



## **TerrAscend Announces Q4 and Annual 2017 Financial Results**

**/NOT FOR DISSEMINATION IN THE UNITED STATES OR THROUGH U.S. NEWSWIRES/**

TORONTO, April 26, 2018 /CNW/ - **TerrAscend Corp.** (CSE: TER) ("**TerrAscend**" or the "**Company**") today reported financial results for the fourth quarter and financial year ending December 31, 2017. Financial results and the management discussion and analysis are available on the Company's website ([www.terrascend.com](http://www.terrascend.com)) and SEDAR ([www.sedar.com](http://www.sedar.com)).

Dr. Michael Nashat, TerrAscend's Chief Executive Officer, said, "2017 was an exciting and transformative year for TerrAscend and our shareholders. We achieved many milestones during the year that included taking the Company public, raising in excess of \$60,000,000 in capital, and commencing operations at our flagship Mississauga facility. We are now focused on executing our business plan and becoming a premier provider of quality products, brands and services for the global cannabinoid market."

Jason Wild, TerrAscend's Chairman, added, "Since joining TerrAscend's Board of Directors in 2017, I have worked extensively with the executive management team helping to develop the Company's strategic objectives with the goal of creating a market leader and global innovator within the Cannabis industry. TerrAscend is now ready to execute on many of the numerous strategic opportunities we have been pursuing which we believe will result in enhanced value to our shareholders. It has been a rewarding experience thus far, and I'm excited for the future growth that lies ahead."

### **QUARTERLY AND ANNUAL FINANCIAL RESULTS**

- The Company incurred a net loss of \$1,057,489 for the quarter ended December 31, 2017 primarily due to an increase in expenses attributed to the expansion of its business in anticipation of the company securing its sales license. This resulted in an increase in salaries and wages, consulting and professional fees compared to the prior year.
- For the year ended December 31, 2017, the Company incurred a net loss of \$6,085,469 or \$0.19 per share, compared with a net loss of \$867,181 or \$0.09 per share for the year ended December 31, 2016. This loss was attributed to the ramp up of its activities throughout the year at its Mississauga facility and an increase in operating expenses.
- Cash and cash equivalents were \$51.6M at December 31, 2017. The increase in cash compared to Q3 2017 was primarily due to the \$52.5M private placement that occurred in December 2017.
- Cash used in investing activities during the year totaled \$14,377,857 and relate primarily to the purchase of property and equipment and the initiation of Phase 1 construction of the facility.

### **2017 BUSINESS HIGHLIGHTS**

#### **May 2, 2017 TerrAscend Announces Approval for Listing on the Canadian Securities Exchange**

The company announced that the Company's common shares have been approved for listing on the Canadian Securities Exchange ("CSE") under the symbol 'TER'. Pursuant to the CSE bulletin dated May 2, 2017, the Common Shares will commence trading on the CSE at market open on May 3, 2017.

#### **May 16, 2017 TerrAscend Launches Terra Health Network**

The company announced the official establishment and launch of Terra Health Network Ltd., a wholly-owned subsidiary of the Company. Terra Health Network provides a comprehensive patient navigation platform, standardizing the medical experience for patients and healthcare professionals before, during and after the medical visit. This proprietary system also allows for the collection, storage and aggregation of regulatory permitted patient data.

#### **July 10, 2017 TerrAscend's Wholly-Owned Subsidiary, Solace Health Inc., Obtains License to Cultivate Medical Cannabis**

The company announced that its wholly-owned subsidiary, Solace Health Inc. ("Solace Health"), has been granted a license to cultivate cannabis pursuant to the Access to Cannabis for Medical Purposes Regulations (the "ACMPR"). Strategically located in Mississauga, ON, and a short distance from Toronto's Pearson International Airport, Solace Health will begin cultivating medical cannabis in Phase 1 of its 67,300 square foot facility, overseen by a qualified management team with strong health care and production experience.

#### **July 18, 2017 TerrAscend Announces Joint Venture for a Proposed Drug Preparation Premises at its Facility**

The company announced that under a newly created subsidiary, Solace Rx Inc. ("SolaceRx"), the Company will commence construction and application for licensing of a Drug Preparation Premises at its Mississauga facility. Subject to receipt of required approvals and licenses, the business of SolaceRx will be comprised of the reconstitution, dilution, preparation and/or combination of drug preparations for health care practitioners and institutions. The addition of SolaceRX will provide TerrAscend with a non-cannabis revenue stream and the opportunity to work directly with healthcare stakeholders to enable them to deliver customized formulations in meeting patients' needs.

#### **November 15, 2017 TerrAscend Announces Transformative \$52.5M Private Placement Financing**

On December 11, 2017, the Company closed a non-brokered private placement with JW Asset Management LLC, Canopy Growth Corporation and Canopy Rivers Corporation. The investors acquired from the Company, on a non-brokered private placement basis, 47,727,273 units of the Company at a price per unit of \$1.10 for aggregate gross proceeds of approximately \$52,500,000. Each unit sold in the private placement consists of one common share of the Company and one common share purchase warrant of the Company, with each warrant entitling the holder to purchase an additional common share for a period of 36 months at an exercise price of \$1.10.

### **SUBSEQUENT EVENTS**

#### **Change in Management**

On January 10, 2018, Dr. Michael Nashat was appointed the President and CEO of TerrAscend Corp.

#### **License to Produce Cannabis Oils**

On February 5, 2018, Solace Health Inc. was granted an oil production licence by Health Canada pursuant to the *Access to Cannabis for Medical Purposes Regulations*.

#### **Sales License Granted**

On March 9, 2018, Solace Health Inc., received its sales licence to sell dried cannabis.

#### **Strategic Investment**

On April 23, 2018, TerrAscend completed a strategic investment into private retailer applicant, Fire & Flower Inc.

The Company purchased 3,125,000 units of Fire & Flower for an aggregate of \$2,500,000 or \$0.80 per unit, amounting to approximately 5% of the outstanding Fire & Flower shares. Each unit comprises of one common share and one common share purchase warrant in Fire & Flower. Each common share purchase warrant entitles TerrAscend to purchase one additional common share of Fire & Flower at a price of CDN\$1.05 within twenty-four (24) months. The Company completed this strategic investment through 2627685 Ontario Inc.

### **Launch of Solace Health Marketplace**

On April 25, 2018, the Company's wholly-owned subsidiary, Solace Health Inc. launched the Solace Health Marketplace, a centralized destination for Canadian cannabis patients to access information, quality support and a diverse selection of dried cannabis products to support patient wellness.

### **About TerrAscend**

TerrAscend is a biopharmaceutical and wellness company that is committed to quality products, brands and services for the global cannabinoid market. The Company provides support to medical consumers through its wholly-owned subsidiaries, Solace Health Inc., a licenced producer of medical cannabis under the Access to Cannabis for Medical Purposes Regulations and Terra Health Network Inc., a clinical support program and education platform led by healthcare professionals.

### **Forward Looking Information**

*This news release contains certain "forward-looking statements" within the meaning of such statements under applicable securities law. Forward-looking statements are frequently characterized by words such as "plan", "continue", "expect", "project", "intend", "believe", "anticipate", "estimate", "may", "will", "potential", "proposed" and other similar words, or statements that certain events or conditions "may" or "will" occur. These statements are only predictions. Various assumptions were used in drawing the conclusions or making the projections contained in the forward-looking statements throughout this news release. Forward-looking statements include, but are not limited to, the anticipated timing for closing of the Private Placement, and the anticipated use of proceeds of the Private Placement. Forward-looking statements are based on the opinions and estimates of management at the date the statements are made, and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. The Company is under no obligation, and expressly disclaims any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by applicable law.*

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