

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 18, 2019 (as to formal registration)

Item 3 News Release

A news release was disseminated on April 16, 2019 through the facilities of Newsfile Corp.

Item 4 Summary of Material Change

The Company has completed the acquisition of the 196,000 sq ft cannabis facility on 6.5 acres of land as well as cannabis packaging and processing equipment (the “Property”).

Item 5 Full Description of Material Change

The Company acquired the Property.

The total purchase price for the Property was US\$15 million. The Company's CEO paid the seller a US\$250,000 non-refundable deposit to secure the property, which has since been reimbursed by the Company, and the Company paid a US\$8 million cash down payment. In consideration of the issuance of 500,000 common shares of the Company, the seller of the Property agreed to accept a carry back note of US\$6.750 million at 7% per annum, with interest only payments for up to thirteen months, with an initial maturity date of October 15, 2019, subject to a six-month extension.

The Company also issued to the seller 1,200,000 share purchase warrants exercisable to acquire a common share of the Company at an exercise price of \$2.60 per share until April 18, 2024, vesting in equal quarterly portions over a 12-month period commencing on February 21, 2019.

Additionally, a success fee of up to 2,000,000 common shares was paid to Haywood Securities Inc. in consideration of financial advisory services being provided to the Company in connection with the Property acquisition

All securities issued pursuant to the transactions regarding the Property are subject to a four month hold period expiring August 19, 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 26, 2019