

The Green Organic Dutchman Announces Q2-2020 Results

- Total revenue of \$4.83 million, an increase of 58% over Q1-2020
- Canadian cannabis revenue of \$2.72 million, an increase of 309% compared to Q1-2020
- Balance sheet strengthened; cost reductions crystallized with 42% reduction in G&A vs prior quarter
- Continued focus on execution and innovation portfolio expansion

TORONTO, August 12, 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 second quarter of 2020 ended June 30, 2020. These filings are available for review on the Company's SEDAR profile at www.sedar.com.

"Since the beginning of the global pandemic, our top priority has been the health and safety of our employees, customers, and patients. Despite the additional layer of complexity, we continued bringing innovation to market, seeing sequential month-over-month growth during the quarter while cutting costs and reducing our cash burn rate. While we are not where we had expected to be at this time, we are seeing strong momentum on our innovative products and will continue to right-size our business plans with a focus on getting our monthly run rate to a scale which delivers positive operating cash flow by the end of the year," commented Brian Athaide, CEO of TGOD. "Our products have now proven their appeal to consumers and shown consistency and efficacy backed by scientific research. We look forward to expanding our portfolio with additional flower strains and variants of our 2.0 line-up and bringing them to more stores across the country." added Athaide.

Q2 Financial Highlights

- Quarterly revenue of \$4.83 million consisting of sales from cannabis products in Canada of \$2.72 million and hemp-derived product sales in Europe of \$2.11 million.
- The 309% quarter over quarter increase in revenue from Canada can be attributed to expanded distribution due to processing capacity and launches of several new product lines, notably organic vapes, RIPPLE dissolvable THC powder, and the Highly Dutch mainstream organic brand into Quebec. While revenues to date in Canada are encouraging, we are a couple of months behind growth expectations due to ramp-up challenges and some supply constraints arising from provincial listing requirements and third-party contractor issues, which are being addressed by the Company to maintain continued revenue growth.
- Net loss of \$9.8 million, a \$63.7 million reduction in net loss compared to Q1-2020, which can be attributed to the \$5.4 million lower loss from operations and no further impairment charges recognized during the quarter. It is also significantly lower than the Company's operational loss for Q1-2020 which was \$15.26 million.

- Cash used in operations of negative \$8.2 million, compared to negative \$13 million in Q1-2020, reflecting the contributions from increased sales and the significant reduction in general and administrative costs.
- Global general and administrative expenses decreased by \$4.08 million or 42% to \$5.7 million quarter over quarter, reflecting part of the Company's progress towards becoming more agile and adaptive to dynamic market conditions. This decrease is primarily driven by the simplification of the Company's organizational structure and reductions in personnel costs and external consultants. Management continues to right-size its G&A costs in line with Company's operating plans.
- During the quarter, the Company secured additional financing, closing a transaction with gross proceeds of \$23 million of new equity, \$18 million of term debt, and a \$17 million revolving operating facility.
- On May 25, 2020, the Company sold its interest in Epican Medicinals Limited, 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 and focus on Canadian operations.

Q2 Business Highlights

- On May 7, 2020, the Company announced that it 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 19, 2020, the Company signed a supply agreement with Medical Cannabis by Shoppers™ ("Shoppers"), a subsidiary of Shoppers Drug Mart Inc., making its certified organic medical cannabis products available via the Shoppers online medical cannabis sales platform.
- On May 21, 2020, under its main TGOD brand, the Company launched the Unite Organic vape cartridge for medical patients and made its first recreational shipment to the OCS on May 25, 2020.
- On May 25, 2020, the Company launched cannabis-infused teas in Quebec under the TGOD Organics brand with two SKUs – Happy Hibiscus Maté THC and Happy Hibiscus Maté THC/CBD. These teas leverage the same fast-acting technology used in RIPPLE products.
- On May 26, 2020, 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 successful launch of a one-ounce format (28 grams) of its Highly Dutch Rotterdam OG Indica.
 - On June 15, 2020, the Company announced that it had expanded its exclusive licensing agreement with Colorado-based 5071 Inc, for its Stillwater Brands products ("Stillwater"), it will

be rolling out the powerful RIPPLE suite of products in Canada, including RIPPLE Gummies and RIPPLE QuickSticks. Leveraging Stillwater's proprietary technology, TGOD launched its first Cannabis 2.0 product at the end of March – TGOD Infuser 10mg THC – which quickly became one of the top selling SKUs within the beverage category across the country. Given the success of this first product, TGOD has decided to expand the series by introducing additional formats. Moving forward, all formats will fall under the well-established RIPPLE brand name.

Subsequent to the Quarter

- On July 10, 2020, the Company announced that its Hamilton facility had obtained a European Union Good Manufacturing Practice ("EU-GMP") certificate enabling it to commence exports to Germany. Under this EU-GMP certificate, valid until December 31, 2020, TGOD can commence exporting its premium certified organic products for validation in preparation for commercialization in 2021. The Company anticipates validation will be completed by the end of the year, subsequently enabling export of medical cannabis products for commercial purposes to Europe and other jurisdictions.
- The Company continues to monitor and adapt to changing market conditions including but not limited to the ongoing impact of the COVID-19 pandemic. TGOD has implemented precautionary measures across its facilities to ensure the safety of the staff and product, including limiting visits to essential personnel only, ensuring proper protocols around sanitation, mask usage and physical distancing, and ensuring potentially exposed employees remain in self-quarantine for the appropriate period. However, cultivation is continuing and additional licensed space available in the processing centre allows for better physical distancing among the cultivation and processing teams.
- In August 2020, launched vapes in Alberta and British Columbia, and began rolling out Zen Green Sencha tea in Quebec.
- The Company is also planning the launch of new high THC strains and concentrates in September and expanding the distribution of its popular Highly Dutch brand to other provinces.

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=1353524&tp_key=d196775e24.

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

Date: August 13, 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 – 96424598

A replay of the call will also be available through August 20, 2020 by dialing 1-416-764-8677 or 1-888-390-0541 (Passcode: 424598#).

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, dissolvables 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", "TGOD.WS" and "TGOD.WR", 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.

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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 revenues, production timelines, production volumes, general and administration costs, statements about the launch and distribution of the Company's new THC strains, mainstream cannabis and 2.0 products, statements about its operations in Quebec, 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.

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