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TerrAscend Announces Agreement for US\$75 Million Credit Facility

- Credit facility to support initiation of TerrAscend's US acquisition strategy -

TORONTO, Dec. 14, 2018 /PRNewswire/ - **TerrAscend Corp. (CSE: TER; OTCQX: TRSSF) ("TerrAscend")** is pleased to announce that it has agreed to terms on a US\$75 million credit facility with certain funds managed by JW Asset Management LLC, where Jason Wild, Chairman of the Board of TerrAscend, is the President and Chief Investment Officer. These funds are also the largest shareholders of TerrAscend. The credit facility is intended to give TerrAscend access to non-dilutive capital for acquisitions in the United States, as well as for general corporate and working capital purposes. The facility, once signed, is intended to mature one year from its date of effectiveness and will bear interest at 8.75% per annum, with a 1% origination fee.

"The credit facility will provide non-dilutive capital to accelerate our growth and help support our previously announced strategy to pursue opportunities in the US, including acquisitions of operators in states that have legalized cannabinoids for therapeutic or adult-use," said Michael Nashat, TerrAscend's Chief Executive Officer. "Upon signing, the credit facility will support the near term initiation of the company's US acquisition strategy. TerrAscend's pipeline of potential acquisitions includes operators with significant market share, strong brand recognition and substantial global potential. We look forward to sharing more details regarding progress on our US strategy in the coming weeks. We greatly appreciate the commitment and support that our Chairman, Jason Wild, has shown our company. His commitment, financial support and network of opportunities continue to differentiate and position the company to succeed as a leader in the legal global cannabinoid market" concluded Nashat.

"The team is executing at a high-level and we believe that with these additional resources, TerrAscend can accelerate its growth trajectory. We are excited about the company's near and long-term prospects in the United States and Canada." said Matthew Johnson, President of TerrAscend Corp. and TerrAscend USA.

The commitment and associated term sheet are non-binding and TerrAscend's ability to draw down on the credit facility is subject to the negotiation and execution of definitive credit agreements and the satisfaction of other customary closing conditions. There is no assurance that definitive documents with respect to the credit facility and associated guarantees will be completed, that any amount will be drawn under the credit facility or that TerrAscend will be able to source attractive investment opportunities or otherwise successfully deploy any amounts drawn for the purposes intended. Amounts drawn under the facility will be guaranteed by TerrAscend Corp. and one of its wholly-owned Canadian subsidiaries and will be secured by certain of such subsidiary's inventory and trade receivables.

About TerrAscend Corp.

TerrAscend is a biopharmaceutical and wellness company that is committed to quality products, brands and services for the global cannabinoid market. TerrAscend provides support to patients and consumers through its wholly-owned subsidiaries, TerrAscend Canada Inc., a licensed producer of cannabis pursuant to the *Cannabis Regulations* under the *Cannabis Act* (Canada) that provides medical cannabis to patients through its online medical marketplace Solace Health, and Solace Health Network Inc., a clinical support program and education platform led by healthcare professionals. TerrAscend participates in the legal adult-use market in Canada through direct and indirect supply agreements in several provinces and intends to expand into the US market in states where cannabinoids have been legalized for therapeutic or adult-use. TerrAscend also launched Ascendant Labs, a company committed to the continuous improvement of cannabinoid expressing plants, which is a strategic joint venture with leading researchers Cistron Corp.

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 cultivate, distribute or possess cannabis in the United States. Furthermore, 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. Following any investment made by TerrAscend in operations in the United States, enforcement of federal laws in the United States will be a significant risk to the business of TerrAscend and any proceedings brought against TerrAscend thereunder may adversely affect TerrAscend's operations and financial performance.

Forward Looking Information

This news release contains "forward-looking information" within the meaning of applicable securities laws. Forward-looking statements 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, and include statements with respect to the terms of the credit facility, the expected use of proceeds of the credit facility and TerrAscend's intention to pursue business opportunities in the United States. Forward-looking statements are not a guarantee of future performance and are 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.

Although TerrAscend believes that the expectations and assumptions on which such forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because TerrAscend can give no assurance that they will prove to be correct. Actual results and developments may differ materially from those contemplated by these statements. Forward-looking statements are 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 statements. Such risks and uncertainties include, but are not limited to, the inability to settle definitive documentation relating to the credit facility, the inability to satisfy any conditions to draw down on the credit facility, TerrAscend's ability to deploy the funds for the purposes intended, TerrAscend's ability to source attractive investment opportunities in the United States and execute on such opportunities, including being able to finance any such opportunities; 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; TerrAscend's ability to successfully integrate any acquired businesses in the future; and fluctuations in foreign currency exchange rates.

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. TerrAscend undertakes no obligation to comment on analyses, expectations or statements made by third-parties in respect of TerrAscend, its securities, or financial or operating results (as applicable).

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