

Final Stage of Phase One Completion at Daly Facility

Phase One expected to generate up to CAD\$ 28,000,000 to \$32,000,000 additional annual Revenues

Vancouver, British Columbia--(Newsfile Corp. - February 17, 2021) - **TransCanna Holdings Inc.** (CSE: TCAN) (FSE: TH8) ("**TransCanna**" or the "**Company**") is extremely excited to announce the Company has entered into the final stage of the Phase One build-out of its Daly Facility located in Modesto, CA. With the facility construction approximately 80% complete, the Company anticipates the remaining construction to take 60 days from the date of execution of the Definitive Agreements with **Wild Horse Properties L.P.**, which will provide the company access to a \$2,000,000 convertible construction loan.

"The entire team is thrilled to complete the remainder of the Phase One Daly Facility build-out. The opportunity ahead of us to scale our genetic offerings, cultivation, state-wide distribution and processing divisions is very exciting. Each of these functions have synergistic impacts on the efficiencies of the business. Top-tier manufacturing for concentrates will soon follow, significantly leveraging up the entire portfolio," stated Alan Applonie, General Manager of the Daly Facility.

Once construction is complete, on or around **April 15, 2021**, the company will boast the following cultivation, distribution, and processing capabilities at its flagship Daly Facility:

Cultivation

- Five (5) 4,500 sq. ft. grow rooms
- Each new cultivation room is expected to add an additional \$12-\$14M CAD
- The incremental gain of 500 lights represents a 330% increase over current capacity
- Each room will be outfitted with a minimum of 100 lights.
- The first completed cultivation room planned to have plants under lights by March 15, 2021

Distribution

- Robust distribution infrastructure with secured loading and unloading of vans
- Climate controlled storage facilities that can accommodate 100 acres of harvested product, cured bulk product, and more than 100 pallet positions for finished goods
- Aggregation of the company's crop management products
- Finished goods from multiple brands and partners for efficient logistics between the Northern and Southern California markets
- Revenue is expected to commence in March and to achieve an annualized run rate of \$8-10M CAD

Processing

- Curing, grading, and packaging of cannabis flower from compliant 3rd party farms
- Provides the operational basis to execute a comprehensive white-label/co-packaging and brand creation center to fill lower price point market segments
- Revenue is expected to begin in March and to achieve an annualized run rate of \$8-10M CAD
- **State Processing License expected by March 15th, 2021**

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.

TransCanna's wholly owned subsidiary Lyfted Farms is California's authentic cannabis brand whose pioneering spirit has been continuously searching out the finest cannabis flower genetics and cultivation methods since 1984. From prohibition to professionals, Lyfted Farms brands are soon to be leveraged up into one of the largest and most efficient vertically integrated facilities in California. Find Lyfted Farms exclusive cannabis flower at premium retailers throughout the state.

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
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For updated information with respect to the Company, please see its filings on SEDAR at www.sedar.com and on the CSE at www.thecse.com.

FORWARD LOOKING INFORMATION:

Certain information in this release may contain forward-looking statements, such as statements regarding future expansions and cost savings and plans regarding production increases and financings. This information is based on current expectations and assumptions, including assumptions concerning the completion of the expansion of the Daly Facility, government approval of pro-cannabis policies, greater access to financial services and increased cultivation capacity, that are subject to significant risks and uncertainties that are difficult to predict. Actual results might differ materially from results suggested in any forward-looking statements. Risks that could cause results to differ from those stated in the forward-looking statements in this release include unexpected increases in operating costs, a continued strain on farmers due to fires and the Coronavirus pandemic and competition from other retailers. All forward-looking statements, including any financial outlook or future-oriented financial information, contained in this release are made as of the date of this release and are included for the purpose of providing information about management's current expectations and plans relating to the future. The Company assumes no obligation to update the forward-looking statements, or to update the reasons why actual results could differ from those reflected in the forward-looking statements unless and until required by securities laws applicable to the Company. Additional information identifying risks and uncertainties is contained in the Company's filings with the Canadian securities regulators, which filings are available at www.sedar.com.

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

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