

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

**Item 1. Name and Address of Company**

The Green Organic Dutchman Holdings Ltd. (the “Company”)  
1570-200 Burrard St.  
Vancouver, BC V6C 3L6

**Item 2. Date of Material Change**

January 4, 2023

**Item 3. News Release**

On January 4, 2023, 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](http://www.sedar.com).

**Item 4. Summary of Material Changes**

*(a) description of the transaction and its material terms*

On January 4, 2023, the Company issued an aggregate of 6,500,000 common shares of the Company (the “**Common Shares**”), at a deemed issuance price of \$0.40 per Common Share, to settle \$2,600,000 (the “**Indebtedness**”) of aggregate indebtedness of the Company (the “**Debt Settlement Transaction**”), pursuant to loan settlement agreements with two of the Company’s largest shareholders (the “**Shareholders**”).

The Shareholders are insiders of the Company, and therefore the Debt Settlement Transaction was considered a “related party transaction” for the purposes of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”). The Debt Settlement Transaction was 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 Debt Settlement Transaction was not more than the 25% of the Company’s market capitalization.

*(b) the purpose and business reasons for the transaction*

The Debt Settlement Transaction was undertaken by the Company for the purpose of reducing accrued liabilities of the Company by settling certain outstanding indebtedness owed to the Shareholders.

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

The Debt Settlement Transaction is expected to have a positive impact on the Company’s financial position and reduce its accrued liabilities.

*(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 Debt Settlement Transaction, the Company issued 5,500,000 Common Shares to Stone Pine Capital Ltd. (“**Stone Pine**”), an affiliate of BZAM International Ltd., the Company’s largest shareholder (“**BZAM**”). Prior to the Debt Settlement Transaction, BZAM beneficially owned or controlled approximately 46.16% of the issued and outstanding Common Shares of the Company prior to closing of the Debt Settlement Transaction. As a result of the Debt Settlement Transaction, BZAM beneficially owns or has control or direction over 78,031,360 Common Shares, representing approximately 47.69% of the 163,637,836 issued and outstanding Common Shares (on a non-diluted basis).

Pursuant to the Debt Settlement Transaction, the Company issued 1,000,000 Common Shares to Aoco Ventures Inc. (“**AOCO**”), a company owned 50% by Olivier Dufourmantelle (“**Olivier**”) and 50% by Angus Footman (“**Angus**”), both directors of the Company. Prior to the Debt Settlement Transaction, Olivier and Angus each beneficially owned or controlled approximately 1.87% of the issued and outstanding Common Shares of the Company prior to closing of the Debt Settlement Transaction. As a result of the Debt Settlement Transaction, Olivier and Angus each beneficially own or have control or direction over 3,444,526 Common Shares, representing approximately 2.10% of the 163,637,836 issued and outstanding Common Shares (on a non-diluted basis).

*(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 (the “**Board**”) considered the reasonableness and fairness of the Debt Settlement Transaction which was approved by disinterested members of the Board. 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 Debt Settlement Transaction.

*(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 Company entered into loan settlement agreements with each of Stone Pine and AOCO dated as of January 4, 2023 to settle outstanding debts owed pursuant to certain promissory notes issued in favour of Stone Pine and AOCO.

*(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 Debt Settlement Transaction 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 Debt Settlement Transaction 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 January 4, 2023, a copy of which is attached as Schedule "A".

**Item 5. Full Description of Material Changes**

See the news release disseminated by the Company on January 4, 2023 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 Bovington  
Chief Financial Officer  
Telephone: 905-304-4201

**Item 9. Date of Report**

January 13, 2023

## Schedule “A”

### **The Green Organic Dutchman Holdings Ltd. Announces Shares for Debt Transaction**

**TORONTO, January 4, 2023** – The Green Organic Dutchman Holdings Ltd. (the “**Company**” or “**TGOD**”) (CSE: TGOD) (US-OTC: TGODF), a sustainable global cannabis company and leading producer of premium cannabis brands, announces that the Company has agreed to issue an aggregate of 6,500,000 common shares of the Company (the “**Common Shares**”), at a deemed issuance price of \$0.40 per Common Share, to settle \$2,600,000 (the “**Indebtedness**”) of aggregate indebtedness of the Company (the “**Debt Settlement Transaction**”), pursuant to loan settlement agreements with two of the Company’s largest shareholders (the “**Shareholders**”). Such Common Shares will be issued in reliance on certain prospectus exemptions available under securities legislation and will be subject to a four-month plus one day statutory hold period. The Debt Settlement Transaction remains subject to all necessary regulatory approvals including final acceptance by the Canadian Securities Exchange (the “**CSE**”).

The Shareholders are insiders of the Company, and therefore the Debt Settlement Transaction 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](http://www.sedar.com). The Company did not file the material change report more than 21 days before the expected closing date of the Debt Settlement Transaction as the details of the Debt Settlement Transaction were not settled until shortly prior to the closing of the Debt Settlement Transaction. 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 Debt Settlement Transaction 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 Debt Settlement Transaction is not more than the 25% of the Company’s market capitalization.

The Company also announces the departure of Mr. Michel Gagné from his position as Chief Operating Officer of the Company, effective as at January 31, 2023. “Michel has been a valuable contributor to the Company’s growth and success in recent years” commented Matt Milich, CEO of TGOD. “We would like to wish Michel the best of luck with all of his future endeavours,” added Matt.

### **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, Cruuzu 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 June 12, 2020, October 23, 2020 and December 10, 2020 trade on the CSE under the symbol “TGOD”, “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](http://www.tgod.ca) and [www.bzamheadquarters.com](http://www.bzamheadquarters.com).

**CONTACT INFORMATION**

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