



TerrAscend Acquires Property to Expand Maryland Cultivation and Processing Footprint

NEW YORK and TORONTO, November 15, 2021 // - TerrAscend Corp. (“TerrAscend” or the “Company”) (CSE:TER, OTCQX: TRSSF), a leading North American cannabis operator, today announced that its wholly owned subsidiary has acquired (the “Acquisition”) a commercial property located at 273 East Memorial Boulevard, Hagerstown, Maryland (the “Hagerstown Facility”), for a purchase price of approximately US\$2.8 million plus certain costs and expenses, from GB&J’s LLC (the “Vendor”).

TerrAscend currently produces and sells dried flower and oil products for the Maryland wholesale medical cannabis market from its existing 22,000 square foot cultivation and processing facility in Frederick, Maryland. The Company has already received regulatory approval for the planned relocation of its cultivation operations to the 156,000 square foot Hagerstown Facility, and expects to relocate and commence operations in Q1 2022.

“With adult-use legislation currently under review by the State, scaling our Maryland cultivation and processing capabilities will allow us to support this important and underserved market, said Jason Wild, Executive Chairman of TerrAscend. “Our investment will improve patient and future consumer access to quality cannabis products, including our Kind Tree, Ilera, and Prism brands, while we continue to pursue potential vertical integration opportunities in the State.”

The Acquisition of the Hagerstown Facility is a “related party transaction” pursuant to Multilateral Instrument: 61-101 – *Protection of Minority Security Holders in Special Transactions* (“MI 61-101”), in light of the beneficial ownership, control or direction of Jason Wild, Executive Chairman and Director of TerrAscend, through funds managed by JW Asset Management, in membership interests of Vendor. The funds managed by JW Asset Management have value in the purchase price for the Acquisition of US\$401,144.

The Company is relying on the exemptions from the formal valuation and the minority shareholder approval requirements set forth in sections 5.5(b) and 5.7(1)(a), respectively, of MI 61-101, on the basis that no securities of the Company are listed on the Toronto Stock Exchange or any other specified market, and given that the fair market value of the consideration paid under the Acquisition does not exceed 25% of the market capitalization of the Company, as determined in accordance with MI 61-101.

In addition, other members of the Vendor included former directors and officers of the Company who also received portions of the proceeds of the Acquisition received by the Vendor.

The Canadian Securities Exchange (“CSE”) has neither approved nor disapproved the contents of this news release. Neither the CSE nor its Market Regulator (as that term is defined in the policies of the CSE) accepts responsibility for the adequacy or accuracy of this release.

About TerrAscend

TerrAscend is a leading North American cannabis operator with vertically integrated operations in Pennsylvania, New Jersey, and California, licensed cultivation and processing operations in Maryland and licensed production in Canada. TerrAscend operates an award-winning chain of The Apothecarium dispensary retail locations as well as scaled cultivation, processing, and manufacturing facilities on both the East and West coasts. TerrAscend’s best-in-class cultivation and manufacturing practices yield

consistent, high-quality cannabis, providing industry-leading product selection to both the medical and legal adult-use market. The Company owns several synergistic businesses and brands, including The Apothecarium, Ilera Healthcare, Kind Tree, Prism, State Flower, Valhalla Confections, and Arise Bioscience Inc. For more information, visit www.terrascend.com.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This news release contains “forward-looking information” within the meaning of applicable securities laws. Forward-looking information contained in this press release may be identified by the use of words such as, “may”, “would”, “could”, “will”, “likely”, “expect”, “anticipate”, “believe”, “intend”, “plan”, “forecast”, “project”, “estimate”, “outlook” and other similar expressions. Forward-looking information is not a guarantee of future performance and is based upon a number of estimates and assumptions of management in light of management’s experience and perception of trends, current conditions and expected developments, as well as other factors relevant in the circumstances, including assumptions in respect of current and future market conditions, the current and future regulatory environment, and the availability of licenses, approvals and permits.

Forward-looking statements in this news release include, but are not limited to: statements with respect to Maryland cultivation and processing capabilities, and the Maryland market generally; future consumer access to TerrAscend brands in Maryland; and the pursuit of potential vertical integration opportunities in Maryland. Actual results and developments may differ materially from those contemplated by these statements. Such forward-looking statements are based on certain assumptions regarding expected growth, results of operations, performance, industry trends and growth opportunities. While TerrAscend considers these assumptions to be reasonable, based on information currently available, they may prove to be incorrect. Readers are cautioned not to place undue reliance on forward-looking statements.

Forward-looking information is subject to a variety of risks and uncertainties that could cause actual events or results to differ materially from those projected in the forward-looking information. Such risks and uncertainties include, but are not limited to, current and future market conditions; risks related to federal, state, provincial, territorial, local and foreign government laws, rules and regulations, including federal and state laws in the United States relating to cannabis operations in the United States; and the risk factors set out in TerrAscend’s management information circular dated October 4, 2021, and TerrAscend’s most recently filed MD&A, both filed with the Canadian securities regulators and available under TerrAscend’s profile on SEDAR at www.sedar.com.

The statements in this press release are made as of the date of this release. TerrAscend disclaims any intent or obligation to update any forward-looking information, whether as a result of new information, future events or results or otherwise, other than as required by applicable securities laws.

Caution Regarding Cannabis Operations in the United States

Investors should note that there are significant legal restrictions and regulations that govern the cannabis industry in the United States. Cannabis remains a Schedule I drug under the US Controlled Substances Act, making it illegal under federal law in the United States to, among other things, cultivate, distribute or possess cannabis in the United States. Financial transactions involving proceeds generated by, or intended to promote, cannabis-related business activities in the United States may form the basis for prosecution under applicable US federal money laundering legislation.

While the approach to enforcement of such laws by the federal government in the United States has trended toward non-enforcement against individuals and businesses that comply with medical or adult-use cannabis

programs in states where such programs are legal, strict compliance with state laws with respect to cannabis will neither absolve TerrAscend of liability under U.S. federal law, nor will it provide a defense to any federal proceeding which may be brought against TerrAscend. The enforcement of federal laws in the United States is a significant risk to the business of TerrAscend and any proceedings brought against TerrAscend thereunder may adversely affect TerrAscend's operations and financial performance.

For more information regarding TerrAscend:

Keith Stauffer
Chief Financial Officer
IR@terrascend.com

Rob Kelly
MATTIO Communications
terrascend@mattio.com