

# TransCanna and Lyfted Farms Sign Definitive Purchase Agreement

Vancouver, British Columbia--(Newsfile Corp. - November 1, 2019) - **TransCanna Holdings Inc.** (CSE: TCAN) (FSE: TH8) ("TransCanna" or the "Company") is pleased to announce that it has executed a definitive agreement (the "SPA") for the purchase of all of the outstanding common shares of Lyfted Farms, Inc. ("Lyfted"), a state licensed, vertical cannabis company located in the Central Valley, California. The transaction, once completed, is an important milestone in the growth strategy for the Company. Lyfted has been cultivating and distributing medical cannabis since 2016, has developed multiple award-winning brands, and established a loyal following. Lyfted has an existing revenue base and with strong consumer demand, the Company has initiated an investment in the expansion of their production capacity. Once this investment is completed and licensing is in place, Lyfted will transition to the Company's 196,000 square foot facility in the city of Modesto, which is the largest cannabis facility in California.

"Our team is committed to TransCanna and is very excited about the next steps," said Lyfted Founder Bob Blink. "As most investors have seen sentiment cool in the cannabis space recently, we feel this is the perfect opportunity to build a brand focused company. TransCanna's business model addresses the problem of cannabis market fragmentation. It is with that in mind that Lyfted shareholders, myself included, have committed to significantly increasing our investment stake in TransCanna."

"The greatest asset we are acquiring is the talent of Lyfted's management team," said Steve Giblin, CEO of TransCanna. "The Lyfted team is working in concert with the SolDaze and Daily teams from previous acquisitions, which has provided an immediate opportunity to substantially increase the scale of our operations. We welcome Bob Blink and his team to TransCanna and we appreciate their vote of confidence by significantly increasing their share position in our company."

Pursuant to the terms of the SPA, the aggregate purchase price of approximately US\$6,150,000 payable on closing will be comprised of: (i) an aggregate cash payment of US\$550,000 (US\$150,000 of which has been previously advanced as a deposit), (ii) the issuance of 2,660,750 common shares of the Company at a deemed price of CDN\$0.80 per share (the "Purchase Shares"); and (iii) an unsecured non-interest bearing promissory note in the amount of US\$4,000,000 (the "Note"). The Purchase Shares will be subject to restrictions on trading in accordance with applicable securities laws as well as a pooling agreement providing for a release schedule of four equal installments commencing on closing of the SPA and every three months thereafter. The Note shall be repayable in the event that the Company completes certain equity raises on or before June 30, 2020, subject to Lyfted achieving certain specified production targets, failing which the holders shall have an option to convert the outstanding principal amount into common shares of the Company at then current market prices, and provided that any such conversion shall not result in the holders of the Note owning an aggregate of 20% or more of the then issued and outstanding common shares of TransCanna. In the event such option is not exercised by the holders of the Note, the Note shall be repayable in quarterly cash installments based upon revenue generated by Lyfted commencing in respect of the three months ended September 30, 2020. Closing of the acquisition is subject to customary conditions for transactions of this nature, and is expected to occur in the coming weeks.

For more information on Lyfted's products, please visit [lyftedfarms.com](http://lyftedfarms.com).

## About TransCanna Holdings Inc.

TransCanna Holdings Inc. is a Canadian based company providing 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).

On behalf of the Board of Directors  
Steve Giblin  
President  
604-609-6199

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