

51-102F3
MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

TRANSCANNA HOLDINGS INC. (the "Company")
902-1030 WEST GEORGIA STREET
VANCOUVER, BC V6E 2Y3

Item 2 Date of Material Change

October 17, 2019

Item 3 News Release

The news release was disseminated by NewsFile on October 17, 2019.

Item 4 Summary of Material Change

The Company extended Maturity Date on Loan.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

TransCanna announced that it has entered into an agreement to extend the maturity date of a promissory note (the "Promissory Note") issued by the Company's wholly owned subsidiary, Dalvi, LLC ("Dalvi"), in favour of Cool Swang, LLC ("Cool Swang") by six months to April 15, 2020 (the "Extension").

The Promissory Note evidences a loan in the principal amount of US\$6,750,000, which was advanced by Cool Swang, as seller, to fund a portion of the purchase price for the Company's Daly facility in Modesto, California, which was acquired by Dalvi in April 2019.

In consideration for the Extension, a fee in the amount of CDN\$280,000 was owing to Cool Swang. The parties have agreed to settle such indebtedness through the issuance of 500,000 common shares of the Company (the "Shares") at a deemed price of CDN\$0.56 per Share. The Shares are subject to certain restrictions on trading in accordance with applicable securities laws.

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

Steve Giblin, President

Item 9 Date of Report

October 25, 2019