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TransCanna Executes LOI To Acquire The Business and Assets of Premier Indoor Cultivator Lyfted Farms

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

Vancouver, BC, May 20, 2019 - Transcanna Holdings Inc. (CSE:TCAN: XETR: TH8) (“TransCanna” or the “Company”) is pleased to announce the execution of a non-binding Letter Of Intent dated May 17, 2019 (the “LOI”) with Lyfted Farms, Inc. (“Lyfted”), of Modesto, California to acquire the business and assets of Lyfted (the “Proposed Acquisition”). Lyfted Farms is a state licensed producer of high quality indoor grown cannabis. The three permanent state licenses that Lyfted owns are for cultivation (nursery), cultivation (grow), and distribution.

“The Proposed Acquisition includes an exceptional brand, with a range of high-end flower, growing revenues, fifty exotic and unique genetic strains and a team that’s been a staple in the Modesto valley with over two decades of cultivating experience. In short, this is another example of an ideal acquisition candidate for TransCanna that offers SKU velocity, growing revenues and branded products that differentiate from others in the marketplace,” stated Jim Pakulis, CEO of TransCanna.

“Being a premier cultivator, we thrive on new, cutting edge processes to generate superior results. We’re extremely excited about joining forces with the team at TransCanna,” stated Bob Blink, President of Lyfted Farms.

“The acquisition by TransCanna would allow us to solve our biggest current challenge, which is the limited cultivation space at our indoor facilities. We’re already the number one selling vendor of products among the top seven dispensaries locally. It’s now time for us to scale throughout the state. TransCanna’s impressive facility in Modesto, not far from our present location, and their vertically integrated strategy, including distribution, will enable us to achieve that.”

On closing of the Proposed Acquisition, Lyfted will receive total consideration of US\$5.5 million in cash and one million shares. The Company will pay US\$2.75 million at closing and issue a 12 month, unsecured, interest only note for \$2.75 million at 7% interest p.a. (the "Note"). The Note is repayable by the Company in part or in full anytime during its 12 month term. The Company is paying a non-refundable deposit of US\$50,000 in cash, which is deductible from the total consideration payable under the terms of the Proposed Acquisition .

The Proposed Acquisition is subject to completion of due diligence, execution of a definitive asset purchase agreement, which is to be completed within 45 days of the date of the LOI, and relevant regulatory approvals. There can be no assurances that the completion of the Proposed Acquisition will occur on the terms set forth above or at all.

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

About TransCanna Holdings Inc.

TransCanna Holdings Inc. is a Canadian-based company focused on providing integrated branding, transportation and distribution services, through its wholly-owned California subsidiaries, to a range of industries including the cannabis marketplace.

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

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On behalf of the Board of Directors

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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 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: the expected purchase of Lyfted, the terms of the Asset acquisition,, the ability of the Company to secure financing and the acquisition of appropriate licenses. 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.