

**51-102F3**  
**MATERIAL CHANGE REPORT**

**Item 1 Name and Address of Company**

TRANSCANNA HOLDINGS INC. (the "Company")  
920-1030 WEST GEORGIA STREET  
VANCOUVER, BC V6E 2Y3

**Item 2 Date of Material Change**

November 13, 2019

**Item 3 News Release**

The news release was disseminated by NewsFile on November 13, 2019.

**Item 4 Summary of Material Change**

The Company announced closing of acquisition of Lyfted Farms

**Item 5 Full Description of Material Change**

**5.1 Full Description of Material Change**

The Company announced that it has closed its previously announced acquisition of all of the outstanding common shares of Lyfted Farms, Inc. ("Lyfted"), a state licensed, vertical cannabis company located in the Central Valley, California.

"It is great to have the Lyfted deal closed as TransCanna is now fully licensed with a strong revenue base and a platform for growth" said Steve Giblin President & CEO of TransCanna.

TransCanna paid to the vendors a purchase price comprised of an aggregate cash payment of US\$550,000 (including a previously paid deposit of US\$150,000), the issuance of 2,660,750 common shares in the capital of the Company (the "Closing Share Consideration") at a deemed price of \$0.80 per share, and an unsecured non-interest bearing promissory note in the amount of US\$4,000,000 (the "Note"). The Company and the vendors entered into a voluntary pooling agreement in respect of the Closing Share Consideration, which provides for a release schedule of four equal installments commencing on the closing of the transaction 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.

**5.2 Disclosure for Restructuring Transactions**

N/A

**Item 6 Reliance on subsection 7.1(2) or (3) of National Instrument 51-102**

N/A

**Item 7 Omitted Information**

None

**Item 8 Officer**

Steve Giblin, President

**Item 9 Date of Report**

November 18, 2019

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Suite 902, 1030 West Georgia Street  
Vancouver, B.C. V6E 3M5

## TransCanna Closes Acquisition of Lyfted

Canadian Securities Exchange: **TCAN**  
Borse Frankfurt: **TH8**

**Vancouver, BC, November 13, 2019 - TransCanna Holdings Inc.** (CSE:TCAN: XETR: TH8) ("TransCanna" or the "Company") is pleased to announce that it has closed its previously announced acquisition of all of the outstanding common shares of Lyfted Farms, Inc. ("Lyfted"), a state licensed, vertical cannabis company located in the Central Valley, California.

"It is great to have the Lyfted deal closed as TransCanna is now fully licensed with a strong revenue base and a platform for growth" said Steve Giblin President & CEO of TransCanna.

TransCanna paid to the vendors a purchase price comprised of an aggregate cash payment of US\$550,000 (including a previously paid deposit of US\$150,000), the issuance of 2,660,750 common shares in the capital of the Company (the "Closing Share Consideration") at a deemed price of \$0.80 per share, and an unsecured non-interest bearing promissory note in the amount of US\$4,000,000 (the "Note"). The Company and the vendors entered into a voluntary pooling agreement in respect of the Closing Share Consideration, which provides for a release schedule of four equal installments commencing on the closing of the transaction 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.

### **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 & CEO  
604-609-6199

*Neither the Canadian Securities Exchange nor its Regulation Services Provider (as that term is defined in the policies of the Canadian Securities Exchange) accepts responsibility for the adequacy or accuracy of this release.*