

# TransCanna Acquires The GoodFellas Group, LLC

Vancouver, British Columbia--(Newsfile Corp. - July 8, 2019) - **TransCanna Holdings Inc.** (CSE: TCAN) (FSE: TH8) (OTC PINK: TCNAF) ("TransCanna" or the "Company") announces that it has signed a definitive acquisition agreement dated July 6, 2019 (the "Agreement") to acquire The Goodfellas Group, LLC ("GoodFellas").

GoodFellas specializes in branding, sales and marketing in the cannabis and hemp industries. In addition to the sales management team and sales force, the acquisition includes two of GoodFellas existing inhouse brands called Simple Farms and Daily Cannabis Goods. Goodfellas also represents third party cannabis brands, including Biovelle, a CBC infused coconut oil, which the Company proposes to acquire as announced in its press release dated May 3, 2019.

Simple Farms is a brand that is set out to enhance the cannabis experience with simplicity and quality. The brands signature product is the Simple Kit. A user-friendly cannabis kit engineered for the beginner cannabis user in mind.

Daily Cannabis Goods is focused on delivering consumers quality cannabis at a discount compared to competitors pricing. The Daily Classic is the brands leading SKU with three half gram pre-rolls available in their respective Sativa, Hybrid, and Indica blends.

TransCanna intends to devote all of the GoodFellas staff to representing the Company's own brands as it brings their own brands online.

Pursuant to the Agreement, the Company will pay the holders of the Goodfellas membership interests, an aggregate of US\$520,000, of which the Company has previously advanced US\$358,000 in short term loans, leaving a balance of US\$162,000 due at closing. The purchase price represents two times Goodfella's revenues for the fiscal year ended December 31, 2018, as demonstrated in its audited financial statements. The Company will formally close the acquisition under the Agreement on Tuesday July 9, 2019.

The Company anticipates that upon receipt of its state transportation and distribution licenses at either the Modesto or Adelanto facilities, it will then be in the position to begin manufacturing the Daily and Simply products, as well as distributing them through the Company's distribution platform. In the meantime, GoodFellas will continue with their third-party manufacturing and distribution relationships.

"As represented in our investor conference call last week we've accomplished the first goals we had previously set out to complete. Identify a scalable facility which we did through the acquisition of the 196,000 sq ft facility that recently received US eight million dollars in renovation, and retain top tier talent to manage our operations, both of which have been accomplished. The next step is to begin and close the acquisitions we've lined up. This starts the acquisition process," stated Jim Pakulis, CEO of TransCanna.

"Joining forces with TransCanna will allow us to immediately leverage our products through our own internal sales force once all the licenses are in place," states Nam Tran, Managing Member of The GoodFellas Group. "The main challenge that GoodFellas has been facing is the limitations from third party manufacturing and distribution companies to be able to provide quality services on a consistent basis. This has significantly limited our ability to expand into the majority of the dispensaries in California. However, being part of the TransCanna team will allow us to expand throughout the state."

In other news the Company is pleased to announce that Mr. Applione has agreed to expand his role within the Company and will be responsible for all management activities throughout California. The original agreement with Mr. Applione had him responsible for all management activities within Stanislaus County only.

Additionally, the Company has amended its agreement with Umbrella Capital Group Ltd. to conduct market-making activities for the Company to extend the term of the agreement and increase their compensation. Umbrella Capital Group Ltd. is an independent financial services organization based in Toronto. Under the amended agreement, the Company increased the monthly compensation due to Umbrella under the initial three month term to seventy thousand per month and extended the term for a further additional nine months, to a full one year term, for which Umbrella will receive a monthly fee of eighty-eight thousand eight hundred dollars, all of which has been pre-paid.

The Company is also negotiating to become the key sponsor for a major cannabis expo-event in early fall in California.

Lastly, the Company has purchased two additional transportation vehicles at which time the vehicles are being customized in order to become state compliant. Once completed, the Company will have three transportation vehicles.

The Company will continue to update its investors and shareholders on a regular basis.

For further information, please visit the Company's website at [www.transcanna.com](http://www.transcanna.com).

## About TransCanna Holdings Inc.

TransCanna Holdings Inc. is a Canadian-based company focused on providing integrated branding, transportation and distribution services, through its wholly owned California subsidiaries, to a range of industries including the cannabis marketplace.

For further information, please visit the Company's website at [www.transcanna.com](http://www.transcanna.com) or email the Company at [info@transcanna.com](mailto:info@transcanna.com).

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*CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS: This news release contains "forward-looking statements" and "forward-looking information" as such term is defined in applicable Canadian securities laws). Except for statements of historical fact relating to Transcanna, information contained herein constitutes forward-looking statements. Forward-looking statements are characterized by words such as "plan," "expect", "budget", "target", "project", "intend," "believe", "anticipate", "estimate" and other similar words, or statements that certain events or conditions "may" or "will" occur. Forward-looking statements in this news release include, but are not limited to, statements relating to completion of transactions involving Goodfellas, and the expected timing of same, statements regarding the expected benefits to Transcanna of the Goodfellas acquisition and the development and growth of its business, timing for state and county licensing and other governmental approvals required for operation, and timing for completion of capital expenditures at the Adelanto facility. Forward-looking statements are based on the opinions, assumptions and estimates of management considered reasonable at the date the statements are made, and are inherently subject to a variety of risks and uncertainties and other known and unknown factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. These factors include (i) that Transcanna will be granted the licensing required to conduct its operations as proposed or at all, and (ii) developments, whether generally or in respect of the cannabis industry specifically, in the United States, not consistent with Transcanna's current expectations, as well as those risk factors discussed or referred to in Transcanna's continuous disclosure filings available at [www.sedar.com](http://www.sedar.com). Although Transcanna has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be anticipated, estimated or intended.*

*There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Transcanna does not undertake any obligation to update forward-looking statements if circumstances or management's estimates, assumptions or opinions should change, except as required by applicable law. The reader is cautioned not to place undue reliance on forward-looking statements.*

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