

# TransCanna Announces \$10.0 M Brokered Private Placement

Vancouver, British Columbia--(Newsfile Corp. - February 20, 2019) - **TransCanna Holdings Inc.** (CSE: TCAN) (FSE: TH8) ("TransCanna" or the "Company") is pleased to announce that it has appointed Haywood Securities Inc. ("Haywood") to act as lead agent on behalf of a syndicate of agents to be formed, including Gravitas Securities Inc. (collectively, the "Agents") to sell, by way of a private placement on a best efforts basis, up to 5,000,000 units of the Company (each a "Unit") at a price of \$2.00 per Unit (the "Issue Price") for gross proceeds of up to \$10,000,000 (the "Offering"), subject to receipt of all applicable regulatory approvals.

Each Unit will comprise one common share of the Company (each a "Share") and one half of one common share purchase warrant (each whole warrant, a "Warrant"). Each Warrant will entitle the holder to acquire an additional Share at a price of \$3.00 for a period of 36 months from the date of closing of the Offering (the "Closing Date").

The Company intends to use the net proceeds of the Offering to partially fund the acquisition of the 196,000 sq ft cannabis facility as announced on February 4, 2019 and for working capital and general corporate purposes. The Company still anticipates it will seek a commercial lending facility to secure the full purchase price for the facility and once it has executed definitive documentation for such a facility, it will provide a further update on the progress of the acquisition. The completion of the Offering will be conditional upon the Company being in a position to complete the facility acquisition.

The Company will, upon the closing of the Offering: 1) pay the Agents a commission equal to 8.0% of the gross proceeds of the Offering, payable in cash or in Units at the discretion of the Agents; and 2) issue to the Agents compensation options (the "Compensation Options") equal to 8.0% of the Units sold, subject to compliance with all required regulatory approvals. The Compensation Options will entitle the Agent's to purchase Units at an exercise price per Compensation Option that is equal to the Issue Price and have a term of 36 months from the Closing Date. The Company will also pay to the Agents a corporate finance fee of \$250,000 of which 50% will be payable in cash and 50% will be payable in Units at the Issue Price.

The Offering may be completed in multiple closings, with the final closing expected to occur on or before March 28, 2019, subject to the receipt of all necessary regulatory approvals. All securities issued pursuant to the Offering will be subject to a four month hold period in accordance with applicable Canadian securities laws.

This press release does not constitute an offer to sell or solicitation of an offer to sell any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

## About Transcanna Holdings Inc.

TransCanna Holdings Inc. is a Canadian based company providing branding, transportation and distribution services, through its wholly-owned California subsidiaries, to a range of industries including the cannabis marketplace.

For further information, please visit the Company's website at [www.transcanna.com](http://www.transcanna.com) or email the Company at [info@transcanna.com](mailto:info@transcanna.com).

On behalf of the Board of Directors

James Pakulis  
President and Chief Executive Officer

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*The information in this news release includes certain information and statements about management's view of future events, expectations, plans and prospects that constitute forward looking statements. These statements are based upon assumptions that are subject to significant risks and uncertainties. Because of these risks and uncertainties and as a result of a variety of factors, the actual results, expectations, achievements or performance may differ materially from those anticipated and indicated by these forward looking statements. Forward-looking statements in this news release include, but are not limited to: the expected purchase of the facility, the terms of the facility acquisition, the size and terms of the Offering, the Closing Date and the ability of the Company to complete the Offering and the facility acquisition. Any number of factors could cause actual results to differ materially from these forward-looking statements as well as future results. Although the Company believes that the expectations reflected in forward looking statements are reasonable, it can give no assurances that the expectations of any forward looking statements will prove to be correct. Except as required by law, the Company disclaims any intention and assumes no obligation to update or revise any forward looking statements to reflect actual results, whether as a result of new information, future events, changes in assumptions, changes in factors affecting such forward looking statements or otherwise.*

*Neither the Canadian Securities Exchange nor its Regulation Services Provider (as that term is defined in the policies of the Canadian Securities Exchange) accepts responsibility for the adequacy or accuracy of this release.*