

51-102F3
MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

TRANSCANNA HOLDINGS INC. (the “Company”)
928-1030 WEST GEORGIA STREET
VANCOUVER, BC V6E 2Y3

Item 2 Date of Material Change

March 6, 2020

Item 3 News Release

The news release was disseminated by NewsFile on March 6, 2020.

Item 4 Summary of Material Change

TransCanna Announces Board Appointment and grant of Incentive Stock Options and Debt Settlement in place of LTIP awards

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

TransCanna announced the appointment of Mr. Bob Blink, founder of Lyfted Farms, Inc. (“Lyfted”) to the Board of Directors. Bob joined the Company with TransCanna’s acquisition of Lyfted in November of 2019.

He brings a wealth of experience in the cannabis industry and the California market to the Board.

Bob has been in the medicinal and commercial cannabis markets in California since 1997. He founded and grew Lyfted into one of the premier cannabis producers, distributors and manufacturers in the Central Valley.

“We welcome the Bob to our Board and look forward to the contributions he will make.

Bob is one of the most knowledgeable people in the cannabis industry. He is well known as a trusted resource and has in depth experience in everything from cultivation to distribution. Having his level of industry expertise on our board is a huge competitive advantage for TransCanna” said Steve Giblin President and CEO of TransCanna.

“I am truly excited about joining the board and moving the company forward” said Bob Blink “We have significant opportunities for growth, and I know my industry expertise and relationships can help guide board decisions”.

Additionally, further to the Company’s press release dated February 19, 2020, and in substitution for the awards of restricted share units, performance share units, deferred share units, and bonus shares described therein under TransCanna’s long-term incentive plan (“LTIP”), and based on new recommendations of TransCanna’s Human Resource and Compensation Committee (the “HRCC”), the Company announces that its board of directors (the “Board”) did not proceed with any of the awards under the LTIP, and has instead granted to its directors, key employees and consultants, incentive stock options under the Company’s stock option plan to purchase up to 2.0 million common shares of TransCanna at an exercise price of \$1.00 per share until March 6, 2025. These new stock options are intended to incentivize and compensate the option holders for their future

performance, vest in installments over the next two years, and have predetermined performance-based milestones which must be achieved before they vest and may be exercised.

In addition, after reviewing their past services and performance during 2019 and based on the recommendations of the HRCC, the Board has also granted bonuses as of the 2019 fiscal year end to certain key individuals responsible for the current stage of development of TransCanna and who are directors, key employees, or consultants of TransCanna, totaling \$520,000, which indebtedness will be settled by the issuance of 650,000 will be subject to a hold period and may not be traded until July 7, 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

Emily Davis, Corporate Secretary

Item 9 Date of Report

March 24, 2020

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Suite 928, 1030 West Georgia Street
Vancouver, B.C. V6E 2Y3

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in place of LTIP awards**

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

Vancouver, BC, March 6, 2020 TransCanna Holdings Inc. (CSE: TCAN; XETR: TH8) ("**TransCanna**" or the "**Company**") announces the appointment of Mr. Bob Blink, founder of Lyfted Farms, Inc. ("Lyfted") to the Board of Directors. Bob joined the Company with TransCanna's acquisition of Lyfted in November of 2019.

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About TransCanna Holdings Inc.

TransCanna Holdings Inc. is a California based, Canadian listed, company building cannabis focused brands for the California lifestyle, through its wholly-owned California subsidiaries.

For further information, please visit the Company's website at www.transcanna.com or email the Company at info@transcanna.com.

On behalf of the Board of Directors
Steve Giblin
President
604-207-5548

The information in this news release includes certain information and statements about management's view of future events, expectations, plans, and prospects that constitute forward-looking statements. These statements are based upon assumptions that are subject to significant risks and uncertainties. Because of these risks and uncertainties and as a result of a variety of factors, the actual results, expectations, achievements or performance of the Company and its subsidiaries may differ materially from those anticipated and indicated by these forward-looking statements. Forward-looking statements in this news release include, but are not limited to: Timing of the expected benefits of Lyfted Farms, Inc. and the Daly Avenue Facility to the Company's business, regulatory permitting and compliance, changes to regulations affecting the business of the Company or its subsidiaries, achievement of revenue targets, market demand for and associated changes in the demand for the Company's products, operating costs, as well as general economic, business and political conditions. Any number of factors could cause actual results to differ materially from these forward-looking statements as well as future results. Although the Company believes that the expectations reflected in forward-looking statements are reasonable, it can give no assurances that the expectations of any forward-looking statements will prove to be correct. Except as required by law, the Company disclaims any intention and assumes no obligation to update or revise any forward-looking statements to reflect actual results, whether as a result of new information, future events, changes in assumptions, changes in factors affecting such forward-looking statements or otherwise.

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.