

**Form 51-102F3**  
**Material Change Report**

**Item 1            Name and Address of Company**

Transcanna Holdings Inc. (the “**Company**”)  
Suite 820-1130 West Pender Street  
Vancouver, B.C. V6E 4A4

**Item 2            Date of Material Change**

January 8, 2019

**Item 3            News Release**

A news release was disseminated on January 8, 2019 through the facilities of Investing News Network and Stockwatch.

**Item 4            Summary of Material Change**

The Company completed its initial public offering of 4,400,000 units (each a “**Unit**”) issued at a price of \$0.50 per Unit, generating gross proceeds of \$2,200,000.

**Item 5            Full Description of Material Change**

On January 8, 2019 the Company completed its initial public offering of 4,400,000 Units issued at a price of \$0.50 per Unit pursuant to a prospectus dated December 10, 2018 (the “**Prospectus**”) resulting in aggregate gross proceeds to the Company of \$2,200,000.

Each Unit is comprised of one common share of the Company (each a “**Share**”) and one common share purchase warrant (each a “**Warrant**”). Each Warrant entitles the holder to acquire one additional Share at an exercise price of \$1.00 per Share until January 8, 2020, provided that in the event that the price of the Shares on the Canadian Securities Exchange (the “**CSE**”) closes at or above \$1.50 for a period of 10 consecutive trading days, the Company may accelerate the term of the Warrants to a period of 30 days by issuing written notice to the Warrant holders. The Warrants are issued pursuant to a warrant indenture dated January 8, 2019 between the Company and its warrant agent, Odyssey Trust Company. A copy of which is available under the Company’s profile on SEDAR at [www.sedar.com](http://www.sedar.com).

A commission of 8% of the gross proceeds of the offering was paid partly through the payment of \$21,800 in cash and in part through the issuance of 308,400 Units, to the Company’s agent, Haywood Securities Inc. (“**Haywood**”), as well as a corporate finance fee of \$25,000, plus applicable taxes. In addition, Haywood received 352,000 non-

transferable warrants to acquire up to 352,000 Shares at a price of \$0.50 per Share until January 8, 2020.

The Company has granted to Haywood an over-allotment option exercisable until February 7, 2019, to sell up to a further 660,000 Units at the offering price.

The Company's common shares were listed for trading on the CSE under the trading symbol "TCAN" on January 8, 2019 and are expected to commence trading on or about January 9, 2019

**Item 6 Reliance on subsection 7.1(2) or (3) of National Instrument 51-102**

This Report is not being filed on a confidential basis in reliance on subsection 7.1(2) or (3) of National Instrument 51-102.

**Item 7 Omitted Information**

No information has been omitted on the basis that it is confidential information.

**Item 8 Executive Officer**

Greg Ball, CFO is knowledgeable about the material change and the Report and may be contacted (604) 648.0516.

**Item 9 Date of Report**

January 9, 2019