

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**

April 1, 2022

Item 3 **News Release**

The news release was disseminated by Stockwatch and Market News on April 1, 2022.

Item 4 **Summary of Material Change**

TransCanna closes private placement of Units and Debt Settlement.

Item 5 **Full Description of Material Change**

5.1 **Full Description of Material Change**

The Company announced that it has closed its previously announced non-brokered private placement of Units (the “**Private Placement**”) by issuing 10,000,000 Units at a price of \$0.10 per Unit, for gross proceeds of \$1,000,000 and settled CAD\$1,500,000 unsecured debt held by an insider into Units (the “**Debt Settlement**”).

Each Unit consists of one (1) common share and one (1) warrant. Each warrant entitles the holder to purchase one common share of the Company, at an exercise price of \$0.15 per share, for a period of two years from the date of issuance. A total of \$28,350 in cash and 283,500 warrants were issued in connection with the Private Placement to certain persons as finder's fees.

The Private Placement and Debt Settlement are subject to the approval of the Canadian Securities Exchange (“**CSE**”) and the securities issued pursuant to each of the Private Placement and Debt Settlement will be subject to a hold period of four months and one day from the date of issue under applicable securities laws. The Company intends to use the net proceeds from the Private Placement for working capital purposes.

Certain insiders of the Company subscribed for an aggregate of 1,850,000 Units in the Private Placement. Each of the participation of insiders in the Private Placement and the Debt Settlement (together, the “**Insider Transactions**”) is considered a “related party transaction” as such term is defined under Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”). The Company is relying on exemptions from the formal valuation and minority shareholder approval requirements provided under MI 61-101 on the basis that the issuance of Units pursuant to the Insider Transactions does not exceed 25% of the fair market value of the Company's market capitalization. Each of the Insider Transactions has been approved by the Board of Directors of the Company who considered the insiders' interests and the best interests of the Company. The Company did not file a material change report more than 21 days before the expected closing of the Insider Transactions as the details of the Private Placement and Debt Settlement and the participation therein by related parties of the Company were not settled until shortly prior to closing and the Company wished to close on an expedited basis for sound business reasons and in a time frame consistent with usual market practices for transactions of this nature.

The securities offered have not been registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements. This news release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any State in which such offer, solicitation or sale would be unlawful.

Pursuant to a debt settlement agreement between the Company, and its Chief Executive Officer, Bob Blink (“Blink”), Blink agreed to settle US\$1,200,000 (being the United States dollar equivalent of CAD\$1,500,000) by the issuance of 15,000,000 Units at a deemed price of \$0.10 per Unit.

The company also wishes to announce the resignation of its Chief Operating Officer Alan Applonie. Alan played an instrumental role in providing stability for the company during the Covid 19 Pandemic and in supporting the CEO through the licensure and Phase one build out of the Daly Facility. Mr. Applonie will be missed, and the company wishes him success in his future endeavours.

As well, the Company is pleased to announce that the Promissory Note in the principal amount of \$7,020,000 advanced by Cool Swang LLC upon acquisition of the Daly Facility has been extended to May 31, 2022 with no additional extension fees.

“With many moving parts in the shifting sands of US Cannabis, we saw a positive move this morning with The More Act passing in the US House of Representatives. There is a long way to go from here for full legalization but an encouraging first step. I want to publicly thank Alan Applonie for his time, dedication, and efforts with TransCanna, as already stated he’ll be missed. I also want to acknowledge the extension with Cool Swang for our mortgage expiry. This extension is providing valuable time for the company to make some very positive moves and set the stage for post pandemic growth.” stated Bob Blink CEO.

THIS NEW RELEASE NOT FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES

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.

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

April 1, 2022