

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

March 14, 2019

Item 3 News Release

A news release was disseminated on March 14,, 2019 through the facilities of Newsfile Corp.

Item 4 Summary of Material Change

The Company has appointed increased the size of its previously announced brokered private placement (the “Offering”) by sixty percent to a maximum of 8,000,000 Units to raise gross proceeds of CDN\$16,000,000. Haywood Securities Inc. has been joined by Canaccord Genuity Corp. to co-lead a syndicate of agents, which includes Gravitass Securities Inc. (collectively, the “Agents”).

Item 5 Full Description of Material Change

The Company has increased the size of its brokered private placement to raise up to \$16.0 million through the sale of Units at a price of \$2.00 per Unit.

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 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.

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 15, 2019