The Green Organic Dutchman Announces Q1-2020 Results and Provides Update on Strategic Plan Execution

- **Revenue of $3.06 million, an increase of 27% year over year**
- **On track to reach operational cash flow positive milestone later this year with anticipated revenue growth acceleration and reduction in G&A**
- **Strengthened balance sheet with clear path to near term profitability**
- **Significant progress on innovative product portfolio expansion and Strategic Plan execution**

TORONTO, May 26, 2020 - The Green Organic Dutchman Holdings Ltd. ("TGOD" or the "Company") (TSX: TGOD) (US: TGODF), a leading producer of premium certified organic cannabis, announced today its financial results for the first quarter of 2020 ended March 31, 2020. These filings are available for review on the Company's SEDAR profile at www.sedar.com.

"I am proud of the resilience demonstrated by everyone on the team in the face of the global pandemic. With safety as our top priority, we have quickly adapted our processes, allowing our operations to continue running smoothly and uninterrupted to ensure that we meet the needs of our patients and consumers," commented Brian Athaide, CEO of TGOD. "I am also satisfied with the progress we have made on bringing innovative new products to market and expanding distribution. TGOD remains on track to becoming operational cash flow positive later this year," added Athaide.

Since unveiling its Strategic Plan on October 18, 2019, TGOD has taken decisive actions to make the Company more agile and has charted a clear path to near term profitability while reducing its financing requirements. Revenue growth acceleration is expected in the second quarter with a more material impact during the second half of 2020 driven by several product innovation initiatives.

Q1 Business Highlights

- Quarterly revenue of $3.06 million consisting of hemp-derived product sales in Europe of $2.40 million and sales from cannabis products in Canada of $0.66 million mainly due to a limited product assortment while the company scaled up its Ancaster cultivation and processing capacity from the prior quarter. The Company's processing facility was licenced on March 30, 2020 and the Company was working vigorously on commissioning it to increase processing capacity and capabilities and has launched several new products subsequent to the quarter end.

- Loss from operations of $15.3 million, with a foreign exchange loss and other non-operating losses of $2.3 million and non-cash impairment charges of $55.8 million, resulting in net loss of $73.4 million. This loss from operations reflects investments in cultivation and processing infrastructure, sales, and product development costs, as the Company expands its product portfolio and compares to a loss from operations of $17.7 million and net loss of $144.8 million in Q4 2019.

- Due to the ongoing COVID-19 pandemic, the Company was required under IFRS to reduce the book value of its global assets by $55.8 million for impairment as at March 31, 2020. This reflects the uncertainty created by the pandemic, including the evolution of market demand, the temporary cessation of operating activities in Valleyfield, Québec ("Valleyfield Facility") and the reduction of activity in Jamaica. This non-cash impairment charge is in line with the announcement on May 14, 2020 and does not impact the Company's operations or liquidity.

- Reduced global general and administrative expenses by 27% compared to Q4 2019, a decrease of $3.7 million. Excluding $0.7 million termination costs and $1.2 million of administrative expenses at its Valleyfield Facility incurred as it did not have significant production, the decrease represents a 41% reduction to ongoing general and administrative costs, on plan with the Company's previously announced quarterly target of approximately $8 million.

- On February 20, 2020, the Company announced that it had secured a research licence from Health Canada. Valid for five years, this licence allows the Company to reduce the cost and accelerate the pace at which it develops new products by reducing reliance on third parties.

- On March 25, 2020, the Company announced that in response to market conditions, it is adapting operations and aggressively reducing costs, including by postponing the startup of its Valleyfield Facility in order to centralize cultivation in Canada at its facility in Ancaster, Ontario. The Company has temporarily laid off the majority of its employees in Valleyfield with the intention of beginning operations at the Valleyfield Facility later in 2020, should market conditions improve. The Company has also undertaken further cost reduction measures including temporary salary reductions and a freeze on non-essential recruitment and consultancy work.

- On March 30, 2020, the Company announced that it had secured a licence amendment from Health Canada in respect of the support building for cannabis processing at the Ancaster Facility. Valid until August 16, 2022, this amendment permits more space and flexibility for the Company to process cannabis for sale as dried flower, oils or in cannabis 2.0 products.

<u>Subsequent to the quarter</u>

- The Company entered into a definitive agreement for a second-lien revolving credit facility ("Revolver Loan") with a commercial lender for gross proceeds of up to $30 million of which $10 million of the revolving credit facility was funded on April 22, 2020. The Revolver Loan is generally secured by a second lien over the assets of the Company with a first lien over certain eligible inventory and trade receivables. As the accounts receivable collateral increases with the Company generating eligible accounts receivable and building an additional collateral base, additional credit is expected to become available to the Company up to a gross maximum of $30 million in the aggregate. The revolving credit facility matures April 1, 2021, subject to renewal for an additional year. In connection to the revolving credit facility, the Company issued the lender 3,000,000 common share purchase warrants exercisable for a period of 36 months following the date of issuance at a price per share of $0.39.

- The Company executed an amendment with the lender under its senior secured credit facility. On April 27, 2020, the Company received an accordion advance of $5 million and issued 1,500,000 warrants exercisable at $0.39 per share exercisable for 36 months to the lender.

- Also on April 27, 2020, the Company completed a bought deal equity financing of 20,536,700 units at $0.28 for gross proceeds of $5.75 million. Each unit consisted of one common share and one-half common share purchase warrant, with each whole warrant being exercisable at $0.38 for 36 months. In addition, 1,232,202 broker warrants were issued to the underwriter, each warrant exercisable at a price of $0.38 per share for a period of 36 months.

- On May 7, 2020, the Company announced that it has received Health Canada's approval for the main hybrid greenhouse at its Valleyfield Facility. The licence amendment is valid until June 8, 2021 and is subject to customary terms and conditions.

- On May 20, 2020, the Company announced a bought deal equity financing of 37,500,000 units at $0.40 for aggregate gross proceeds of approximately $15 million. Each unit consisted of one common share and one common share purchase warrant, with each warrant being exercisable at $0.50 for 48 months. The Underwriter was also granted an option to purchase up to an additional 5,625,000 units at a price of $0.40, exercisable at any time, for a period of 30 days after and including the closing date, which would result in additional proceeds of approximately $2.25 million.

- The Company expects that the net proceeds, together with cash on hand, amounts available under previously announced credit facilities, and positive cash flow generated from anticipated revenues, will be sufficient to fund operations going forward.

- TGOD expects revenue growth acceleration to be driven mainly by product innovation. Its first 2.0 product, the TGOD Infuser, launched during March 2020 and quickly became a top-selling SKU within the beverage category; new formats of the popular dissolvable powder will be launching in June 2020.

- Under its main TGOD brand, the Company launched the Unite Organic vape cartridge for medical patients on May 21, 2020 and made its first recreational shipment to the OCS on May 25, 2020.

- The Company also launched teas under the TGOD Organics brand on May 25, 2020. First available in Quebec with two SKUs – Happy Hibiscus Maté THC and Happy Hibiscus Maté THC/CBD – TGOD plans to add two more tea blends and to expand distribution to other provinces this summer. These teas leverage the same fast-acting technology used for TGOD Infusers.

- The Company delivered on its commitment to broaden its customer base by adding a mainstream brand to its portfolio – Highly Dutch. Quebec is the first province where TGOD has deployed its dual branding strategy with the launch of a one-ounce format (28 grams) of its Highly Dutch Rotterdam OG Indica. The brand will become available in more provinces and additional Highly Dutch strains and size formats will launch later this summer.

- With its latest product launches, TGOD has gone from one SKU available in 24 Ontario stores during Q4 2019 to 3 SKUs available across several provinces in Q1 2020, to 20 SKUs in Q2 with presence in about 450 retail locations across the country.

- On May 25, 2020, the Company sold its interest in Epican Medicinal Limited ("EML") to other shareholders of EML for a nominal amount given its history of operating losses, recent economic developments in Jamaica restricting operations, and the Company's strategic decision to no longer pursue opportunities in Jamaica to focus on Canadian operations. Upon completion of the disposition, EML repaid $0.25 million of a $0.7 million loan owing by EML to the Company and issued the Company a promissory note to repay the balance.

Conference Call

The Company will hold a conference call with analysts tomorrow, beginning at 9:00 a.m. (ET). An audiocast of the conference call will be available on a listen-only basis at:
https://produceredition.webcasts.com/starthere.jsp?ei=1316916&tp_key=ce3508fc12.

Scheduled speakers are Brian Athaide, Chief Executive Officer, and Sean Bovingdon, Chief Financial Officer, followed by a question and answer period with analysts.

Date: May 27, 2020 | **Time:** 9:00 a.m. Eastern Time
Participant Dial-In
Local – Toronto: 1-416-764-8688
Toll Free – North America: 1-888-390-0546
Conference ID – 33916372

A replay of the call will also be available through June 3, 2020 by dialing 1-416-764-8677 or 1-888-390-0541 (Passcode: 916372#).

About The Green Organic Dutchman Holdings Ltd.
The Green Organic Dutchman Holdings Ltd. (TSX: TGOD) (US-OTC: TGODF) is a premium certified organic cannabis company focused on the health and wellness market. Its certified-organic cannabis is grown in living soil, as nature intended. The Company is committed to cultivating a better tomorrow by producing its products responsibly, with less waste and impact on the environment. Its two Canadian facilities have been built to LEED certification standards and its products are sold in recyclable packaging. In Canada, TGOD sells dried flower and oil, and recently launched a series of next-generation cannabis products such as organic teas, infusers and vapes. Through its European subsidiary, HemPoland, the Company also distributes premium hemp CBD oil and CBD-infused topicals in Europe. By leveraging science and technology, TGOD harnesses the power of nature from seed to sale.

TGOD's Common Shares and warrants issued under the indentures dated November 1, 2017 and December 19, 2019 trade on the TSX under the symbol "TGOD", "TGOD.WT" and "TGOD.WS", respectively, and TGODF trades in the US on the OTCQX. For more information on The Green Organic Dutchman Holdings Ltd., please visit www.tgod.ca.

CONTACT INFORMATION
Media Relations:
Sebastien Bouchard

sbouchard@tgod.ca
(647) 272-2476

Investor Relations:
Shane Dungey
sdungey@tgod.ca
(403) 389-9911

Cautionary Statements

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 production timelines, production volumes, statements about the launch of the Company's cannabis 2.0 products, statements about its operations in Quebec, statements about completion of financings and availability of funds, and statements regarding the future cashflows and 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.

Neither the TSX nor the TSX's Regulation Services Provider (as that term is defined in the policies of Toronto Stock Exchange) accept responsibility for the adequacy or accuracy of this release.