

TransCanna

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TransCanna Signs LOI To Lease Manufacturing & Logistics Facility in Southern California

February 22, 2019

**Canadian Securities Exchange: TCAN
Borse Frankfurt: TH8**

Transcanna Holdings Inc. (CSE:TCAN: XETR: TH8) (“TransCanna” or the “Company”) is pleased to announce the execution of an LOI to lease a new 15,000 square foot facility currently under construction with a completion date of April 30th in Adelanto, CA. This multi-faceted facility is intended to be one of four strategically located satellite facilities located throughout California. The Adelanto facility will serve the densely populated southern California marketplace with industrial scale production, distribution and transportation capabilities. Pursuant to the non-binding LOI, the lease will have a five year term at a monthly leasing rate of \$225.00 sq ft commencing in May, 2019.

“Our mandate is to build and operate a high margin enterprise by owning our own branded products, and control all aspects in the ecosystem. Being in escrow for one of the largest vertically integrated, cannabis focused facilities in the US, which will serve as our hub, and now with an LOI on a satellite facility puts us squarely in the center to deliver on our mandate,” states Jim Pakulis, CEO of TransCanna.

“The Adelanto facility is a key component in our overall strategy as it will allow certain value-added products to be packaged closer to key strategic sale points thus facilitating better margins and adding shareholder value. The facility also meets our strict leasing metrics. As a result, we’re confident this facility will produce premium products with significant sales velocity,” states Mr. Pakulis.

Over the past twelve months the company’s third party mergers and acquisitions firm has contacted over six hundred licensed California cannabis entities on behalf of the Company. Consequently, the Company has performed due diligence on sixty licensed, branded entities. Due to its strict acquisition metrics, it is currently pursuing advanced due diligence on only four of those entities.

In other news, the Company has agreed to issue to the vendor an aggregate of 1,200,000 share purchase warrants (each a “Warrant”), conditional upon the Company completing the acquisition of the Property. Each Warrant will be exercisable to acquire a common share of the Company at an exercise price of

\$2.60 per share for a five year period from the date of issuance. The Warrants will vest in equal quarterly portions over the initial 24 months of the five year term.

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 or email the Company at 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 expected leasing rates of the satellite facility and commencement of the leasing term, the ability of the Company to secure financing and the acquisition of appropriate licenses for its facilities. 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.

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