

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

Item 1. Name and Address of Company

The Green Organic Dutchman Holdings Ltd. (the “Company”)
5520 Explorer Road
Suite 402
Mississauga, Ontario L4W 5L1

Item 2. Date of Material Change

December 22, 2022

Item 3. News Release

On December 22, 2022, 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 Changes

On December 22, 2022, the Company announced the closing of its previously announced public offering of units of the Company (the “Units”) at a price of \$0.40 per Unit (the “Issue Price”) for aggregate net proceeds of \$5,083,000 (the “Offering”).

Item 5. Full Description of Material Changes

(a) description of the transaction and its material terms

The Offering was completed on a best efforts basis pursuant to an agency agreement dated December 19, 2022 among the Company and Clarus Securities Inc. (the “Agent”), through the issuance of 12,707,500 Units at the Issue Price for aggregate gross proceeds of \$5,083,000.

Each Unit was comprised of one common share in the capital of the Company (each, a “Common Share”) and one Common Share purchase Warrant (each, a “Warrant”). Each Warrant is exercisable to acquire one Common Share at an exercise price of \$0.50 per Common Share until December 22, 2027.

In connection with closing of the Offering, the Company paid the Agent an aggregate cash commission of \$154,480.

As an insider of the Company participated in the Offering, it is deemed to be a “related party transaction” as defined under Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“MI 61-101”). The Offering is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 (pursuant to subsections 5.5(a) and 5.7(1)(a)) as the fair market value of the securities distributed to, and the consideration received from, related parties did not exceed 25% of the Company’s market capitalization.

(b) the purpose and business reasons for the transaction

The proceeds of the Offering will be used by the Company for the partial repayment of certain trade payables, and for working capital and general corporate purposes.

(c) the anticipated effect of the transaction on the issuer's business and affairs

The Offering is expected to have a positive impact on the Company's working capital, ability to fund its ongoing operations and ability to continue to grow its business.

(d) a description of (i) the interest in the transaction of every interested party and of the related parties and associated entities of the interested parties, and (ii) the anticipated effect of the transaction on the percentage of securities of the issuer, or of an affiliated entity of the issuer, beneficially owned or controlled by each person referred to in subparagraph (i) for which there would be a material change in that percentage

Pursuant to the Offering, the Company issued 7,500,000 Units to Stone Pine Capital Ltd., an affiliate of BZAM International Ltd., the Company's largest shareholder (the "**Insider**"). Prior to the Offering, the Insider beneficially owned or controlled approximately 45.03% of the issued and outstanding Common Shares of the Company prior to closing of the Offering. The Units issued to the Insider were issued at the Issue Price.

As a result of the Offering, the Insider now beneficially owns or controls 72,531,360 Common Shares, representing approximately 46.16% of the 157,137,836 issued and outstanding Common Shares (on a non-diluted basis). As a result of the Offering, the Insider's shareholdings increased by approximately 1.13%.

(e) unless this information will be included in another disclosure document for the transaction, a discussion of the review and approval process adopted by the board of directors and the special committee, if any, of the issuer for the transaction, including a discussion of any materially contrary view or abstention by a director and any material disagreement between the board and the special committee,

The Board of Directors of the Company considered the reasonableness and fairness of the Offering and unanimously approved the Offering. No materially contrary view or abstention was expressed or made by any director of the Company in relation thereto. The participation by certain insiders and other related parties of the Company is not expected to have a material effect on the Company's business and affairs. The Board of Directors did not establish a special committee to review the Offering.

(f) a summary of the formal valuation, if any, obtained for the transaction

Not applicable.

(g) disclosure of every prior valuation in respect of the issuer that relates to the subject matter of is otherwise relevant to the transaction (i) that has been made in the 24 months before the date of the material change report, and (ii) the existence of which is known, after reasonable enquiry, to the issuer or to any director or senior officer of the issuer

Not applicable.

(h) the general nature and material terms of any agreement entered into by the issuer, or a related party of the issuer, with an interested party or a joint actor with an interested party, in connection with the transaction

The Insider participated in the Offering on the same terms as all other subscribers in the Offering. No agreements were entered into with any insider or related party in connection with the Offering.

(i) disclosure of the formal valuation and minority approval exemptions, if any, on which the issuer is

relying on, and the facts supporting reliance on the exemptions

The Offering is exempt from the formal valuation and minority shareholder approval requirements of MI 61- 101 pursuant to subsections 5.5(a) and 5.7(1)(a), as the fair market value of the securities distributed to, and the consideration received from, related parties participating in the Offering did not exceed 25% of the Company's market capitalization.

For additional details of the material change, please see the Company's news release dated December 22, 2022, a copy of which is attached 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 Bovington
Chief Financial Officer
Telephone: 905-304-4201

Item 9. Date of Report

December 23, 2022

Schedule "A"

THIS NEWS RELEASE IS INTENDED FOR DISTRIBUTION IN CANADA ONLY AND IS NOT FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR PUBLICATION, RELEASE OR DISSEMINATION IN THE UNITED STATES.

The Green Organic Dutchman Holdings Ltd. Announces Closing of Previously Announced Marketed Public Offering of Units

TORONTO, Ontario, and VANCOUVER, British Columbia, December 22, 2022 - The Green Organic Dutchman Holdings Ltd. (the "**Company**" or "**TGOD**") (CSE: TGOD) (US-OTC: TGODF), which recently merged with BZAM Holdings Inc. (the "**BZAM Acquisition**") to create one of Canada's leading producers of flower and 2.0 products, announced today that the Company has closed its previously announced marketed public offering (the "**Offering**") of units of the Company (the "**Units**"). The Offering was conducted by Clarus Securities Inc. (the "**Agent**") on a "best-efforts" marketed basis.

Pursuant to the Offering, the Company issued 12,707,500 Units at a price of \$0.40 per Unit for aggregate gross proceeds of \$5,083,000. Each Unit will consist of one common share in the capital of the Company (each, a "**Common Share**") and one Common Share purchase warrant (each warrant, a "**Warrant**"). Each Warrant will entitle the holder to purchase one Common Share at an exercise price of C\$0.50 for 60 months following the completion of the Offering. The net proceeds from the Offering are expected to be used to repay previously incurred payables, including post-merger integration costs which are expected to yield future cost savings, and general corporate purposes.

The Offering was completed pursuant to a prospectus supplement dated December 19th, 2022 (the "**Supplement**") to the Company's short form base shelf prospectus dated November 27, 2020 (the "**Prospectus**") in the provinces of British Columbia, Alberta, and Ontario. Copies of the Supplement and the Prospectus are available on the Company's SEDAR profile at www.sedar.com.

The Company's largest shareholder following the BZAM Acquisition, who is an insider of the Company, participated in the Offering and subscribed for an aggregate of 7,500,000 Units for gross proceeds to the Company of \$3,000,000. Accordingly, the Offering is considered to be a "related party transaction" for purposes of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"). Pursuant to MI 61-101, the Company will file a material change report providing disclosure in relation to each "related party transaction" on SEDAR under TGOD's issuer profile at www.sedar.com. The Company did not file the material change report more than 21 days before the expected closing date of the Offering as the details of the Offering and the participation therein by the "related party" of the Company were not settled until shortly prior to the closing of the Offering. The Company is relying on exemptions from the formal valuation and minority shareholder approval requirements available under MI 61-101. The Company is exempt from the formal valuation requirement in section 5.4 of MI 61-101 in reliance on section 5.5(a) of MI 61-101 as the fair market value of the transaction, insofar as it involves interested parties, is not more than the 25% of the Company's market capitalization. Additionally, the Company is exempt from minority shareholder approval requirement in section 5.6 of MI 61-101 in reliance on section 5.7(1)(a) as the fair market value of the transaction, insofar as it involves interested parties, is not more than the 25% of the Company's market capitalization.

This news release is not for publication or distribution, directly or indirectly, in or into the United States. This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities of The Green Organic Dutchman Holdings Ltd. in the United States, nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful. The securities offered have not been and will not be registered under the United States Securities Act of 1933, as amended, or any U.S. state securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. Persons unless registered under the United States Securities Act of 1933, as amended, and applicable state securities laws or unless an exemption from such registration is available. No public offering of securities is being made in the United States.

About The Green Organic Dutchman Holdings Ltd.

The Green Organic Dutchman Holdings Ltd. (CSE: TGOD) (US-OTC: TGODF) is a multi-licensed Canadian cannabis producer with a focus on branded consumer goods, innovation, quality, consistency, integrity and transparency. The Company is committed to cultivating a better tomorrow by producing its products responsibly, with less waste and impact on the environment. In Canada, TGOD serves the recreational market with a brand portfolio including BZAM, The Green Organic Dutchman, -ness, Highly Dutch Organics, TABLE TOP, Cruzy and partner brands Dunn Cannabis, FRESH, Superflower and SnackBar. TGOD operates facilities in BC, Alberta, Ontario and Quebec, as well as retail stores in Winnipeg, Manitoba and Regina, Saskatchewan, and is rapidly expanding its offerings to a growing number of consumers across Canada.

TGOD's Common Shares and certain 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.

CONTACT INFORMATION

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Forward-looking 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 the use of proceeds of the Offering, potential cost savings, and the Company's strategy, plans, objectives, goals and targets. 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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