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TerrAscend Receives Approval to Commence Cultivation at its New Jersey Greenhouse

First greenhouse in New Jersey to be awarded a cannabis cultivation permit by the Department of Health

NEW YORK and TORONTO, Aug. 4, 2020 /CNW/ - TerrAscend Corp. (CSE: TER) (OTCQX: TRSSF) ("TerrAscend" or the "Company") a leading North American cannabis operator, today announced that its greenhouse located at its Boonton facility has been approved by the New Jersey Department of Health ("NJ DOH") to begin cultivating cannabis. Concurrently, TerrAscend has commenced initial planting of this facility with the first harvest anticipated to occur during the fourth quarter of this year.

The 37,000 square foot greenhouse is the first approved for medical cannabis cultivation in the state. The Company expects to complete the second phase of construction at the Boonton facility in October 2020, which will expand the company's New Jersey capacity to a total of 140,000 square feet and add indoor cultivation and post-harvest manufacturing capabilities. TerrAscend has the ability to further increase its New Jersey operations to over 240,000 square feet.

"This is an important milestone as we continue to expand our operations to meet growing patient demand for high-quality, medical products in New Jersey," said Jason Ackerman, Executive Chairman of TerrAscend "We're exceptionally proud of the team's efforts and look forward to accelerating our growth as the facility ramps up to full capacity."

TerrAscend expects to launch a comprehensive suite of high-quality, medical products for New Jersey patients in November. The Company's product offerings will include raw flower, pre-rolls, extracted distillate and vaporizable oil, as well as Ilera Healthcare branded tinctures, topicals and medically-blended vapes.

In December 2018, TerrAscend was awarded the right to apply for one of six vertically integrated permits, out of 146 applications, in the State of New Jersey. TerrAscend was the second entity to receive its cultivation permit in January 2020, among the six winning applicants. At that time, initial cultivation began in a temporary on-site area while construction of TerrAscend's greenhouse was completed. With this new permit, plants previously grown in the temporary area will be transferred to the greenhouse.

After securing additional processing and dispensing approvals, the full permit will allow TerrAscend to operate a production facility and up to three Alternative Treatment Centers ("ATCs"), or dispensaries, in the North region of New Jersey. The first Apothecarium-branded ATC is expected to open in Phillipsburg, NJ in Q4 2020, followed by two additional ATCs upon regulatory approval. The Company's Phillipsburg ATC will be the state's first in

Warren County.

About TerrAscend

TerrAscend provides quality products, brands, and services to the global cannabinoid market. As the first North American Operator (NAO), with scale operations in both Canada and the US, TerrAscend participates in the medical and legal adult-use market across Canada and in several US states where cannabis has been legalized for therapeutic or adult use. TerrAscend was the first cannabis company with sales in the US, Canada, and Europe. TerrAscend operates a number of synergistic businesses, including The Apothecarium, an award-winning cannabis dispensary with retail locations in California and Pennsylvania; Arise Bioscience Inc., a manufacturer, and distributor of hemp-derived products; Ilera Healthcare, Pennsylvania's premier medical cannabis cultivator, processor and dispenser; State Flower, an ultra premium cannabis brand focused on the cultivation of truly exceptional flowers; and Valhalla Confections, a manufacturer of premium cannabis-infused edibles. TerrAscend holds a cultivation permit in the State of New Jersey and is pending approval for a vertically integrated medical cannabis operation with the ability to operate up to 3 Alternative Treatment Centers. Additionally, TerrAscend holds a Medical Cannabis Processor License in the State of Utah. For more information, visit www.terrascend.com.

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 US 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.

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