

This short form prospectus is a base shelf prospectus. This short form base shelf prospectus has been filed under legislation in each of the provinces and territories of Canada that permits certain information about these securities to be determined after this prospectus has become final and that permits the omission from this prospectus of that information. The legislation requires the delivery to purchasers of a prospectus supplement containing the omitted information within a specified period of time after agreeing to purchase any of these securities.

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This short form base shelf prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell these securities in those jurisdictions.

The securities offered under this short form prospectus have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States of America or to, or for the account or benefit of, U.S. Persons (as defined in Regulation S under the U.S. Securities Act) unless exemptions from the registration requirements of the U.S. Securities Act and applicable state securities laws are available. This short form prospectus does not constitute an offer to sell or a solicitation or an offer to buy any of the securities offered hereby within the United States or to, or for the benefit of, U.S. persons. See "Plan of Distribution".

Information has been incorporated by reference in this short form prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Corporate Secretary of The Green Organic Dutchman Holdings Ltd., at 6205 Airport Rd., Building A – Suite 200, Mississauga, Ontario, L4V 1E3, Telephone: 1-905-304-4201 and are also available electronically at www.sedar.com.

SHORT FORM BASE SHELF PROSPECTUS

New Issue

November 27, 2020



MAKING *Life* BETTER

THE GREEN ORGANIC DUTCHMAN HOLDINGS LTD.

**Common Shares
Debt Securities
Subscription Receipts
Warrants
Units**

\$50,000,000

The Green Organic Dutchman Holdings Ltd. (the "**Company**") may from time to time offer and issue the following securities: (i) common shares of the Company ("**Common Shares**"); (ii) senior or unsecured debt securities, including convertible debt securities (collectively, "**Debt Securities**"); (iii) subscription receipts ("**Subscription Receipts**"); (iv) warrants to purchase Common Shares ("**Warrants**"); or (v) units comprised of one or more of the other securities ("**Units**") described in this short form base shelf prospectus (all of the foregoing collectively, the "**Securities**") or any combination thereof during the 25-month period that this prospectus, including any amendments hereto, remains effective. Securities may be offered separately or together, in amounts, at prices and on terms to be determined based on market conditions at the time of sale and set forth in an accompanying prospectus supplement.

The Company may sell up to \$50,000,000 (or the equivalent thereof in other currencies) in aggregate initial offering amount of Securities or, if any Debt Securities are issued at an original issue discount, such greater amount

as shall result in an aggregate issue price of \$50,000,000 (or the equivalent thereof in other currencies). The specific terms of the Securities with respect to a particular offering will be set out in the applicable prospectus supplement and may include, where applicable: (i) in the case of Common Shares, the number of Common Shares offered, the offering price (or the manner of determination thereof if offered on a non-fixed price basis, including sales in transactions that are deemed to be “at-the-market distributions” as defined in National Instrument 44-102 – *Shelf Distributions* (“NI 44-102”)), whether the Common Shares are being offered for cash, and any other terms specific to the Common Shares being offered; (ii) in the case of Debt Securities, the specific designation, aggregate principal amount, the currency or the currency unit for which such securities may be purchased, maturity, interest provisions, authorized denominations, offering price (or the manner of determination thereof if offered on a non-fixed price basis), any terms for redemption, exchange or conversion, any sinking fund payments and any other specific terms; (iii) in the case of Subscription Receipts, the number of Subscription Receipts being offered, the offering price (or the manner of determination thereof if offered on a non-fixed price basis), the procedures for the exchange of the Subscription Receipts for Common Shares, Debt Securities, Warrants or Units, as the case may be, the currency in which the Subscription Receipts are issued and any other specific terms; (iv) in the case of Warrants, the offering price, whether the Warrants are being offered for cash, the designation, the number and the terms of the Common Shares purchasable upon exercise of the Warrants, any procedures that will result in the adjustment of these numbers, the exercise price, the dates and periods of exercise, and any other terms specific to the Warrants being offered; and (v) in the case of Units, the designation and terms of the Units and of the securities comprising the Units and any other specific terms. Where required by statute, regulation or policy, and where Securities are offered in currencies other than Canadian dollars, appropriate disclosure of foreign exchange rates applicable to the Securities will be included in the prospectus supplement describing the Securities.

This prospectus does not qualify for issuance Debt Securities in respect of which the payment of principal and/or interest may be determined, in whole or in part, by reference to one or more underlying interests including, for example, a statistical measure of economic or financial performance including, but not limited to, any currency, consumer price or mortgage index, or the price or value of one or more commodities, indices or other items, or any other item or formula, or any combination or basket of the foregoing items. For greater certainty, this prospectus may qualify for issuance Debt Securities in respect of which the payment of principal and/or interest may be determined, in whole or in part, by reference to published rates of a central banking authority or one or more financial institutions, such as a prime rate or bankers’ acceptance rate, or to recognized market benchmark interest rates.

All information permitted under applicable law to be omitted from this prospectus will be contained in one or more prospectus supplements that will be delivered to purchasers together with this prospectus. Each prospectus supplement will be incorporated by reference into this prospectus for the purposes of securities legislation as of the date of the prospectus supplement and only for the purposes of the distribution of the Securities to which the prospectus supplement pertains.

This prospectus constitutes a public offering of the Securities only in those jurisdictions where they may be lawfully offered for sale and only by persons permitted to sell the Securities in those jurisdictions. The Company may offer and sell Securities to, or through, underwriters or dealers and may also offer and sell certain Securities directly to other purchasers or through agents pursuant to exemptions from registration or qualification under applicable securities laws. A prospectus supplement relating to each issue of Securities offered thereby will set forth the names of any underwriters, dealers or agents involved in the offering and sale of the Securities and will set forth the terms of the offering of the Securities, the method of distribution of the Securities including, to the extent applicable, the proceeds to the Company and any fees, discounts or any other compensation payable to underwriters, dealers or agents and any other material terms of the plan of distribution.

The sale of Common Shares may be effected under this prospectus from time to time in one or more transactions at non-fixed prices pursuant to transactions that are “at-the-market distributions” as defined in NI 44-102, including sales made directly on the TSX or other existing trading markets for the Common Shares, and as set forth in a prospectus supplement for such purpose. See “*Plan of Distribution*”.

Unless otherwise specified in the relevant prospectus supplement, in connection with any offering of Securities, other than an “at-the-market distribution”, the underwriters, dealers or agents who participate in the distribution of Securities may over-allot or effect transactions which stabilize or maintain the market price of the securities offered at levels other than those which might otherwise prevail in the open market. Such transactions may

be commenced, interrupted or discontinued at any time. No underwriter involved in an “at-the-market distribution”, no affiliate of such an underwriter and no person or company acting jointly or in concert with such an underwriter may over-allot Common Shares in connection with the distribution or may effect any other transactions that are intended to stabilize or maintain the market price of the Common Shares in connection with an “at-the-market distribution”. See “*Plan of Distribution*”.

The outstanding Common Shares are listed on the Toronto Stock Exchange (the “TSX”) under the symbol “TGOD”. The Company also has four classes of Warrants trading listed on the TSX under the symbols “TGOD.WT”, “TGOD.WS”, “TGOD.WR” and “TGOD.WA”. **Unless otherwise specified in the applicable prospectus supplement, no Securities sold pursuant to a prospectus supplement, other than Common Shares, will be listed on any securities exchange.**

Any offering of Debt Securities, Subscription Receipts, Warrants or Units will be a new issue of securities with no established trading market. Unless otherwise specified in the applicable prospectus supplement, the Debt Securities, Subscription Receipts, Warrants and Units will not be listed on any securities exchange and there is no market through which the Debt Securities, Subscription Receipts, Warrants or Units may be sold and purchasers may not be able to resell such Securities purchased under this prospectus. This may affect the pricing of such Securities in the secondary market, the transparency and availability of trading prices, the liquidity of such Securities, and the extent of issuer regulation. Prospective investors should review the risk factors in the prospectus supplement to be issued in relation to any particular offering of Debt Securities, Subscription Receipts, Warrants or Units.

To the extent required, earnings coverage ratios will be provided in the applicable prospectus supplement with respect to the issuance of Debt Securities pursuant to this prospectus.

No securities regulator has approved or disapproved these Securities, or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offence.

No underwriter has been involved in the preparation of this prospectus nor has any underwriter performed any review of the contents of this prospectus.

Investing in the Securities involves certain risks. Prospective purchasers of the Securities should carefully consider all the information in this prospectus and in the documents incorporated by reference in this prospectus.

Investors are advised to consult their own tax advisors regarding the application of Canadian federal income tax laws to their particular circumstances, as well as any other provincial, foreign and other tax consequences of acquiring, holding or disposing of the Securities, including the Canadian federal income tax consequences applicable to a foreign controlled Canadian corporation that acquires the Securities.

Unless otherwise indicated, all references to dollar amounts in this prospectus are to Canadian dollars.

The Company’s registered and head office is located at 6205 Airport Rd., Building A – Suite 200, Mississauga, Ontario, L4V 1E3.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This prospectus contains forward-looking statements that relate to the Company's current expectations and views of future events. In some cases, these forward-looking statements can be identified by words or phrases such as "may", "might", "will", "expect", "anticipate", "forecast", "estimate", "intend", "plan", "indicate", "seek", "believe", "predict" or "likely", or the negative of these terms, or other similar expressions intended to identify forward-looking statements. The Company has based these forward-looking statements on its current expectations and projections about future events and financial trends that it believes might affect its financial condition, results of operations, business strategy and financial needs. These forward-looking statements include, among other things, the information regarding prospective sources and uses of funds and related production and revenue information set out under "*Use of Proceeds – Financial Resources and Estimates*" and statements relating to:

- the use of the Company's available funds;
- revenues generated from sales of the Company's product lines over the period from November 1, 2020 to October 31, 2021;
- the ramp up of commercial operations at the Hamilton Facility and Quebec Facility;
- expectations in connection with the production and expansion plans at the Company's facilities and the capacity thereof;
- the Company's ability to successfully withstand the economic impact of COVID-19, including in relation to staffing of the Hamilton Facility and Quebec Facility and marketing and sales of the Company's products;
- the Company's expectations regarding its revenue, expenses and research and development operations;
- the Company's expectations of achieving positive Canadian operating cash flows;
- expectations regarding the timing of construction, development and production of the Company's expansion projects for both existing facility expansion and new *Cannabis Act* (Canada) applications;
- the Company's anticipated cash needs and its needs for additional financing;
- the Company's intention to grow the business and its operations;
- expectations with respect to the success of the Company's research and development on cannabis;
- expectations with respect to future production costs and capacity;
- expectations with respect to expansion plans for HemPoland;
- expectations with respect to the Company's Mexican joint venture partner obtaining all necessary licences and permits to operate in Mexico;
- expectations with respect to the Mexican government issuing formal regulations for medicinal cannabis;
- expectations regarding development of an international export business;
- treatment under government regulatory and taxation regimes;

- the Company's continued ability to participate in the adult-use market in Canada;
- the Company's ability to successfully implement cost reduction initiatives while expanding its product portfolio;
- the legalization of cannabis for adult-use and/or medical use in jurisdictions outside of Canada and the Company's ability to participate in any such markets, if and when such use is legalized;
- the effect of government regulations (or changes thereto) with respect to the restrictions on production, sale (including the roll-out of authorized retailers in provinces such as Ontario and recent amendments to the regulation of distribution of cannabis in Ontario), consumption, export controls, income taxes, expropriation of property, repatriation of profits, environmental legislation, land use, water use and receipt of necessary permits;
- expectations regarding the Company's growth rates and growth plans and strategies;
- expectations with respect to the approval of the Company's licences and amendments to such licences;
- expectations with respect to the future growth of the Company's medical cannabis products;
- the medical benefits, safety, efficacy, dosing and social acceptance of cannabis;
- future product offerings;
- the Company's investments in community relations, cannabis health and safety and educational programming in the locations where the Company operates and the further development of its social responsibility programs;
- the Company's competitive position and the regulatory environment in which the Company operates;
- the Company's expected business objectives for the next 12 months;
- the Company's plans with respect to the payment of dividends;
- beliefs and intentions regarding the ownership of material trademarks and domain names used in connection with the design, production, marketing, distribution and sale of the Company's products; and
- the Company's ability to obtain additional funds through the sale of equity or debt commitments.

Forward-looking statements are based on certain assumptions and analyses made by the Company in light of the experience and perception of historical trends, current conditions and expected future developments and other factors it believes are appropriate and are subject to risks and uncertainties. In making the forward-looking statements included in this prospectus, the Company has made various material assumptions, including but not limited to: (i) obtaining the necessary regulatory approvals; (ii) that regulatory requirements will be maintained; (iii) general business and economic conditions, including the ongoing impact of COVID-19; (iv) the Company's ability to successfully execute its plans and intentions, including with respect to the ramp up of commercial operations and the achievement of expected revenues; (v) the availability of financing on reasonable terms; (vi) the Company's ability to attract and retain skilled staff; (vii) market competition; (viii) the products and technology offered by the Company's competitors; (ix) that the Company's current good relationships with its suppliers, service providers and other third parties will be maintained; and (x) in relation to the Company's expectations regarding revenues over the period from November 1, 2020 to October 31, 2021 and the Company becoming cash flow positive on a monthly basis in the first quarter of 2021, assumptions relating to production and production capacity, growth in the number of product offerings and store locations in which the Company's products are sold, growth in total sales, consumer demand for the

Company's products, market pricing of cannabis products, cost of sales, sales and marketing expenses, the pace of opening of and increase in the total number of recreational cannabis retail stores across Canada, and the total size of the Canadian recreational and medical cannabis markets over that time period. In particular, the Company has assumed and expects that, among other things: (i) its products will meet the specifications of it and its distribution partners, for instance with regard to THC content and other specifications; (ii) the pricing of its products and the product mix of its sales will be consistent with its most recent discussions with its distribution partners; (iii) its Hamilton Facility will produce between 8,000 kgs and 9,000 kgs in 2020 and the optimization of production efficiencies will allow the Company to produce between 12,000 and 14,000 kgs in 2021; (iv) its cost of sales will be consistent over the period from November 1, 2020 to October 31, 2021 with its current cost of sales; (v) its general and administrative expenses over the period from November 1, 2020 to October 31, 2021 will be approximately \$13.4 million, consistent with costs reduction measures taken by the Company; (vi) certain sales and marketing expenses are expected to increase if the Company achieves increased sales; and (vii) the total recreational and medical cannabis market in Canada will grow in line with the expectations of the analysts whose reports the Company has reviewed. Although the Company believes that the assumptions underlying these expectations and related statements are reasonable, they may prove to be incorrect, and the Company cannot assure that actual results will be consistent with these forward-looking statements. Given these risks, uncertainties and assumptions, investors should not place undue reliance on these forward-looking statements. Whether actual results, performance or achievements will conform to the Company's expectations and predictions is subject to a number of known and unknown risks, uncertainties, assumptions and other factors, including those listed under "Risk Factors".

Although the Company believes that the assumptions underlying these expectations and related statements are reasonable, they may prove to be incorrect, and the Company cannot assure that actual results will be consistent with these forward-looking statements. Given these risks, uncertainties and assumptions, investors should not place undue reliance on these forward-looking statements. Whether actual results, performance or achievements will conform to the Company's expectations and predictions is subject to a number of known and unknown risks, uncertainties, assumptions and other factors, including those listed under "*Risk Factors*".

If any of these risks or uncertainties materialize, or if assumptions underlying the forward-looking statements prove incorrect, actual results might vary materially from those anticipated in those forward-looking statements. The assumptions referred to above and described in greater detail under "*Risk Factors*" should be considered carefully by readers.

The Company's forward-looking statements are based on the reasonable beliefs, expectations and opinions of management on the date of this prospectus (or as of the date they are otherwise stated to be made). Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There is no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company does not undertake to update or revise any forward-looking statements, except as, and to the extent required by, applicable securities laws in Canada.

All of the forward-looking statements contained in this prospectus are expressly qualified by the foregoing cautionary statements. Investors should read this entire prospectus and consult their own professional advisors to assess the income tax, legal, risk factors and other aspects of their investment.

AVAILABLE INFORMATION

The Company files reports and other information with the securities commissions and similar regulatory authorities in each of the provinces of Canada. These reports and information are available to the public free of charge on SEDAR at www.sedar.com.

Investors should rely only on information contained or incorporated by reference in this prospectus and any applicable prospectus supplement. The Company has not authorized anyone to provide the investor with different information. The information included in this prospectus and the documents incorporated by reference is accurate only as of their respective dates. The business, financial condition, results of operation and prospects of the Company may have changed since those dates.

FINANCIAL INFORMATION

All dollar amounts set forth in this prospectus and in the documents incorporated by reference herein are in Canadian dollars unless otherwise indicated. All financial information in this prospectus and in the documents incorporated by reference herein has, unless stated otherwise, been derived from the financial statements presented in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

DOCUMENTS INCORPORATED BY REFERENCE

Information has been incorporated by reference in this prospectus from documents filed with securities commissions or similar authorities in each of the provinces of Canada. Copies of the documents incorporated herein by reference may be obtained from the securities commissions or similar authorities in Canada through SEDAR at www.sedar.com.

The following documents of the Company, which have been filed with Canadian securities commissions or similar authorities in Canada, are specifically incorporated by reference in, and form an integral part of, this prospectus:

- the annual information form of the Company for the financial year ended December 31, 2019 dated March 16, 2020 (the “**Annual Information Form**”);
- the audited consolidated financial statements of the Company, and the notes thereto, for the years ended December 31, 2019 and December 31, 2018;
- the management discussion and analysis of financial condition and results of operations for the years ended December 31, 2019 and December 31, 2018;
- the unaudited interim condensed consolidated financial statements of the Company, and the notes thereto, for the three and nine months ended September 30, 2020 and September 30, 2019;
- the management discussion and analysis of financial condition and results of operations for the three and nine months ended September 30, 2020 and September 30, 2019;
- the management information circular of the Company dated October 30, 2020 distributed in connection with the Company’s annual meeting of shareholders to be held on December 15, 2020;
- the material change report dated January 17, 2020 regarding the consolidation of the Company’s executive leadership team;
- the material change report dated March 31, 2020 regarding consolidation of cultivation at the Hamilton Facility and the Company’s offering of units by short form prospectus dated April 22, 2020;
- the material change report dated April 1, 2020 regarding the revolving credit facility and the accelerated advance of the accordion under the senior secured credit facility; and
- the material change report dated May 26, 2020 regarding the Company’s offering of Units by short form prospectus dated June 9, 2020;
- the material change report dated September 28, 2020 regarding the Company’s offering of Units by short form prospectus dated October 19, 2020; and
- the material change report dated November 17, 2020 regarding the Company’s executive leadership.

Any document of the type referred to in section 11.1 of Form 44-101F1 of National Instrument 44-101 – *Short Form Prospectus Distributions* (other than confidential material change reports, if any) filed by the Company with the securities commissions or similar regulatory authorities in Canada after the date of this prospectus and all prospectus supplements, disclosing additional or updated information filed pursuant to the requirements of applicable securities legislation in Canada and during the period that this prospectus is effective, shall be deemed to be incorporated by reference in this prospectus. In addition, any “template version” of “marketing materials” (as defined in National Instrument 41-101 – *General Prospectus Requirements*) filed after the date of a prospectus supplement and prior to the termination of the offering of Securities to which such prospectus supplement relates, shall be deemed to be incorporated by reference into such prospectus supplement. The documents incorporated or deemed to be incorporated herein by reference contain meaningful and material information relating to the Company and prospective purchasers of Securities should review all information contained in this prospectus and the documents incorporated or deemed to be incorporated herein by reference.

Upon a new annual information form and related annual consolidated financial statements being filed by the Company with the applicable securities regulatory authorities during the duration that this prospectus is effective, the previous annual information form, the previous annual consolidated financial statements and all interim consolidated financial statements, and in each case the accompanying management’s discussion and analysis, any information circular (other than relating to an annual meeting of shareholders of the Company) filed prior to the commencement of the financial year of the Company in which the new annual information form is filed and material change reports filed prior to the commencement of the financial year of the Company in which the new annual information form is filed shall be deemed no longer to be incorporated into this prospectus for purposes of future offers and sales of Securities under this prospectus. Upon interim consolidated financial statements and the accompanying management’s discussion and analysis being filed by the Company with the applicable securities regulatory authorities during the duration that this prospectus is effective, all interim consolidated financial statements and the accompanying management’s discussion and analysis filed prior to the new interim consolidated financial statements shall be deemed no longer to be incorporated by reference into this prospectus for purposes of future offers and sales of Securities under this prospectus. Upon a new information circular relating to an annual meeting of shareholders of the Company being filed by the Company with the applicable securities regulatory authorities during the duration that this prospectus is effective, the information circular for the previous annual meeting of shareholders of the Company shall be deemed no longer to be incorporated by reference into this prospectus for purposes of future offers and sales of Securities under this prospectus.

A prospectus supplement containing the specific terms of an offering of Securities and other information relating to the Securities will be delivered to prospective purchasers of such Securities together with this prospectus and will be deemed to be incorporated into this prospectus as of the date of such prospectus supplement but only for the purpose of the offering of the Securities covered by that prospectus supplement.

Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purposes of this prospectus to the extent that a statement contained herein, or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein, modifies or supersedes such statement. Any statement so modified or superseded shall not constitute a part of this prospectus, except as so modified or superseded. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of such a modifying or superseding statement shall not be deemed an admission for any purpose that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made.

Copies of the documents incorporated herein by reference may also be obtained on request without charge from the Corporate Secretary of The Green Organic Dutchman Holdings Ltd., 6205 Airport Rd, Building A – Suite 200, Mississauga, Ontario, L4V 1E3, Telephone: 1-905-304-4201.

THE COMPANY

Name and Incorporation

The Company was incorporated under the *Canada Business Corporations Act* on November 16, 2016. The Company's registered and head office is located at 6205 Airport Rd., Building A – Suite 200, Mississauga, Ontario L4V 1E3. The Company completed its initial public offering on May 2, 2018. The Company's Common Shares trade on the TSX under the symbol "TGOD" and on the OTCQX under the symbol "TGODF".

The Company's wholly-owned subsidiaries, The Green Organic Dutchman Ltd. and Medican Organic Inc. are licensed producers under the *Cannabis Act* (Canada) and hold licences to produce cannabis plants, cannabis plant seeds, dried cannabis, fresh cannabis, cannabis oils, cannabis topicals, cannabis extracts and edible cannabis and, with respect to The Green Organic Dutchman Ltd. only, to process and sell such cannabis products within Canada to provincially authorized retailers and distributors and federally licensed entities. The Company has built a cannabis cultivation and processing facility in Hamilton, Ontario (the "**Hamilton Facility**") and has substantially completed its current planned scope of construction on another facility located in Valleyfield, Québec (the "**Quebec Facility**").

In addition to its Canadian operations, the Company, through its subsidiaries and strategic investments, is pursuing an international growth strategy, including through a hemp cultivation and extraction business based in Poland. The Company has also formed a strategic partnership for the distribution of cannabis and hemp-derived medical products in Mexico and joint ventures in Denmark for developing elite cannabis genetics.

Further information regarding the Company and its business is set out in the Annual Information Form, which is incorporated herein by reference.

CONSOLIDATED CAPITALIZATION

There have been no material changes to the Company's consolidated capitalization since the date of the Company's unaudited condensed interim consolidated financial statements as at and for the three and nine months ended September 30, 2020 which have not been disclosed in this Prospectus or the documents incorporated by reference. The applicable prospectus supplement will describe any material changes, and the effect of such material changes on the share and loan capitalization of the Company that will result from the issuance of Securities pursuant to each prospectus supplement.

USE OF PROCEEDS

The Securities offered by this prospectus may be offered from time to time at the discretion of the Company in one or more series or issuances with an aggregate offering amount not to exceed \$50,000,000. The net proceeds derived from the issue of the Securities, or any one of them, under any prospectus supplement will be the aggregate offering amount thereof less any commission and other issuance costs paid in connection therewith. The net proceeds cannot be estimated as the amount thereof will depend on the number and price of the Securities issued under any prospectus supplement. The use of the net proceeds from the sale of Securities will be described in a prospectus supplement relating to a specific offering of such Securities.

Financial Resources and Estimates

The Company's financial resources, including those it expects to generate through operations, are sufficient to meet its short-term liquidity requirements. The Company expects to fund its operations for the coming 12 months using Canadian cash on hand at October 31, 2020 of \$9.2 million, further additional amounts up to \$17 million under the revolving credit facility as the Company generates eligible accounts receivable, and revenues generated from operations. The Company's expectation is based on significant assumptions and is subject to significant risks. Readers should carefully review the Use of Proceeds section of this prospectus and should also read the discussions under the headings "*Cautionary Statement Regarding Forward Looking Information*" and "*Risk Factors*".

The Company had negative cash flow from operations for the year ended December 31, 2019, and has a history of losses from operations since incorporation. The Company will need to generate and sustain increased revenue levels in future periods in order to become profitable, and, even if it does, the Company may not be able to maintain or increase its level of profitability. To the extent that the Company has negative operating cash flow in future periods, it may need to deploy some or all of the proceeds raised from any offering under this prospectus to fund such negative cash flow until such time as it becomes profitable. See “*Risk Factors – Negative Cash Flow from Operating Activities*”.

The Company’s estimated sources and uses of funds for November 1, 2020 to October 31, 2021 are as follows:

	<i>Notes</i>	<i>\$000s</i>
Source of funds		
Cash on hand, November 1, 2020		\$9,230
Revolver facility draws	(1)	\$10,530
Net Canadian operating cash flow generated		\$3,549
Changes in working capital	(2)	\$6,949
Total available		<u>\$30,258</u>
Use of funds		
Commitments as at Nov 1, 2020		<u>\$30,209</u>
Forecasted cash on hand, October 31, 2021		\$49

Notes:

- (1) The Company has \$17 million available under its revolving credit facility, of which \$10.5 million is expected to become available and be drawn from November 2020 to October 2021. Availability of amounts under the revolving credit facility is based on the eligible accounts receivable estimated to be generated as a result of sales of its products. See “*Risk Factors*”. In the Company’s October 19, 2020 prospectus, revolver facility draws were expected to total approximately \$12.3 million over a 12 month period, compared to approximately \$10.5 million over a 12 month period in this prospectus, reflecting the Company’s reduced revenue expectations over the twelve month periods forecasted (from \$64.4 million to \$61.5 million), which consequently marginally reduced the eligible accounts receivable to collateralize the revolver facility. See the discussion of the Company’s expectations regarding revenues following the Canadian operating cash flows table below.
- (2) This working capital represents the net aggregate funds to be generated over the period from November 1, 2020 to October 31, 2021 from the sales of inventory currently on hand partially offset by the need to cover general operating costs before receipt of cash and drawdowns on the revolving credit facility. The Company’s working capital is expected to improve due to the quicker conversion of receivables from sales of inventory on hand (made possible by its revolving credit facility) in relation to the average time it processes payments to suppliers, that it incurred production and operating costs approximately 45 days before being able to receive funds (either from cash receipts or draw downs under its revolving credit facility) based on sales generated from those incurred expenses. The approximate \$6.9 million source of cash from changes in working capital in the period from November 1, 2020 to October 31, 2021 arises primarily due to changes in biological asset and inventory levels and receipt of amounts currently receivable related to taxes.

The Company’s forecasted Canadian operating cash flows for November 1, 2020 to October 31, 2020 are as follows:

	<i>Notes</i>	<i>\$000s</i>
Gross profit on sales	(1)	24,603
Sales & marketing (“ S&M ”) expenses	(2)	(6,574)
Research & development (“ R&D ”) expenses	(3)	(695)
General & administrative (“ G&A ”) expenses	(4)	(13,395)
Other income/loss		(390)
Canadian operating cash flow		<u>3,549</u>

The following significant assumptions have been utilized in preparation of these estimates:

- (1) Gross profit has been forecasted based on, among other things:
 - i. that the Company's products will meet the desired specifications of it and its distribution partners, for instance with regard to THC content and other specifications;
 - ii. that its Hamilton Facility will produce between 8,000 kgs and 9,000 kgs in 2020 and that optimization of production efficiencies will allow the Company to produce between 12,000 kgs and 14,000 kgs in 2021;
 - iii. that pricing of its products and product mix of its sales will remain consistent with its most recent discussions with its distribution partners and provincial boards;
 - iv. that revenue will continue to grow over the period from November 1, 2020 to October 31, 2021 as the Company increases sales of its key products across Canada, while harvesting and processing cannabis plants currently in their respective grow cycles, in order to build supply of these products into other provinces in the coming months. Revenues to date associated with the Company's key products have been derived predominantly from Quebec based on, among other factors, production limitations due to the lifecycle of the plants and the fact that these key product lines were very recently launched, but as more of the Company's plants reach the end of their growth cycle, additional production allows further sales into the Company's other distribution channels across Canada, which is a key catalyst in the Company achieving positive operating cash flow;
 - v. that the total recreational and medical cannabis market in Canada will grow in line with the expectations of the analysts whose reports the Company has reviewed; and
 - vi. that its cost of sales per product over the coming 12 months is consistent with its current cost of sales per product.
- (2) S&M expenses in total are forecasted to be consistent with recent levels, although decrease in proportion to the revenue expected to be achieved by the Company.
- (3) Forecasted R&D expenses for the next six months are expected to be in line with R&D expenses reported in the three months ended September 30, 2020, and then to significantly decrease as new products finish development and move to commercialization.
- (4) Forecasted G&A expenses reflect recent measures taken to reduce costs from those reported in 2019 and periods in 2020 ending on or before September 30.

The Company's sources and uses and Canadian cash flows forecasts, each for November 1, 2020 to October 31, 2021, assume that the Company will produce 10,665 kilograms of dried cannabis and generate \$61.5 million in net sales over the 12 month period. The Company's 12 month forecasts in its October 19, 2020 prospectus (for the period from October 1, 2020 to September 30, 2021) assumed that the Company would produce 11,080 kilograms of dried cannabis and generate \$64.4 million in sales over that 12 month period. Although they are for different time periods, this prospectus forecast reflects a \$2.9 million lower sales forecast for a twelve-month period. This reduction is offset by a change in sales mix to higher margin products expected such that the gross profit forecast has only reduced from \$25.1 million in the October 19, 2020 prospectus twelve-month forecast to \$24.6 million in the current prospectus twelve-month period. This net reduction of \$0.5 million in gross profit is offset by a forecast reduction in sales commission expenses of \$0.5 million, and there is also a forecast reduction in general and administrative costs of \$0.16 million. Preliminary unaudited revenues from sales of Canadian cannabis were approximately \$2.2 million in October 2020 and in November 2020 are expected to be approximately \$3 million, representing significant revenue growth compared to the approximately \$3.84 million in revenues from sales of Canadian cannabis in the three months ended September 30, 2020. The preliminary unaudited Canadian revenues in October 2020 and the expected Canadian revenues in November 2020 are consistent with the Company's revenue expectations reflected in the sources and uses and Canadian cash flow forecasts in this prospectus.

Forecast gross profit is based on the assumption, among other assumptions, that the Hamilton Facility will produce between 8,000 kgs and 9,000 kgs in 2020 and that optimization of production efficiencies will allow the Company to produce between 12,000 kgs and 14,000 kgs in 2021. This increased production is not dependent on particular future capital expenditures or modifications to increase capacity, but rather on the Company continuing its commercial operations and producing and processing its productions within the capacities its facilities currently have, subject to the material assumptions and risks disclosed in this prospectus, including the risk factors disclosed herein and in the documents incorporated by reference, including the Company's annual information form.

	May	June	July	August	September	October	Total
Construction Payables Total	632,141	629,528	626,965	624,383	364,628	124,638	9,735,942
SG&A payables	150,000	162,305	-	-	-	-	11,201,058
Lease payments	47,583	47,583	47,583	47,583	47,583	47,583	595,686
Interest and principal payments	757,595	741,707	761,224	761,928	744,313	763,720	8,676,315
TOTAL	1,587,318	1,581,123	1,435,772	1,433,894	1,156,524	935,940	30,209,001⁽¹⁾

Note:

- (1) In the Company's short form prospectus dated October 19, 2020, the Company disclosed 12 months of commitments totaling in the aggregate approximately \$34 million compared to the 12 months of commitments totaling in the aggregate approximately \$30 million in this prospectus. The 12 month commitments described in the October 19, 2020 prospectus consisted primarily of construction and SG&A payables due as at September 30, 2020. The committed amounts in this prospectus are as at October 31, 2020, and reflect a reduction by approximately \$4 million due to payments made in October 2020, and because the Company is not incurring new construction commitments.

As of October 31, 2020, the Company's forecasted Canadian consolidated contractual liabilities and commitments over the next five years (excluding HemPoland and the Company's other foreign subsidiaries) are set forth below (in thousands):

	Total	12 months ending					Thereafter
		October 2021	October 2022	October 2023	October 2024	October 2025	
	\$	\$	\$	\$	\$	\$	\$
Accounts payable and accrued liabilities	20,282	20,282	-	-	-	-	-
Loans ⁽¹⁾	52,155	8,677	43,478	-	-	-	-
Lease liabilities	8,198	596	596	609	611	623	5,163
Commitments related to construction ⁽²⁾	655	655	-	-	-	-	-
Contingent consideration payable	107	-	-	107	-	-	-
Total contractual obligations	81,397	30,210	44,074	716	611	623	5,163

Notes:

- (1) Includes expected interest payable until maturity dates.
(2) Includes commissioning and construction costs for the Quebec Facility that are currently not recognized in accounts payable and accrued liabilities as the work has not yet been performed.

Use of Proceeds from Previous Financing

In the Company's short form prospectus dated October 19, 2020, the Company contemplated using the proceeds of that offering for the repayment of construction indebtedness and other payables in October and November 2020, and contemplated using the proceeds of the over-allotment option for general corporate purposes. The Company

used the net proceeds of that base offering, and is using the net proceeds of the over-allotment option, as disclosed in the October 19, 2020 prospectus.

PLAN OF DISTRIBUTION

The Company may sell the Securities, separately or together, to or through underwriters or dealers purchasing as principals for public offering and sale by them, and also may sell Securities to one or more other purchasers directly or through agents. Each prospectus supplement will set forth the terms of the offering, including the name or names of any underwriters or agents, the purchase price or prices of the Securities (or the manner of determination thereof if offered on a non-fixed price basis, including sales in transactions that are deemed to be “at-the-market distributions” as defined in NI 44-102), and the proceeds to the Company from the sale of the Securities.

The Securities may be sold from time to time in one or more transactions at a fixed price or prices which may be changed or at market prices prevailing at the time of sale, at prices related to such prevailing market prices or at negotiated prices. The prices at which the Securities may be offered may vary as between purchasers and during the period of distribution. If, in connection with the offering of Securities at a fixed price or prices, the underwriters have made a reasonable effort to sell all of the Securities at the initial offering price fixed in the applicable prospectus supplement, the public offering price may be decreased and thereafter further changed, from time to time, to an amount not greater than the initial public offering price fixed in such prospectus supplement, in which case the compensation realized by the underwriters will be decreased by the amount that the aggregate price paid by purchasers for the Securities is less than the gross proceeds paid by the underwriters to the Company.

The sale of Common Shares may be effected from time to time in one or more transactions at non-fixed prices pursuant to transactions that are deemed to be “at-the-market distributions” as defined in NI 44-102, including sales made directly on the TSX or other existing trading markets for the Common Shares, and as set forth in the prospectus supplement for such purpose.

Underwriters, dealers and agents who participate in the distribution of the Securities may be entitled under agreements to be entered into with the Company to indemnification by the Company against certain liabilities, including liabilities under securities legislation, or to contribution with respect to payments which such underwriters, dealers or agents may be required to make in respect thereof. Such underwriters, dealers and agents may be customers of, engage in transactions with, or perform services for, the Company in the ordinary course of business.

Sales of Common Shares under an “at-the-market distribution”, if any, will be made pursuant to an accompanying prospectus supplement. Sales of Common Shares under any “at-the-market” program will be made in transactions that are “at-the-market distributions” as defined in NI 44-102. The volume and timing of any “at-the-market distributions” will be determined at the Company’s sole discretion.

Unless otherwise specified in the relevant prospectus supplement, in connection with any offering of Securities, other than an “at-the-market distribution”, the underwriters, dealers or agents who participate in the distribution of Securities may over-allot or effect transactions intended to maintain or stabilize the market price of the Securities offered at a level above that which might otherwise prevail in the open market. Such transactions, if commenced, may be interrupted or discontinued at any time. No underwriter involved in an “at-the-market distribution”, no affiliate of such an underwriter and no person or company acting jointly or in concert with such an underwriter may over-allot Common Shares in connection with the distribution or may effect any other transactions that are intended stabilize or maintain the market price of the Common Shares in connection with an “at-the-market distribution”.

Unless stated to the contrary in any prospectus supplement, the Securities have not been and will not be registered under the U.S. Securities Act or any state securities laws and may not be offered, sold or delivered within the United States or to U.S. persons within the meaning of Regulation S under the U.S. Securities Act, except in certain transactions that are exempt from the registration requirements of the U.S. Securities Act. In addition, until 40 days after the commencement of an offering of Securities, an offer or sale of the Securities within the United States or to U.S. persons by any dealer, whether or not participating in the offering, may violate the registration requirements of

the U.S. Securities Act if such offer or sale is made otherwise than in accordance with an exemption from the registration requirements of the U.S. Securities Act.

EARNINGS COVERAGE RATIOS

Earnings coverage ratios will be provided as required in the applicable prospectus supplement with respect to the issuance of Debt Securities pursuant to this prospectus.

DESCRIPTION OF COMMON SHARES

The Company is authorized to issue an unlimited number of Common Shares. The holders of Common Shares are entitled to dividends as and when declared by the board of directors of the Company, to one vote per share at meetings of shareholders of the Company and, upon liquidation, to receive such assets of the Company as are distributable to the holders of Common Shares after payment of the Company's creditors. All Common Shares outstanding on completion of the Offering will be fully paid and non-assessable. There are no pre-emptive rights or conversion rights attached to the Common Shares. There are also no redemption, retraction or purchase for cancellation or surrender provisions, sinking or purchase fund provisions, or any provisions as to the modification, amendment or variation of any such rights or provisions attached to the Common Shares.

Provisions as to the modification, amendment or variation of the rights attached to the Common Shares are contained in the Company's bylaws and the CBCA. Generally speaking, substantive changes to the authorized share structure require the approval of the Company's shareholders by special resolution (at least two-thirds of the votes cast).

DESCRIPTION OF DEBT SECURITIES

The following sets forth certain general terms and provisions of the Debt Securities. The particular terms and provisions of the Debt Securities offered pursuant to any accompanying prospectus supplement, and the extent to which the general terms and provisions described below may apply to such Debt Securities, will be described in such prospectus supplement.

The Debt Securities will be issued under one or more indentures, in each case between the Company and a trustee determined by the Company in accordance with applicable laws. A copy of any such trust indenture will be available on SEDAR at www.sedar.com.

The Debt Securities will be direct obligations of the Company and may be guaranteed by one or more subsidiaries of the Company. The Debt Securities may be senior or subordinated indebtedness of the Company and may be secured or unsecured, all as will be described in the relevant prospectus supplement.

The prospectus supplement relating to any Debt Securities being offered will include specific terms relating to the offering. These terms will include some or all of the following:

- the designation of the Debt Securities;
- any limit upon the aggregate principal amount of the Debt Securities;
- the date or dates on which the principal and any premium of the series of the Debt Securities is payable;
- the rate or rates at which the series of the Debt Securities shall bear interest, if any, the date or dates from which such interest shall accrue, on which such interest shall be payable and on which a record, if any, shall be taken for the determination of holders to whom such interest shall be payable and/or the method or methods by which such rate or rates or date or dates shall be determined;
- the authorized denominations of the Debt Securities;

- the right, if any, of the Company to redeem the series of the Debt Securities, in whole or in part, at its option and the period or periods within which, the price or prices at which and any terms and conditions upon which, the series of the Debt Securities may be so redeemed, pursuant to any sinking fund or otherwise;
- the obligation, if any, of the Company to redeem, purchase or repay the series of the Debt Securities pursuant to any mandatory redemption, sinking fund or analogous provisions or at the option of a holder thereof and the price or prices at which, the period or periods within which, the date or dates on which, and any terms and conditions upon which, the series of the Debt Securities shall be redeemed, purchased or repaid, in whole or in part, pursuant to such obligations;
- whether and under what circumstances the series of the Debt Securities will be convertible into or exchangeable for securities of the Company;
- any terms for subordination of the Debt Securities;
- whether the Debt Securities will be secured by any assets or guaranteed by any subsidiaries of the Company;
- any events of default or covenants with respect to the Debt Securities;
- the currency or currencies in which the series of the Debt Securities are issuable;
- any trustees, depositories, authenticating or paying agents, transfer agents or registrars or any other agent with respect to the series of the Debt Securities; and
- any other material terms and conditions of the series of the Debt Securities.

DESCRIPTION OF SUBSCRIPTION RECEIPTS

The following sets forth certain general terms and provisions of the Subscription Receipts. The prospectus supplement relating to any Subscription Receipts offered will include specific terms and provisions of the Subscription Receipts being offered thereby, and the extent to which the general terms and provisions described below may apply to them.

Subscription Receipts will be exchangeable, for no additional consideration, into Common Shares, Debt Securities, Warrants or Units upon the satisfaction of certain conditions. The Subscription Receipts will be issued under one or more subscription receipt agreements, in each case between the Company and a subscription receipt agent determined by the Company. A copy of any such subscription receipt agreement will be available on SEDAR at www.sedar.com. Subscription Receipts may be offered separately or together with Common Shares, Debt Securities, Warrants or Units.

The particular terms and provisions of Subscription Receipts offered by this Prospectus will be described in the prospectus supplement filed in respect of such Subscription Receipts. This description will include some or all of the following:

- the aggregate number of Subscription Receipts offered;
- the price at which the Subscription Receipts will be offered;
- the terms, conditions and procedures for the conversion of the Subscription Receipts into other Securities;
- the dates or periods during which the Subscription Receipts are convertible into other Securities;

- the designation, number and terms of the other Securities that may be exchanged upon conversion of each Subscription Receipt;
- the designation, number and terms of any other Securities with which the Subscription Receipts will be offered, if any, and the number of Subscription Receipts that will be offered with each Security;
- whether such Subscription Receipts are to be issued in registered form, “book-entry only” form, bearer form or in the form of temporary or permanent global securities and the basis of exchange, transfer and ownership thereof;
- terms applicable to the gross or net proceeds from the sale of the Subscription Receipts plus any interest earned thereon;
- certain material Canadian tax consequences of owning the Subscription Receipts; and
- any other material terms and conditions of the Subscription Receipts.

Prior to the exchange of their Subscription Receipts, holders of Subscription Receipts will not have any of the rights of holders of the Securities to be received on the exchange of the Subscription Receipts.

DESCRIPTION OF WARRANTS

The following sets forth certain general terms and provisions of the Warrants. The prospectus supplement relating to any Warrants offered will include specific terms and provisions of the Warrants being offered thereby, and the extent to which the general terms and provisions described below may apply to them.

Each series of Warrants may be issued under a separate warrant indenture to be entered into between the Company and one or more trust companies acting as Warrant agent or may be issued as stand-alone certificates. The applicable prospectus supplement will include details of the Warrant agreements, if any, governing the Warrants being offered. The Warrant agent, if any, will be expected to act solely as the agent of the Company and will not assume a relationship of agency with any holders of Warrant certificates or beneficial owners of Warrants. A copy of any such warrant indenture will be available on SEDAR at www.sedar.com. Warrants may be offered separately or together with Common Shares, Debt Securities, Subscription Receipts or Units.

The particular terms and provisions of Warrants offered by this Prospectus will be described in the prospectus supplement filed in respect of such Warrants. This description will include some or all of the following:

- the designation of the Warrants;
- the aggregate number of Warrants offered and the offering price;
- the designation, number and terms of the other Securities purchasable upon exercise of the Warrants, and procedures that will result in the adjustment of those numbers;
- the exercise price of the Warrants;
- the dates or periods during which the Warrants are exercisable including any “early termination” provisions;
- the designation, number and terms of any Securities with which the Warrants are issued; if the Warrants are issued as a unit with another Security, the date on and after which the Warrants and the other Security will be separately transferable;

- whether such Warrants are to be issued in registered form, “book-entry only” form, bearer form or in the form of temporary or permanent global securities and the basis of exchange, transfer and ownership thereof;
- any minimum or maximum amount of Warrants that may be exercised at any one time;
- whether such Warrants will be listed on any securities exchange;
- any terms, procedures and limitations relating to the transferability, exchange or exercise of the Warrants;
- certain material Canadian tax consequences of owning the Warrants; and
- any other material terms and conditions of the Warrants.

Prior to the exercise of their Warrants, holders of Warrants will not have any of the rights of holders of the Securities to be received on the exercise of the Warrants.

DESCRIPTION OF UNITS

The following sets forth certain general terms and provisions of the Units. The prospectus supplement relating to any Units offered will include specific terms and provisions of the Units being offered thereby, and the extent to which the general terms and provisions described below may apply to them.

The particular terms and provisions of Units offered by this Prospectus will be described in the prospectus supplement filed in respect of such Units. This description will include some or all of the following:

- the aggregate number of Units offered;
- the price at which the Units will be offered;
- the designation, number and terms of the Securities comprising the Units;
- whether the Units will be issued with any other Securities and, if so, the amount and terms of these Securities;
- terms applicable to the gross or net proceeds from the sale of the Units plus any interest earned thereon;
- the date on and after which the Securities comprising the Units will be separately transferable;
- whether the Securities comprising the Units will be listed on any securities exchange;
- whether such Units or the Securities comprising the Units are to be issued in registered form, “book-entry only” form, bearer form or in the form of temporary or permanent global securities and the basis of exchange, transfer and ownership thereof;
- any terms, procedures and limitations relating to the transferability, exchange or exercise of the Units;
- certain material Canadian tax consequences of owning the Units; and
- any other material terms and conditions of the Units.

TRADING PRICE AND VOLUME

The Common Shares are listed on the TSX under the symbol “TGOD”. The following table sets forth the high and low prices and volumes for the Common Shares traded on the TSX during the 12-month period prior to the date of this prospectus.

Month	TSX Price Range (\$)		Total Volume
	High	Low	
November 2019	1.23	0.62	103,612,385
December 2019	0.88	0.64	52,929,961
January 2020	0.84	0.64	52,634,539
February 2020	0.73	0.42	39,457,347
March 2020	0.51	0.22	55,172,115
April 2020	0.32	0.25	34,034,691
May 2020	0.64	0.24	126,619,350
June 2020	0.53	0.35	66,681,871
July 2020	0.44	0.35	24,790,753
August 2020	0.48	0.31	27,439,228
September 2020	0.36	0.23	16,394,653
October 2020	0.34	0.21	31,085,773
November 1-26, 2020	0.35	0.21	53,155,252

Source: TMX Datalinx

PRIOR SALES

The following table summarizes the issuances by the Company of Common Shares, and securities convertible into Common Shares, during the 12-month period prior to the date of this prospectus.

Common Shares

Date of issuance	Type of security issued	Number of securities issued	Issue/exercise price per security
December 19, 2019	Common Shares ⁽³⁾	36,800,000	\$0.67
January 3, 2020	Common Shares ⁽¹⁾	400,000	\$0.50
January 7, 2020	Common Shares ⁽²⁾	500	\$1.00
January 30, 2020	Common Shares ⁽¹⁾	70,000	\$0.50
January 31, 2020	Common Shares ⁽¹⁾	66,400	\$0.50
February 5, 2020	Common Shares ⁽¹⁾	48,000	\$0.50
February 6, 2020	Common Shares ⁽¹⁾	64,000	\$0.50
February 7, 2020	Common Shares ⁽¹⁾	60,800	\$0.50
February 10, 2020	Common Shares ⁽¹⁾	48,000	\$0.50
February 14, 2020	Common Shares ⁽¹⁾	90,400	\$0.50
March 12, 2020	Common Shares ⁽⁴⁾	27,174	N/A

Date of issuance	Type of security issued	Number of securities issued	Issue/exercise price per security
April 14, 2020	Common Shares ⁽⁵⁾	6,025,042	\$0.27
April 27, 2020	Common Shares ⁽⁶⁾	20,536,700	\$0.28
April 30, 2020	Common Shares ⁽⁷⁾	833,333	\$0.30
May 22, 2020	Common Shares ⁽²⁾	30,000	\$0.38
May 25, 2020	Common Shares ⁽²⁾	250,000	\$0.38
May 26, 2020	Common Shares ⁽²⁾	75,000	\$0.38
May 27, 2020	Common Shares ⁽²⁾	20,000	\$0.38
May 29, 2020	Common Shares ⁽²⁾	100,000	\$0.38
June 8, 2020	Common Shares ⁽²⁾	25,000	\$0.38
June 12, 2020	Common Shares ⁽⁸⁾	43,125,000	\$0.40
June 15, 2020	Common Shares ⁽⁹⁾	24,691	N/A
August 6, 2020	Common Shares ⁽²⁾	62,500	\$0.38
September 22, 2020	Common Shares ⁽⁵⁾	138,488	N/A
October 23, 2020	Common Shares ⁽¹⁰⁾	53,263,400	\$0.24

Notes:

- (1) Issued pursuant to the exercise of stock options or compensation options.
- (2) Issued pursuant to the exercise of warrants.
- (3) Issued pursuant to the December 2019 bought deal financing.
- (4) Issued pursuant to restricted share units.
- (5) Issued to a consultant for services performed in lieu of cash consideration.
- (6) Issued pursuant to the April 2020 bought deal financing.
- (7) Issued to a former employee in respect of severance.
- (8) Issued pursuant to the June 2020 bought deal financing.
- (9) Issued pursuant to the convertible share units issued to Kund Jepsen (Denmark).
- (10) Issued pursuant to the October 2020 bought deal financing.

Warrants

Date of issuance	Type of security issued	Number of securities issued	Exercise Price per security
December 19, 2019	Warrants	20,608,000	\$1.00
December 20, 2019	Warrants	7,000,000 ⁽¹⁾	\$0.30
April 22, 2020	Warrants	3,000,000	\$0.39
April 27, 2020	Warrants	1,500,000	\$0.39
April 27, 2020	Warrants	10,268,350	\$0.38
April 27, 2020	Warrants	1,232,202	\$0.38
June 3, 2020	Warrants	500,000	\$0.50
June 12, 2020	Warrants	45,712,500	\$0.50
October 23, 2020	Warrants	43,143,354	\$0.30
October 23, 2020	Warrants	1,000,000	\$0.30
October 23, 2020	Warrants	500,000	\$0.30

Note:

- (1) On November 2, 2020, in connection with an extension of the maturity date of the senior secured credit facility to December 15, 2021, these warrants were repriced from an exercise price of \$1.00 per share to an exercise price of \$0.30 per share.

Stock Options

Date of issuance	Type of security issued	Number of securities issued	Exercise Price per security
November 18, 2019	Options	776,000	\$0.83
March 13, 2020	Options	2,722,000	\$0.37
May 28, 2020	Options	27,000	\$0.51
August 14, 2020	Options	33,000	\$0.44
November 13, 2020	Options	189,000	\$0.29

Restricted Share Units and Convertible Units

Date of issuance	Type of security issued	Number of securities issued	Exercise Price per security
March 13, 2020	Restricted Share Units ⁽¹⁾	2,550,000	N/A
November 13, 2020	Restricted Share Units ⁽¹⁾	50,000	N/A

Note:

- (1) Issued to employees as retention incentives in accordance with the Company's share-based compensation plans.

RISK FACTORS

An investment in the securities of the Company is speculative and subject to risks and uncertainties. The occurrence of any one or more of these risks or uncertainties could have a material adverse effect on the value of any investment in the Company and the business, prospects, financial position, financial condition or operating results of the Company. Additional risks and uncertainties not presently known to the Company or that the Company currently deems immaterial may also impair the Company's business operations.

Prospective investors should carefully consider all information contained in this prospectus, including all documents incorporated by reference, and in particular should give special consideration to the risk factors under the section titled "Risk Factors" in the Annual Information Form, which is incorporated by reference in this prospectus and which may be accessed on the Company's SEDAR profile at www.sedar.com, and the information contained in the section entitled "Cautionary Statement Regarding Forward-Looking Information". Purchasers should also consider the risk factors set forth below and the risk factors set forth in any prospectus supplement.

The risks and uncertainties described or incorporated by reference in this prospectus are not the only ones the Company may face. Additional risks and uncertainties that the Company is unaware of, or that the Company currently deems not to be material, may also become important factors that affect the Company. If any such risks actually occur, the Company's business, financial condition or results of operations could be materially adversely affected, with the result that the trading price of the Common Shares could decline and investors could lose all or part of their investment.

Risks Related to the Company's Financial Condition and Sales of its Product Lines

Cash on hand, additional amounts up to \$17 million under the revolving credit facility as the Company generates eligible accounts receivable and revenues generated from sales of organically grown cannabis products are expected to be sufficient to fund the Company's operations for at least the coming 12 months.

There is a risk that working capital requirements over that time period will be greater than anticipated, or that revenues may be lower than anticipated. Accordingly, the Company expects to establish an at-the-market offering program in order to provide flexibility to manage its balance sheet.

The Company's revenues over the coming 12 months may be lower than anticipated. The Company has completed construction and licencing of its Hamilton Facility and development and launch of its key product lines, and established key supply agreements. However, repeated sales to its distributors rely on those distributors placing purchase orders with the Company. Recreational cannabis end-use consumers and medical cannabis patients must elect to purchase the Company's products from the Company or its distributors, or distributors may not place repeated purchase orders with the Company, and favorable reception of the products by a sufficient number of end consumers is not assured. The Company's history of sales of its Cannabis 2.0 products is short and only began in June 2020 and it is difficult to ascertain if consumers will remain loyal to the Company's brand and products. Moreover, the Company's ability to generate sales and revenues is dependent on the Company achieving its production goals. The Company has in the past not achieved its production goals in line with its forecasts. The Company's ability to generate revenues from sales of its organic cannabis products is subject to all of the risks described in the Company's annual information form dated March 16, 2020 and in this prospectus.

The Company's ability to make sales may be further adversely affected by the ongoing impact of COVID 19. See "*Risk Factors - Ongoing Impact of COVID-19*".

Working capital requirements over the next 12 months may be greater than the Company anticipates for a variety of reasons including, but not limited to, the following: lower than expected collections on sales; non-performance by third party contractors; increases in materials, production or labour costs; labour disputes; or catastrophic events such as fires, storms, physical attacks or public health crises. Many of these factors, including the ongoing impact of COVID-19, are not within the Company's control.

The Company expects to achieve positive Canadian operating cash flows on a monthly basis in the first quarter of 2021, which is in turn reliant on revenues and working capital requirements being in line with expectations. The Company's expectations regarding positive Canadian operating cash flows is dependent on assumptions, some of which are not in the Company's control. See "*Cautionary Statement on Forward-Looking Information*". To date, the Company has had negative Canadian operating cash flows and prior forecasts on timing for achieving positive Canadian operating cash flows have not been met. See "*Negative Cash Flow from Operations*".

Certain of the Company's commitments and payables are denominated in foreign currencies. Therefore, fluctuations in foreign currency exchange rates could impact these costs when measured in Canadian dollars. The Company has prepared the disclosures in this prospectus on the costs of its commitments on the basis of current foreign currency exchange rates, but foreign currency exchange rates will fluctuate over the coming 12 months, and there is a risk that future foreign currency exchange rates may be less favourable to the Company compared to current rates.

If over the coming 12 months the Company's revenues from sales are significantly lower, or its working capital requirements over the next 12 months are significantly greater, than anticipated, the Company may not have sufficient time to continue to ramp up commercial activity and generate and realize sufficient revenues from sales of its organic cannabis products, and accordingly the Company may not have sufficient funding for its operations over the coming 12 months as the Company may not be able to access additional funds available under the revolving credit facility, which is dependent on the Company generating eligible accounts receivable. In such circumstances, the Company may be required to raise additional funds. The Company may have to seek to raise additional funds, which may or may not be available on reasonable terms. The Company's ability to continue as a going concern is dependent upon its ability to sell its products, or to raise additional capital, and thereby fund its payables, commitments, and the other costs it will incur.

As a result of these financial risks, the Company has recorded a going concern note in its financial statements. See the Company's unaudited interim condensed consolidated financial statements for the three and nine months ended September 30, 2020 and the accompanying management's discussion and analysis incorporated by reference in this prospectus.

In addition, in December 2021 the Company's senior secured credit facility and revolving credit facility will reach the end of their respective terms. As a result, by December 2021 the Company must either renew each of these facilities or raise additional funds to repay or refinance amounts owing under each facility. If the Company were unable to renew, repay or refinance these facilities at that time, the Company's financial condition would be materially adversely affected.

In addition, the Company has in the past recorded asset impairments. In connection with its financial reporting under IFRS, the Company periodically assesses whether impairment indicators are present for a financial reporting period and, if so, performs an analysis to determine whether the recoverable amounts of affected cash generating units exceeds their carrying values, which may result in material asset impairments. The Company considers both internal indicators, such as revised forecasts, and external indicators, such as significant changes in the economic environment when performing its assessment through its internal control over financial reporting procedures performed for each reporting period, and may in the future determine that impairment indicators existed during a financial reporting period. If so, the Company may recognize material asset impairments. For instance, for the three and nine months ended September 30, 2020, the Company recorded non-cash impairment charges of \$67.84 million and \$120.6 million, respectively.

Assumptions relating to cash flows and future sales of the Company's product lines

The Company expects to achieve positive Canadian operating cash flows on a monthly basis in the first quarter of 2021 and expects that the Company's financial resources and expected revenues and draw downs on its revolving credit facility will be sufficient to pay its obligations and fund its operations for the coming 12 months. Achieving positive Canadian operating cash flows and funding operations for the coming 12 months is reliant on revenues and working capital requirements being in line with expectations, which is in turn reliant on, among other things, future sales of the Company's product lines over the coming 12 months. The Company's expectations of positive Canadian operating cash flows and of achieving sufficient revenues to fund, when taken together with its other financial resources, its operations over the coming 12 months is based on a variety of assumptions relating to production and production capacity, growth in the number of product offerings and store locations in which the Company's products are sold, growth in total sales, consumer demand for the Company's products, market pricing of cannabis products, cost of sales, sales and marketing expenses, the pace of opening of and increase in the total number of recreational cannabis retail stores across Canada, and the total size of the Canadian recreational and medical cannabis markets over the coming 12 months. In particular, the Company has assumed and expects that, among other things: (i) its products will meet the specifications of it and its distribution partners, for instance with regard to THC content; (ii) pricing of its products will be consistent with its most recent discussions with its distribution partners; (iii) its Hamilton Facility will produce between 8,000 kgs and 9,000 kgs in 2020 and that optimization of production efficiencies will allow the Company to produce between 12,000 kgs and 14,000 kgs in 2021; (iv) its cost of sales per gram will be consistent over the coming 12 months with its current cost of sales per gram; (v) its general and administrative expense run rate during the twelve months from November 1, 2020 to October 31, 2021 will be approximately \$13.4 million, consistent with cost reduction measures taken by the Company; (vi) that certain sales and marketing expenses are expected to increase if the Company achieves increased sales; and (vii) that the total recreational and medical cannabis market in Canada will grow in line with the expectations of the analysts whose reports the Company has reviewed.

Actual results may vary materially from the Company's expectations if any of the Company's assumptions are inaccurate. Accordingly, readers should not place undue reliance on forward-looking statements, including the Company's expectations relating to future Canadian operating cash flows and sales of its products. The Company does not undertake to update or revise any forward-looking statements, except as, and to the extent required by, applicable securities laws in Canada. See "*Cautionary Statement Regarding Forward-Looking Information*". Actual results may also be impacted by all of the risk factors in this prospectus and in the Company's annual information form dated March 16, 2020, and by the ongoing COVID-19 pandemic. See "*Risk Factors – Ongoing Impact of COVID-19*".

Ongoing Impact of COVID-19

The development and operation of the Company's business is dependent on labour inputs which could be adversely disrupted by the ongoing impact of COVID-19. While it is difficult to predict the impact of the coronavirus outbreak on the Company's business, measures taken by the Canadian, Ontario and Quebec governments and voluntary measures undertaken by the Company with a view to the safety of the Company's employees, may adversely impact the Company's business, for instance by impeding the labour required to cultivate, process, market and distribute the Company's products and disrupting the Company's critical supply chains. All Company office staff have transitioned to working remotely from home offices, with business continuing to be conducted by telephonic and electronic means. The Company's Hamilton Facility and Quebec Facility have each implemented precautionary measures to ensure the safety of the staff and product, including limiting visits to the site to essential personnel only, ensuring proper protocols around sanitation, mask usage and physical distancing, and placing potentially exposed employees in self-quarantine for the appropriate period.

The Company has made assumptions and expectations with regard to its future Canadian operating cash flows which are dependent on, among other things, an increased number of cannabis retail stores across Canada and growth in the total recreation and medical cannabis market being in line with the Company's expectations. Cannabis retail has been declared an essential service in many provinces. However, the number of additional retail stores opened across Canada in 2020 could be lower than expected by the Company depending on the evolving public policy responses to the COVID-19 pandemic in provinces across Canada, and entrepreneurs' willingness to open additional store fronts in current conditions. Moreover, sales volumes of cannabis could be adversely impacted by consumer "social distancing" behaviours, although to date that has not been the case. The ongoing COVID-19 pandemic and the responses to it by governments, entrepreneurs and consumers may adversely impact the Company's ability to successfully market its new key product lines, for instance by precluding in-store visits and budtender engagement programs. In the short term, the Company is seeking to mitigate these impacts through taking current conditions into account in preparing its estimates, forecasts and expectations, and through technology-mediated engagement with retailers. The Company continues to dynamically monitor developments in order to adapt and respond in order to protect the health and safety of the Company's employees, patients and consumers and the best interests of the Company, and is in the process of developing return to work protocols for the anticipated easing of provincial pandemic restrictions over the coming months.

Negative Cash Flow from Operations

The Company had negative cash flow for the three and nine months ended September 30, 2020 and expects negative cash flow for each of the three months ending December 31, 2020. The Company will need to allocate a portion of its cash to fund such negative cash flow. If the Company experiences future negative cash flow, the Company may also be required to raise additional funds through the issuance of equity or debt securities, including through the Company's at-the-market distribution program. There can be no assurance that the Company will be able to generate positive cash flow from its operations, that additional capital or other types of financing will be available when needed, or that these financings will be on terms favourable to the Company.

Dilution

The number of Common Shares that the Company is authorized to issue is unlimited. The Company may, in its sole discretion, as part of future offerings, issue additional Common Shares and/or securities convertible into or exercisable for Common Shares from time to time subject to the rules of any applicable stock exchange on which the Common Shares are then listed and applicable securities law. The issuance of any additional Common Shares and/or securities convertible into or exercisable for Common Shares may have a dilutive effect on the interests of holders of the Company's Common Shares or Common Share purchase warrants. Because the net proceeds of the Offering are being used to pay down existing indebtedness, the Offering may result in substantial dilution on a per Common Share basis to the Company's net income and certain other financial measures used by the Company.

Return on Investment is Not Guaranteed

There can be no assurance regarding the amount of income to be generated by the Company. Common Shares are equity securities of the Company and are not fixed income securities. Unlike fixed income securities, there is no obligation of the Company to distribute to shareholders a fixed amount or any amount at all, or to return the initial purchase price of the Units on any date in the future. The market value of the Common Shares may deteriorate if the Company is unable to generate sufficient positive returns, and that deterioration may be significant.

Volatility of Share Price

The market price for the Common Shares may be volatile and subject to wide fluctuations in response to numerous factors, many of which are beyond the Company's control, including the following: (i) actual or anticipated fluctuations in the Company's quarterly results of operations; (ii) recommendations by securities research analysts; (iii) changes in the economic performance or market valuations of other issuers that investors deem comparable to the Company; (iv) addition or departure of the Company's executive officers and other key personnel; (v) release or expiration of lock-up or other transfer restrictions on outstanding Common Shares; (vi) sales or perceived sales of additional Common Shares; (vii) significant acquisitions or business combinations, strategic partnerships, joint ventures or capital commitments by or involving the Company or its competitors; and (viii) news reports relating to trends, concerns, technological or competitive developments, regulatory changes and other related issues in the Company's industry or target markets.

Financial markets have recently experienced significant price and volume fluctuations that have particularly affected the market prices of equity securities of public issuers in the cannabis sector and that have, in some cases, been unrelated to the operating performance, underlying asset values or prospects of such entities. Accordingly, the market price of Common Shares may decline even if the Company's operating results, underlying asset values or prospects have not changed. Additionally, these factors, as well as other related factors, may cause decreases in asset values that are deemed to be other than temporary, which may result in impairment losses. As well, certain institutional investors may base their investment decisions on consideration of the Company's environmental, governance and social practices and performance against such institutions' respective investment guidelines and criteria, and failure to satisfy such criteria may result in limited or no investment in the Units by those institutions, which could materially adversely affect the trading price of the Common Shares. There can be no assurance that continuing fluctuations in price and volume will not occur. If such increased levels of volatility and market turmoil continue for a protracted period of time, the Company's operations and the trading price of the Common Shares may be materially adversely affected.

Market Discount

The price of the Common Shares will fluctuate with market conditions and other factors. If a shareholder sells its Common Shares, the price received may be more or less than the original investment. The Common Shares may trade at a discount from their book value.

Discretion in the Use of Net Proceeds

The Company will have broad discretion with respect to the application of net proceeds received by the Company from the sale of Securities under this prospectus. If management does not apply these funds effectively, the Company could experience a material adverse effect on its business or the price or value of the Company's issued and outstanding securities may decline.

EXEMPTION

Pursuant to a decision of the Autorité des marchés financiers dated November 16, 2020, the Company was granted a permanent exemption from the requirement to translate into French this prospectus, as well as the documents incorporated by reference herein, and any prospectus supplement to be filed in relation to an "at-the-market distribution". This exemption is granted on the condition that if the Company offers securities to Québec purchasers

other than in relation to an “at-the-market distribution”, this prospectus and the documents incorporated by reference herein and the prospectus supplement in respect of such offering be translated into French.

LEGAL MATTERS

To the knowledge of management of the Company, there have not been any penalties or sanctions imposed against the Company by a court relating to securities legislation or by a securities regulatory authority, nor have there been any other penalties or sanctions imposed by a court or regulatory body against the Company that would likely be considered important to a reasonable investor in making an investment decision, and the Company has not entered into any settlement agreement before a court relating to securities legislation or with a securities regulatory authority.

INTEREST OF EXPERTS

Certain legal matters relating to the offering of the Securities hereunder will be passed upon by Torys LLP on behalf of the Company. As at the date hereof, the partners and associates of Torys LLP and its designated professionals, as a group, beneficially own, directly or indirectly, less than 1% of the outstanding Common Shares.

AUDITORS, TRANSFER AGENT AND REGISTRAR

The auditors of the Company are KPMG LLP, Chartered Professional Accountants, Vaughan, Ontario. KPMG LLP is independent of the Company in accordance with the Rules of Professional Conduct of the Chartered Professional Accountants of Ontario. The transfer agent and registrar for the Common Shares and Warrants is Computershare Investor Services Ltd. at its principal offices in Vancouver, British Columbia.

PURCHASERS' STATUTORY AND CONTRACTUAL RIGHTS

Unless provided otherwise in a prospectus supplement, the following is a description of a purchaser's statutory rights.

Securities legislation in some provinces and territories of Canada provides purchasers of securities with the right to withdraw from an agreement to purchase securities and with remedies for rescission or, in some jurisdictions, revisions of the price, or damages if the prospectus, prospectus supplement, and any amendment relating to securities purchased by a purchaser are not sent or delivered to the purchaser. However, purchasers of Common Shares distributed under an at-the-market distribution by the Company do not have the right to withdraw from an agreement to purchase the Common Shares and do not have remedies of rescission or, in some jurisdictions, revisions of the price, or damages for non-delivery of the prospectus, prospectus supplement, and any amendment relating to Common Shares purchased by such purchaser because the prospectus, prospectus supplement, and any amendment relating to the Common Shares purchased by such purchaser will not be sent or delivered, as permitted under Part 9 of NI 44-102.

Securities legislation in some provinces and territories of Canada further provides purchasers with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus, prospectus supplement, and any amendment relating to securities purchased by a purchaser contains a misrepresentation. Those remedies must be exercised by the purchaser within the time limit prescribed by securities legislation. Any remedies under securities legislation that a purchaser of Common Shares distributed under an at-the-market distribution by the Company may have against the Company or its agents for rescission or, in some jurisdictions, revisions of the price, or damages if the prospectus, prospectus supplement, and any amendment relating to securities purchased by a purchaser contain a misrepresentation will remain unaffected by the non-delivery of the prospectus referred to above.

Original Canadian purchasers of Securities which are convertible, exchangeable or exercisable into other securities of the Company will have a contractual right of rescission against the Company in respect of the conversion, exchange or exercise of such Securities. The contractual right of rescission will entitle such original Canadian purchasers to receive the amount paid for such Securities (and any additional amount paid upon conversion, exchange or exercise), upon surrender of the underlying securities acquired upon such conversion, exchange or exercise, in the event that this prospectus, the applicable prospectus supplement or any amendment contains a misrepresentation,

provided that: (i) the conversion, exchange or exercise takes place within 180 days of the date of the purchase of the convertible, exchangeable or exercisable security under this prospectus; and (ii) the right of rescission is exercised within 180 days of the date of the purchase of the convertible, exchangeable or exercisable security under this prospectus. This contractual right of rescission will be consistent with the statutory right of rescission described under section 130 of the *Securities Act* (Ontario), and is in addition to any other right or remedy available to original purchasers under section 130 of the *Securities Act* (Ontario) or otherwise at law. In an offering of Securities, investors are cautioned that the statutory right of action for damages for a misrepresentation contained in a prospectus is limited, in certain provincial securities legislation, to the amount paid for the Securities. This means that, under the securities legislation of certain provinces, if the purchaser pays additional amounts upon conversion, exchange or exercise of the security, those amounts may not be recoverable under the statutory right of action for damages that applies in those provinces. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of this right of action for damages or consult with a legal advisor. This contractual right of rescission does not extend to holders of Securities who acquire such Securities from an initial purchaser, on the open market or otherwise.

A purchaser should refer to applicable securities legislation for the particulars of these rights and should consult a legal adviser.

CERTIFICATE OF THE CORPORATION

Dated: November 27, 2020

This short form prospectus, together with the documents incorporated in this prospectus by reference, will, as of the date of a particular distribution of securities under the prospectus, constitute full, true and plain disclosure of all material facts relating to the securities offered by this prospectus and the supplement as required by the securities legislation of each of the provinces and territories of Canada.

(signed) "Sean Bovingdon"
Interim Chief Executive Officer

(signed) "Sean Bovingdon"
Chief Financial Officer

On Behalf of the Board of Directors

(signed) "Jeffrey Scott"
Director

(signed) "Nicholas Kirton"
Director