharmacokinetic study data.

General expenses:

- TGOD is scaling back selling, general and administrative expenses (SG&A) to focus on operational readiness in production, sales and Cannabis 2.0.

Ancaster:

- The Ancaster site will be fully completed by the end of Q4, including the processing facility.
- Ancaster has a planned annual production of approximately 12,000 kg in 2020, on path to mature scale capacity of 17,500 kg.

Valleyfield:

- Finalize six rooms in Valleyfield hybrid greenhouse, one to be used for mothers and another for initial processing, that are currently nearing completion with majority of capital for these covered by restricted cash on hand as at September 30.
- Planned annual production from the four grow rooms of 10,000 kg in 2020.
- Production from Valleyfield will complete processing and packaging in Ancaster, generating significant gross margin.
- Fully enclose the facility for protection during winter months.
- The other elements of TGOD's Valleyfield site Phase 1a, including another 18 grow rooms and the processing centre, will recommence completion once market conditions justify the expansion towards the full 65,000 kg capacity from that phase with the ability to scale to 130,000 kg should the legal market conversion significantly accelerate.

About The Green Organic Dutchman Holdings Ltd.

The Green Organic Dutchman Holdings Ltd. (TSX: TGOD) (US-OTC: TGODF) is a publicly traded, premium global organic cannabis company, with operations focused on medical cannabis markets in Canada, Europe, the Caribbean and Latin America, as well as the Canadian adult-use market. TGOD also has organic hemp CBD oil operations in Canada, and through its wholly owned subsidiary HemPoland distributes premium hemp CBD oil in the EU. The Company grows high quality, certified 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 planned capacity build-out reaching 219,000 kg upon completion based on its ability to expand to 1,643,000 sq. ft. of cultivation and processing facilities across Canada, Denmark and Jamaica.

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.

For more information on The Green Organic Dutchman Holdings Ltd., please visit www.tgod.ca.

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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 construction and future production, statements about the potential to achieve positive operating cash flow and level of gross margins, statements about timing of harvests, statement about the potential for financing facilities, statement about status of Health Canada licences, statements about the potential for retail stores and market size, statements about the offering of any particular products by the Company in any jurisdiction and statements regarding the future performance of the Company. Forward-looking statements are frequently characterized by words such as "plan", "continue", "expect", "project", "intend", "should", "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 (including market conditions) and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements, including those risk factors described in the Company's most recently filed Annual Information Form available on SEDAR. 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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