

**FORM 51-102F3
MATERIAL CHANGE REPORT**

Item 1. Name and Address of Company

The Green Organic Dutchman Holdings Ltd. (the “**Company**” or “**TGOD**”)
6205 Airport Road
Building A, Suite 200
Mississauga, ON L4V 1E3

Item 2. Date of Material Change

June 10, 2021

Item 3. News Release

On June 10, 2021, a news release in respect of the material change was disseminated by the Company through Canada Newswire. A copy of the news release is appended as Schedule “A” and was filed under the Company’s profile on SEDAR at www.sedar.com.

Item 4. Summary of Material Change

On June 10, 2021, the Company announced that its wholly owned Quebec subsidiary Medican Organic Inc. (“**Medican**”) has entered into a binding agreement of purchase and sale (the “**APS**”) with Cannara Biotech Inc. (the “**Purchaser**”) (TSXV: LOVE) for the sale of the majority of its assets in Valleyfield, Quebec (the “**Quebec Facility**”), including all industrial and agricultural land, main hybrid greenhouse, rooftop greenhouse, all support buildings and certain related equipment. The processing and manufacturing equipment currently utilized by Medican for the production of its cannabis 2.0 portfolio in the Quebec Facility is not subject to the APS.

Pursuant to the APS, the Purchaser will have deposited the full \$27 million (the “**Purchase Price**”) into escrow prior to the close of the sale which is scheduled to close on or before June 22, 2021 (the “**Closing**”). An additional \$5.7 million deposit will be refunded to Medican upon completion of the transfer to the Purchaser of a utility pricing agreement with Hydro Quebec, to occur concurrently with Closing. As well, concurrent with Closing, TGOD will pay approximately \$31.8 million to its senior lender in full and complete settlement of all its obligations to such lender. As agreed between the parties in the APS, Medican will enter into a lease on Closing with the Purchaser, for approximately 80,000 square feet of cultivation and processing space in the Quebec Facility.

Item 5. Full Description of Material Changes

A full description of the material change is contained in the news release attached hereto as Schedule “A”.

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

Not Applicable.

Item 7. Omitted Information

Not Applicable.

Item 8. Executive Officer

Sean Bovingdon, Chief Executive Officer and Interim Chief Financial Officer of the Company, who is knowledgeable about the details of the material change, may be contacted at 905-304-4201.

Item 9. Date of Report

June 14, 2021

SCHEDULE "A"

(See attached)

The Green Organic Dutchman Signs Sale Agreement and Leaseback for its Quebec Facility

- Gross total value of \$32.7 million, consisting of sale price of \$27 million, plus \$5.7 million from Hydro Quebec deposit return
- TGOD's operations to remain in Valleyfield, through leaseback agreement
- Sale expected to close on or before June 22, 2021
- TGOD to use net proceeds to eliminate senior term debt

TORONTO, June 10, 2021 - The Green Organic Dutchman Holdings Ltd. (the "**Company**" or "**TGOD**") (TSX: TGOD) (US-OTC: TGODF), a leading producer of premium certified organically grown cannabis, is pleased to announce that its wholly owned Quebec subsidiary Medican Organic Inc. ("**Medican**") has entered into a binding agreement of purchase and sale (the "**APS**") with Cannara Biotech Inc. (the "**Purchaser**") (TSXV: LOVE) for the sale of the majority of its assets in Valleyfield, Quebec (the "**Quebec Facility**"), including all industrial and agricultural land, main hybrid greenhouse, rooftop greenhouse, all support buildings and certain related equipment. The processing and manufacturing equipment currently utilized by Medican for the production of its cannabis 2.0 portfolio in the Quebec Facility is not subject to the APS. Pursuant to the APS, the Purchaser will have deposited the full \$27 million (the "**Purchase Price**") into escrow prior to the close of the sale which is scheduled to close on or before June 22, 2021 (the "**Closing**"). As agreed between the parties in the APS, Medican will enter on Closing into a lease with the Purchaser, for approximately 80,000 square feet of cultivation and processing space in the Quebec Facility.

Management Commentary:

"This is a major transition point for the Company, as we continue to execute our plans, allowing us to significantly reduce our debt while right-sizing our operations in Quebec without disruption," commented Sean Bovingdon, TGOD's CEO and Interim CFO. "Furthermore, we are pleased to be in position to provide for potential future growth in cultivation in Quebec through the leaseback of an appropriate portion of the Quebec Facility. Our portfolio of products is receiving positive reviews across the country and we look forward to providing Quebec with locally grown products, as demand continues to increase. Our balance sheet is being strengthened through the sale of excess assets and the elimination of term debt, and we expect annualized net cashflow savings of approximately \$4 million in interest and overhead costs. This sets the foundation for the Company to take advantage of other growth opportunities in Canada and the United States," added Bovingdon.

Transaction details:

- Gross Purchase Price of \$27 million, paid on Closing in cash from funds deposited into escrow by the Purchaser.
- Additional \$5.7 million deposit to be refunded to Medican upon completion of the transfer to the Purchaser of a utility pricing agreement with Hydro Quebec, to occur concurrently with Closing.

- Medican will be provided with an initial two-year lease for 80,000 square feet, representing cultivation, processing and manufacturing spaces in the Quebec Facility, at an annual rate of \$12.50 per square foot.
- In addition, Medican will enter into a three-year lease and cannabis supply agreement with the Purchaser, commencing after the initial two-year lease, for approximately 80,000 square feet of the Quebec Facility, whereby Medican will pay \$8.75 per square foot per year for the processing and manufacturing space only and will pay the Purchaser a net amount based on the wholesale value of bulk dried cannabis that Medican produces from the growing premises in lieu of rent for that space. This will be a net amount based on bulk wholesale market prices at that time less all costs of cultivation and costs to process to point of sale of bulk dried cannabis. Medican will maintain ownership of its organic cannabis produced for sale into the retail markets.
- Concurrent with Closing, TGOD will pay approximately \$31.8 million to its senior lender in full and complete settlement of all its obligations to such lender.
- The APS closing is subject to usual and customary conditions for such transactions.
- BMO Capital Markets acted as exclusive representative and financial advisor in connection with the transaction, and Langlois Lawyers LLP acted as TGOD's legal counsel.

About The Green Organic Dutchman Holdings Ltd.

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

TGOD's Common Shares and warrants issued under the indentures dated December 19, 2019, June 12, 2020, October 23, 2020 and December 10, 2020 trade on the TSX under the symbol "TGOD", "TGOD.WS", "TGOD.WR", "TGOD.WA", and "TGOD.WB" respectively, and TGODF trades in the US on the OTCQX. For more information on The Green Organic Dutchman Holdings Ltd., please visit www.tgod.ca.

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Forward-Looking Information Cautionary Statement

This news release includes statements containing certain "forward-looking information" within the meaning of applicable securities law ("forward-looking statements"). Forward looking statements in this release includes, but is not limited to, statements about future revenue, statements about the use of proceeds and reduction of debt, statements about the definitive terms of lease agreements and the closing of asset sale agreements, statements about future production, statements about achievement of value for shareholders, statements about reduction interest and overhead costs, statements about the offering of any particular products by the Company in any jurisdiction and statements regarding the future performance of the Company. Forward-looking statements are frequently characterized by words such as "plan", "continue", "expect", "project", "intend", "believe", "anticipate", "estimate", "may", "will", "potential", "proposed" and other similar words, or statements that certain events or conditions "may" or "will" occur. These statements are only predictions. Various assumptions were used in drawing the conclusions or making the projections contained in the forward-looking statements throughout this news release. Forward-looking statements are based on the opinions and estimates of management at the date the statements are made and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. The Company is under no obligation, and expressly disclaims any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by applicable law.

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