

TransCanna

Suite 820, 1130 West Pender Street
Vancouver, B.C. V6E 4A4

TRANSCANNA CLOSES INITIAL PUBLIC OFFERING

January 8, 2019

Canadian Securities Exchange
Trading Symbol: TCAN

Transcanna Holdings Inc. (the “**Company**”) is pleased to announce that on January 8, 2019, it completed its initial public offering of 4,400,000 units (each a “**Unit**”) issued at a price of \$0.50 per Unit. This generated aggregate gross proceeds of \$2,200,000 pursuant to a prospectus dated December 10, 2018 (the “**Prospectus**”).

Each Unit is comprised of one common share of the Company (each a “**Share**”) and one common share purchase warrant (each a “**Warrant**”). Each Warrant entitles the holder to acquire one additional Share at an exercise price of \$1.00 per Share until January 8, 2020, provided that in the event that the price of the Shares on the Canadian Securities Exchange (the “**CSE**”) closes at or above \$1.50 for a period of 10 consecutive trading days, the Company may accelerate the term of the Warrants to a period of 30 days by issuing written notice to the Warrant holders. The Warrants are issued pursuant to a warrant indenture dated January 8, 2019 between the Company and its warrant agent, Odyssey Trust Company. A copy of which is available under the Company’s profile on SEDAR at www.sedar.com.

A commission of 8% of the gross proceeds of the offering was paid partly through the payment of \$21,800 in cash and in part through the issuance of 308,400 Units, to the Company’s agent, Haywood Securities Inc. (“**Haywood**”), as well as a corporate finance fee of \$25,000, plus applicable taxes. In addition, Haywood received 352,000 non-transferable warrants to acquire up to 352,000 Shares at a price of \$0.50 per Share until January 8, 2020.

The Company has granted to Haywood an over-allotment option (the “**Over-Allotment Option**”) exercisable until February 7, 2019, to sell up to a further 660,000 Units at the offering price.

The Company will use the net proceeds from the offering in furtherance of its short term business objectives as outlined in the Prospectus. A copy of the Prospectus is available under the Company's profile on SEDAR at www.sedar.com.

The Company's common shares were listed for trading on the CSE under the trading symbol "TCAN" on January 8, 2019 and are expected to commence trading on or about January 9, 2019.

The Company has also granted an aggregate of 1,150,000 incentive stock options to its directors, officers and consultants as outlined in the Prospectus. Each option is exercisable at a price of \$0.50 per share for a period of three years, vesting immediately.

The securities of the Company have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws. Accordingly, the securities of the Company may not be offered or sold within the United States unless registered under the U.S. Securities Act and applicable state securities laws or pursuant to an exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws. This news release does not constitute an offer to sell or a solicitation of any offer to buy any securities of the Company in any jurisdiction in which such offer, solicitation or sale would be unlawful.

About Transcanna Holdings Inc.

TransCanna Holdings Inc. is a Canadian based company providing 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

On behalf of the Board of Directors

James Pakulis
President and Chief Executive Officer

Telephone: (604) 609-6199

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 ability of the Company to complete a qualifying transaction. 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.