

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

**Item 1**      **Name and Address of Company**

TRANSCANNA HOLDINGS INC. (the “Company”)  
2489 Bellevue Ave, West Vancouver  
British Columbia V7V 1E1

**Item 2**      **Date of Material Change**

July 29, 2021

**Item 3**      **News Release**

The news release was disseminated by Newsfile on July 29, 2021.

**Item 4**      **Summary of Material Change**

The Company announced that it has appointed Alan Applonie as the Company's Chief Operating Officer.

**Item 5**      **Full Description of Material Change**

**5.1**          **Full Description of Material Change**

The Company is pleased to announce that it has promoted Alan Applonie from the role of General Manager to Chief Operating Officer.

“Alan has proven himself to be an incredible asset to our Company. His application of his leadership experience in industrial agriculture and consumer packaged goods has already made a huge impact on our company,” said Bob Blink, TransCanna CEO. “Perhaps most significantly, Alan has been able to help us create an efficient, organized, and success-oriented workplace culture, and he has won the respect of employees across all departments.”

Mr. Applonie has over 25 years of start-up management experience leading multiple companies from infancy to growth of over \$100M USD. His deep areas of expertise include world-class team building, project management, data analytics, scaling businesses, and establishing operational efficiencies. He has held leadership positions with multinationals such as Kraft Foods, Trident Seafoods, and Taylor Farms.

He first joined TransCanna in June 2019 as General Manager in the midst of the Company’s purchase of its 196,000 square foot Daly facility, and during the acquisition of its major subsidiary Lyfted Farms. During his two-year tenure as General Manager, he successfully increased production at an existing facility by 150%, oversaw Phase 1 construction at the new facility, migrated operations from cash payments to real banking, and implemented HR management systems, employee training systems, workplace compliance safety measures, and KPI’s for every department, as well as weekly financial reporting systems.

“It’s been rewarding and worthwhile work getting the infrastructure in place in order to massively scale operations for TransCanna,” said Mr. Applonie, “Now with all the pieces in place, and an unprecedented amount of plants in process, we can see the clear path towards significant profitability in the very near future. The best is yet to come.”

In his new role as Chief Operating Officer, Mr. Applonie will lead and execute on TransCanna’s organizational strategy as it scales its cultivation production capacity and launches into new verticals such as 3<sup>rd</sup> party processing, manufacturing, distribution and crop management services. Most crucially, he will be implementing the necessary enterprise management ecosystems required to support TransCanna as it embarks its mission to be the largest vertically integrated cannabis conglomerate in California.

**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**

Stephanie Wesik, President

**Item 9 Date of Report**

July 29, 2021