

The Green Organic Dutchman Enters Into a Definitive Agreement To Grow Through A Strategic Acquisition

- **TGOD to acquire Galaxie Brands Corporation**
- **Acquisition significantly expands and diversifies TGOD's product portfolio through:**
 - **Galaxie's exclusive joint venture in Canada, with a major U.S. cannabis edible brand**
 - **Galaxie's differentiated portfolio in pre-rolls, vapes, and solventless products, including Galaxie's flagship Brand, Cruzy**
- **Strengthen TGOD's executive capabilities with addition of industry veterans and former Canopy Growth Corp. executives Angus Footman and Olivier Dufourmantelle to the Board and Management Team**
- **Increased scale and expanded operating capabilities in key growth verticals with ability to accelerate entry into the U.S. market**

TORONTO, November 1, 2021 - The Green Organic Dutchman Holdings Ltd. (the "**Company**" or "**TGOD**") (CSE: TGOD) (US-OTC: TGODF), a leading producer of premium certified organically grown cannabis, is pleased to announce that it has entered into a share purchase agreement (the "**Agreement**") under which TGOD, or a wholly-owned subsidiary of TGOD, will acquire all of the issued and outstanding shares (the "**Galaxie Shares**") of Galaxie Brands Corporation ("**Galaxie**") with initial share consideration valued at approximately CAD \$21 million (the "**Transaction**"). As part of the Transaction, the Company will also assume \$1.3 million of existing shareholder loans of Galaxie, which are non-interest bearing until at least January 31, 2022. The vendors of the Galaxie Shares (the "**Vendors**") are also entitled to earn up to CAD \$15 million in additional shares of TGOD (the "**TGOD Shares**"), subject to achievement of certain financial milestones by December 31, 2022. The Transaction is scheduled to close on or about November 15, 2021, and subject to customary closing conditions and covenants.

Key Transaction Highlights and Rationale

Diversified Product Portfolio and distribution

Galaxie is a licensed producer focused on product innovation, branding and manufacturing 2.0 products. The company creates and produces a range of products including premium cannabis edibles, infused pre-rolls, flavoured and full melt vapes, oils and solventless products. It also provides manufacturing and product development services to partners across Canada.

The Transaction will expand and diversify TGOD's portfolio as follows:

- TGOD will gain exposure to the valuable edible category, through Galaxie's exclusive joint venture in Canada with a major edible brand in the U.S. which sells a range of cannabis edibles made with unique cannabinoids and flavors.
- TGOD will leverage Galaxie's diverse 2.0 portfolio and gain access to its product development expertise and formulation lab capabilities. TGOD will expand its offering to include innovative infused pre-rolls, flavoured and full melt vapes, and solventless products.

Following closing of the Transaction, TGOD will benefit from improved regional distribution across Canada, providing product expansion capabilities into British Columbia for TGOD and Highly Dutch brands, and into Quebec for Galaxie's Cruuzu brand, which is made for emerging cannabis enthusiasts.

The combined entity will leverage TGOD's unique quality organic platform and cultivation capabilities and Galaxie's differentiated infused pre-rolls and full melt vapes. The product portfolio will expand from 157 to 215 listings across Canada and key product innovations will be deployed across all brands.

Increased scale and operating capabilities

Galaxie's 26,000 square feet ("sq. ft.") Ontario facility (the "**Galaxie Facility**") with 2.0 capabilities is fully licensed by Health Canada and operational, and is expected to provide TGOD with additional cultivation, processing, packaging, extraction, and product development capabilities. The Galaxie Facility, coupled with TGOD's existing 166,000 sq. ft. state-of-the-art growing operations in Ancaster, Ontario, and 80,000 sq. ft. of available cultivating and manufacturing space in Valleyfield, Quebec, positions TGOD, following the closing of the Transaction, to continue to expand, and move towards profitability. TGOD anticipates that its own sales license tolling business will be enhanced with Galaxie's contract manufacturing capabilities.

In addition, Galaxie's strategic U.S. partnerships and existing industry relationships is expected to accelerate TGOD's entry into the U.S. market, with the growing TGOD organic brand platform being positioned for future expansion across the border.

Enhancement of TGOD's executive capabilities

Angus Footman, current CEO of Galaxie, will join the Board of Directors of TGOD (the "**Board**") as Chairman of the Board, while Olivier Dufourmantelle, President of Galaxie, will join the TGOD team as President of U.S. Operations and as a Director on the Board. The current Chairman of TGOD, Jeff Scott, will remain on the Board as the independent Lead Director, responsible for overseeing the strong governance principles of the Company. The TGOD Executive Team will continue to be led by Sean Bovingdon, CEO and interim CFO.

Both Footman and Dufourmantelle are experienced professionals and entrepreneurs with substantial experience in the cannabis industry.

Footman is the founder of Park Lane Farms ("**Park Lane**"), one of the first legal producers of medical cannabis products in Canada. Footman sold Park Lane to Canopy Growth Corp. ("**Canopy Growth**") in 2014 and served as the Managing Director and President of Tweed Farms (formerly Park Lane) until 2018. Footman then assumed leadership of Canopy Growth's animal health division, a global leader in animal cannabinoid research.

Dufourmantelle was previously Chief Operating Officer of Canopy Rivers Inc. ("**Canopy Rivers**"), and Chief Operating Officer of Canopy Growth. He has also worked in leadership and management consulting roles in Asia, Europe, and North America with both Michelin Tires and McKinsey & Company. Dufourmantelle is a certified Professional Engineer and has received an MBA from Harvard Business School.

In addition, John Bell, the former Chairman and Director at Canopy Growth and Canopy Rivers, respectively, who is a Director at Galaxie, will be joining TGOD as an Advisor to the Board.

Other rationale

The Transaction is expected to achieve significant cost synergies through selling, general and administrative expense reduction through combining activities, supply chain and distribution optimization through economies of scales, combined research, and development activities through leveraging both entities, and a general overhead reduction.

Management commentary

“We are excited to continue to execute on our growth plans. The acquisition of Galaxie will allow TGOD to expand by increasing scale, innovation, and operating capabilities, with the addition of exciting brands in Canada. We believe our complementary brands and consumer bases will result in stronger revenues and overall financial performance for TGOD, while preparing for a future expansion to the U.S.” said Sean Bovingdon, CEO and interim CFO of TGOD. “We look forward to leveraging Galaxie’s multiple strategic partnerships and welcome Galaxie’s talent to the TGOD team,” added Bovingdon.

“We are thrilled to join the TGOD team. We believe this Transaction will accelerate our growth plans and expand our product portfolios and operations. Beyond complementary brands and products, we share with the TGOD team a focus on environmental stewardship, social responsibility, and sound governance. Olivier Dufourmantelle and I are proud of the strong team we have assembled at Galaxie, and we look forward to help bring value for the combined entity,” commented Footman.

Transaction Details

In consideration for all the issued and outstanding shares of Galaxie, upon closing of the Transaction, TGOD will issue CAD \$21 million worth of TGOD Shares, subject to adjustment in accordance with the terms of the Agreement, at a price of \$0.175 per share. This amounts to 120,000,000 TGOD Shares, of which 40,000,000 will be placed into an indemnity escrow account to be released no later than December 31, 2023, subject to the escrow release terms of an indemnity escrow agreement (the “**Indemnity Escrow Agreement**”); the remaining 80,000,000 TGOD Shares will be subject to an escrow agreement, whereby one sixth of these shares will be released every four months. In addition, there is an earn-out provision, whereby up to an additional CAD \$15 million in TGOD Shares, being 85,714,286 TGOD Shares, could be issued the Vendors, subject to the achievement of certain milestones in 2022. Galaxie will remain as a wholly-owned subsidiary of TGOD and licence holder for the Galaxie Facility. Closing of the Transaction is subject to customary closing conditions and the approval of the CSE.

Following the closing of the Transaction, the Board will be composed of Jeff Scott, Sean Bovingdon, Dr. Caroline MacCallum, Nicholas Kirton, Jacques Dessureault, Adam Jaffe, Angus Footman and Olivier Dufourmantelle. Current TGOD director, Marc Bertrand will transition to act as an advisor to the Board, in conjunction with John Bell.

Led by Sean Bovingdon (CEO and interim CFO), the executive team will be comprised of existing TGOD executives Michel Gagné (Chief Operating Officer), Gayle Duncan (Chief Growth Officer) and Matthew Schmidt (EVP Corporate Development), with the addition of Olivier Dufourmantelle (President U.S. Operations).

About The Green Organic Dutchman Holdings Ltd.

The Green Organic Dutchman Holdings Ltd. (CSE: 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 CSE under the symbol "TGOD", "TGOD.WS", "TGOD.WR", "TGOD.WA", and "TGOD.WB" respectively. TGOD's Common Shares trade in the U.S. on the OTCQX under the symbol "TGODF". For more information on The Green Organic Dutchman Holdings Ltd., please visit www.tgod.ca.

About Galaxie Brands

Galaxie Brands Corp. is a licensed producer operating in the Galaxie Facility, a fully licensed, fully operational 26,000 sq. ft./50 acres facility in Ontario. Galaxie focuses on innovation, branding and processing. The company has full 2.0 capabilities including flower and pre-roll manufacturing, extraction and formulation, edibles, vapes, and oils. It manufactures and distributes products across Canada. Galaxie develop brands that are fun and memorable, the way cannabis should be. Its Cruzy brand offers a range of flavor first, high potency products to customers new to cannabis. The GRx medical brand offers high CBD products to its medical patients. Through its exclusive joint venture, Galaxie brings a range of cannabis edibles made with unique cannabinoids and flavours.

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Cautionary Statements

This news release includes statements containing certain "forward-looking information" within the meaning of applicable securities law ("forward-looking statements"). Forward looking statements in this release include, but are not limited to, statements about future production and manufacturing, statements about future development and delivery of products, statements about the closing of the Transaction, statements about the potential future revenue and cost synergies, statements about potential entry into the U.S. market, and statements about the level of demand for TGOD's and Galaxie's products. Forward-looking statements are frequently characterized by words such as "plan", "continue", "expect", "project",

"intend", "should", "believe", "anticipate", "estimate", "may", "will", "potential", "proposed" and other similar words, or statements that certain events or conditions "may" or "will" occur. These statements are only predictions. Various assumptions were used in drawing the conclusions or making the projections contained in the forward-looking statements throughout this news release. Forward-looking statements are based on the opinions and estimates of management at the date the statements are made and are subject to a variety of risks and uncertainties (including market conditions) and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements, including those risk factors described in the Company's most recent Annual Information Form filed with Canadian securities regulators and available on the Company's issuer profile on SEDAR at www.sedar.com. Although the Company believes that the assumptions and factors used in preparing the forward-looking information or forward-looking statements in this news release are reasonable, undue reliance should not be placed on such information and no assurance can be given that such events will occur in the disclosed time frames or at all. The forward-looking information and forward-looking statements included in this news release are made as of the date of this news release. The Company is under no obligation, and expressly disclaims any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by applicable law.

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