

## FORM 7

### **MONTHLY PROGRESS REPORT**

Name of Listed Issuer: TerrAscend Corp. (the "Issuer").

Trading Symbol: TER

Number of Outstanding Listed Securities: 258,580,542 (October 31, 2022)

Date: November 7, 2022

This Monthly Progress Report must be posted before the opening of trading on the fifth trading day of each month. This report is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by Exchange Policies. If material information became known and was reported during the preceding month to which this report relates, this report should refer to the material information, the news release date and the posting date on the Exchange website.

This report is intended to keep investors and the market informed of the Issuer's ongoing business and management activities that occurred during the preceding month. Do not discuss goals or future plans unless they have crystallized to the point that they are "material information" as defined in the Policies. The discussion in this report must be factual, balanced and non-promotional.

#### **General Instructions**

- (a) Prepare this Monthly Progress Report using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the items must be in narrative form. State when the answer to any item is negative or not applicable to the Issuer. The title to each item must precede the answer.
- (b) The term "Issuer" includes the Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

## Report on Business

1. Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.

### Issuer Response:

On October 11, 2022, the Issuer closed on a non-brokered senior secured term loan (the "Loan") for gross proceeds of approximately US\$45.5 million from funds managed by Pelorus Equity Group ("Pelorus"), a leading provider of commercial real estate loans for the cannabis sector. The Loan currently bears interest of 12.77% per annum and is based on a variable rate tied to the one month secured overnight financing rate (SOFR), with interest-only payments for the first 36 months. The maturity is 5 years from closing.

Pursuant to an asset purchase agreement dated May 20, 2022 and amended on October 20, 2022, the Issuer acquired certain assets, including certain licenses and permits, by AEY Holdings, LLC, a wholly-owned entity of TerrAscend Corp., from New Generation Meds, LLC. The assets permit the dispensing, growing and provisioning of cannabis products in Jackson, Michigan for total aggregate consideration of USD \$2 million.

2. Provide a general overview and discussion of the activities of management.

Issuer Response: Management continues to focus on building a sustainable and profitable business across the various markets in which it operates.

3. Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.

Issuer Response: None.

4. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.

Issuer Response: None.

5. Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.

Issuer Response: None.

6. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced.

Issuer Response: None.

7. Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship.
- Issuer Response:** Pursuant to an asset purchase agreement dated May 20, 2022 and amended on October 20, 2022, the Issuer acquired certain assets, including certain licenses and permits, by AEY Holdings, LLC, a wholly-owned entity of TerrAscend Corp., from New Generation Meds, LLC. The assets permit the dispensing, growing and provisioning of cannabis products in Jackson, Michigan for total aggregate consideration of USD \$2 million.
8. Describe the acquisition of new customers or loss of customers.
- Issuer Response:** The Issuer and its operating companies continued to acquire new customers/patients to support the Issuer's business model, and, the Issuer also lost customers/patients in the ordinary course of business.
9. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks.
- Issuer Response:** None.
10. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.
- Issuer Response:** The Issuer initiated a workforce reduction in certain markets in an effort to align with evolving market demands, including Pennsylvania, California, Michigan, and Canada.
11. Report on any labour disputes and resolutions of those disputes if applicable.
- Issuer Response:** None.
12. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.
- Issuer Response:** Legal and regulatory proceedings arise from time to time in the ordinary course of business for the Issuer.
13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.
- Issuer Response:** On October 11, 2022, the Issuer closed on a non-brokered senior secured term loan (the "Loan") for gross proceeds of approximately US\$45.5 million from funds managed by Pelorus Equity Group ("Pelorus"), a leading provider of commercial real estate loans for the cannabis sector. The Loan currently bears interest of 12.77% per annum and is based on a variable rate tied

to the one month secured overnight financing rate (SOFR), with interest-only payments for the first 36 months. The maturity is 5 years from closing.

14. Provide details of any securities issued and options or warrants granted.

Security	Number Issued	Details of Issuance	Use of Proceeds <sup>(1)</sup>
Common shares	10,000	Conversion of 10 Series B preferred shares	N/A
Common shares	50,000	Conversion of 50 Series A preferred shares	N/A
Common shares	659,690	Issued on acquisition	N/A

(1) State aggregate proceeds and intended allocation of proceeds.

15. Provide details of any loans to or by Related Persons.

Issuer Response: None.

16. Provide details of any changes in directors, officers or committee members.

Issuer Response: None.

17. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.

Issuer Response: None.

## Certificate of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated November 7, 2022

Keith Stauffer

Name of Director or Senior  
Officer

Keith Stauffer "Signed"

Signature

Chief Financial Officer

Official Capacity

<b>Issuer Details</b> Name of Issuer  <a href="#">TerrAscend Corp</a>	For Month End <a href="#">2022/10/31</a>	Date of Report YY/MM/D <a href="#">22/11/7</a>
Issuer Address <a href="#">PO Box 43125</a>		
City/Province/Postal Code <a href="#">Mississauga, Ontario L5B 4A7</a>	Issuer Fax No. <a href="#">(844) 576 5223</a>	Issuer Telephone No. <a href="#">(855) 837 7295</a>
Contact Name  <a href="#">Keith Stauffer</a>	Contact Position <a href="#">CFO</a>	Contact Telephone No. <a href="#">(855) 837 7295</a>
Contact Email Address <a href="#">kstauffer@terrascend.com</a>	Web Site Address <a href="#">www.terrascend.com</a>	