

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

February 12, 2019

Item 3 News Release

A news release was disseminated on February 22, 2019 through the facilities of Newsfile Corp.

Item 4 Summary of Material Change

The Company has entered into a letter of intent to lease a new 15,000 square foot facility currently under construction in Adelanto, California.

Item 5 Full Description of Material Change

The Company has entered into a letter of intent to lease a new 15,000 square foot facility currently under construction in Adelanto, California. The facility has a proposed completion date of April 30. The facility is expected to act as one of the Company’s proposed satellite facilities. Pursuant to the non-binding letter of intent, the lease will have a five year term at a monthly leasing rate of \$2.25 per sq ft commencing in May, 2019.

The Company has agreed to issue to the vendor of its propose 196,000 sq. ft facility, 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.

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