

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**

May 17, 2019

Item 3 **News Release**

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

Item 4 **Summary of Material Change**

The Company has entered into a non-binding letter of intent to acquire the assets and business of Lyfted Farms, Inc. (“Lyfted”).

Item 5 **Full Description of Material Change**

The Company entered into a non-binding letter of intent dated May 17, 2019 (the “LOI”) with Lyfted pursuant to which the Company would acquire the assets of the business of Lyfted for a cash payment of USD\$5,500,000 and the issuance of 1,000,000 common shares in the capital of the Company. A non-refundable deposit of US\$50,000 was paid on the execution of the LOI, to be credited against the purchase price. The Company will issue the 1,000,000 common shares and pay US\$2.75 million in cash at closing as well as issue a 12 month, unsecured, interest only note for \$2.75 million at 7% interest p.a. (the “Note”). The Note is repayable by the Company in part or in full anytime during its 12 month term..

The completion of the Lyfted acquisition remains subject to completion of due diligence and execution of final binding definitive asset purchase documentation, which is to be completed within 45 days of the date of the LOI. There can be no assurances that the completion of the acquisition of Lyfted will occur on the terms set forth above or at all.

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

June 10, 2019