

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

April 4, 2019

Item 3 News Release

A news release was disseminated on February 20, 2019 through the facilities of Newsfile Corp.

Item 4 Summary of Material Change

The Company has closed its previously announced and upsized brokered private placement of units, generating aggregate gross proceeds of CDN\$16.0 million (the “Offering”).

Item 5 Full Description of Material Change

The Company closed the Offering raising gross proceeds of \$16,000,000.

An aggregate of 8,000,000 units of the Company (the “Units”) were sold at a price of CDN\$2.00 per Unit. The Offering was conducted by a syndicate of agents co-led by Haywood Securities Inc. and Canaccord Genuity Corp., and including Gravitas Securities Inc. (collectively the “Agents”).

Each Unit comprised 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 entitles the holder to acquire an additional Share at a price of \$3.00 until April 4, 2022. The Warrants are issued pursuant to a warrant indenture dated April 4, 2019 between the Company and its warrant agent, Odyssey Trust Company. A copy of the warrant indenture is available under the Company’s profile on SEDAR at www.sedar.com. The Company agreed to seek a listing of the Warrants on the CSE at such time as all applicable resale restrictions have lapsed, subject to receipt of listing approval.

A commission of 8.0% of the gross proceeds of the Offering was paid partly through the payment of \$576,668 in cash and in part through the issuance of 351,666 Units, as well as a corporate finance fee of \$250,000, plus applicable taxes, of which \$125,000 was paid in cash and the remaining \$125,000 was paid through the issuance of 62,500 Units. In addition, the Agents received

an aggregate of 640,000 non-transferable compensation options to acquire up to 640,000 Shares at a price of \$2.00 per Share until April 4, 2022.

All securities issued pursuant to the Offering are subject to a four month hold period expiring August 5, 2019 in accordance with applicable Canadian securities laws

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

April 4, 2019