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TerrAscend Forms Brokerage Partnership with Kindred Partners, Inc.

--- New partnership to bolster distribution and drive sales

TORONTO, Oct. 23, 2019 /PRNewswire/ - TerrAscend Corp. (CSE: TER; OTCQX: TRSSF) ("TerrAscend" or "the Company"), the first and only global cannabis company licensed for sales in Canada, the US, and the EU, announced today that it has formed a strategic partnership with Kindred Partners Inc. ("Kindred"), a specialty cannabis brokerage and services company, where Kindred will serve as the exclusive broker for TerrAscend's adult-use cannabis products in Canada. The agreement will help bolster distribution and drive sales for TerrAscend by leveraging Kindred's brokerage, marketing and brand-building services, as well as its consumer insights and data.

Kindred, a wholly-owned subsidiary of Breakthru Beverage Group, LLC, has deep roots and significant experience in effectively managing distribution agreements in highly-regulated industries. Kindred operates separately from its sister company, alcohol beverage brokerage Breakthru Beverage Canada, while leveraging related knowledge and expertise in working with Canadian Provincial control boards, licensed distributors and retailers. The partnership will allow for Kindred to use its national presence to market TerrAscend's brands in Canada, while offering industry intelligence and insights to better serve and supply the adult-use market.

"Our strategic partnership with Kindred ensures that TerrAscend has direct access to distribution channels and consumer insights that are critical for our products to thrive in an evolving cannabis industry, particularly as we head into cannabis 2.0," said Michael Nashat, CEO of TerrAscend. "We are looking forward to tapping into Kindred's national network and team of specialists as we take advantage of the imminent legal sales of cannabis-infused products."

The new partnership with Kindred follows a number of important developments for TerrAscend Canada. The Company recently received Health Canada approval for a nearly three-fold expansion of licensed space at its EU-GMP certified facility in Mississauga, Ontario, which will allow for new product formats and extracts for the adult-use market, as well as expanded distribution opportunities. Additionally, the Company received an amendment to its license from Health Canada to allow it to sell cannabis extracts, topicals and edibles. Sales of TerrAscend's new product formats will begin in December, pending Health Canada authorization.

TerrAscend also applauds venture capital firm Canopy Rivers Inc. ("Canopy Rivers") (TSX: RIV, OTC: CNPOF) and Kindred on their strategic alliance, announced earlier today. TerrAscend is an active participant in the Canopy Rivers ecosystem, having significant purchase and supply agreements with other Canopy Rivers portfolio companies, including PharmHouse Inc. and James E. Wagner Cultivation Corporation. Canopy Rivers first invested in TerrAscend in 2017, restructuring their initial investment last year to allow for strategic international expansion. Earlier this month, Canopy Rivers announced an additional US$10 million investment in TerrAscend Canada Inc.

"We are excited to represent TerrAscend's innovative products and share insights to help them address the adult-use market," said Dave Prodanovic, Kindred's General Manager. "We will leverage our deep experience and talented team to offer brand-building and go-to-market execution that will provide nationwide visibility to TerrAscend's adult-use cannabis brands."

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 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, the Company 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 is the first and only 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 several retail locations in California and Nevada; Arise Bioscience Inc., a manufacturer and distributor of hemp-derived products; Ilera Healthcare, Pennsylvania's premier medical marijuana cultivator, processor and dispenser; Ascendant Laboratories Inc., a biotechnology and licensing company committed to the continuous improvement of cannabinoid expressing plants; Solace RX Inc., a proposed Drug Preparation Premises (DPP) focused on the development of novel formulations and delivery forms; and Valhalla Confections, a manufacturer of premium cannabis-infused edibles. Additionally, TerrAscend has been chosen by the state of New Jersey to be one of six permit applicants for a vertically integrated medical cannabis operation. For more information, visit www.terrascend.com.

About Kindred Partners Inc.
Kindred Partners Inc. is a wholly-owned Canadian subsidiary of Breakthru Beverage Group representing cannabis products to the Canadian recreational market. This dedicated cannabis sales brokerage business operates independently from its sister company, Breakthru Beverage Canada, a leading Canadian beverage alcohol broker. For more information, please visit www.kindredcanada.ca.

About Breakthru Beverage Group
Breakthru Beverage Group is one of the leading alcohol wholesalers in the United States and the largest broker in Canada representing a full total beverage alcohol portfolio of spirits, wine and beer. Across its North American footprint, Breakthru employs more than 7,000 associates who align a nimble and insightful approach to sales, marketing and operations.

With family ownership active in the business, Breakthru is committed to being a steward of heritage and champion of innovation. For more information, visit www.BreakthruBev.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.

Forward Looking Information

This news release may contain "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 completion of the transactions discussed herein and the anticipated benefits thereof. 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 of the parties to satisfy the conditions to closing of the Nevada entities set out in the definitive documentation in a timely manner or at all; TerrAscend's ability to complete the opening of the Berkeley, California and Phillipsburg, New Jersey dispensaries on schedule or at all; 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 rate.

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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