

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**

May 26, 2022

Item 3 **News Release**

The news release was disseminated by Stockwatch and Market News on May 26, 2022.

Item 4 **Summary of Material Change**

TransCanna provides MCTO and Daly Facility Update.

Item 5 **Full Description of Material Change**

5.1 **Full Description of Material Change**

The company provided an update with respect to the previously announced Management Cease Trade Order (the "MCTO") issued by the British Columbia Securities Commission on March 31, 2022. The MCTO was issued in connection with the delay by the Company in filing its annual financial statements, management's discussion and analysis and related officer certifications for the financial year ended November 30, 2021 (collectively, the "Required Filings") before the prescribed deadline of March 30, 2022. The Company continues to work closely with its auditor and expects to file the Required Filings on or before May 30, 2022.

The Company is providing this status update in accordance with National Policy 12-203 Management Cease Trade Orders ("NP 12-203"). The Company intends to follow the provisions of the Alternative Information Guidelines set out in NP 12-203, including the issuance of bi-weekly default status reports in the form of news releases. The Company confirms as of the date of this news release that there has been no material change in the information contained in the announcement issued on March 31, 2022, and there is no other material information concerning the affairs of the Company that has not been generally disclosed.

Daly Facility Update

The Company reports that there has been a theft at its Daly Facility located in Modesto, CA.

The Company is currently assessing the loss and has launched a claim with its subsidiary's insurance carrier. The Company believes that it will receive compensation for a significant portion of the loss.

Management has launched an internal review of its building security systems and protocols, and plans to engage a security specialist to further explore these systems. Initial improvements have been made to the building's security system, with further improvements planned.

About TransCanna

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 providing the finest cannabis flower genetics and cultivation methods since 1984. The Lyfted Farms brand of exclusive cannabis flower is sold at premium retailers throughout the state. With its new multipurpose facility in Modesto, California, the company is now poised to become one of the largest and most efficient vertically integrated cannabis companies in the California market. Visit the TransCanna website today at transcanna.com.

For updated information with respect to our company, please see our filings on SEDAR at www.sedar.com and on the CSE at www.thecse.com, or visit the Company's website at www.transcanna.com. To contact the Company, please email 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

May 26, 2022