

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 1, 2019
- Item 3** **News Release**
- A news release was disseminated on January 18, 2019 through the facilities of Newsfile Corp.
- Item 4** **Summary of Material Change**
- TCM Distribution Inc. (“TCMD”), the non-profit entity managed by the Company’s wholly owned subsidiary, Transcanna Management Inc., received its temporary distributor license from the State of California.
- Item 5** **Full Description of Material Change**
- TCMD has received its temporary distribute license from the State of California and on December 31, 2018 had applied for a permanent distribution license. TCMD has also determined to no longer seek to build its own facility in Adelanto as it is in negotiations to lease an additional facility.
- 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**
- James Pakulis, CEO is knowledgeable about the material change and the Report and may be contacted (604) 609.6199.
- Item 9** **Date of Report**
- March 13, 2019