

August 20, 2021



TerraAscend Increases Ownership of New Jersey License Ahead of Adult-Use Rollout

Ownership of TerraAscend NJ, LLC expands to 87.5% from 75%

Secures an Option to Purchase an Additional 6.25%

NEW YORK and TORONTO, Aug. 20, 2021 /CNW/ - TerraAscend Corp. ("TerraAscend" or the "Company") (CSE: TER) (OTCQX: TRSSF), a leading North American cannabis operator, today announced it has completed the acquisition of an additional 12.5% of the issued and outstanding equity of TerraAscend NJ, LLC ("TerraAscend New Jersey") from BWH NJ, LLC and Blue Marble Ventures, LLC (collectively, the "Sellers"), for an initial cash payment of \$25 million with an additional \$25 million payment comprised of a combination of cash and TerraAscend common shares to be paid on or before December 31, 2021. As a result, the Company now owns 87.5% of the issued and outstanding equity of TerraAscend New Jersey.



In addition, the Company and the Sellers have agreed to terms whereby TerraAscend will have the option to purchase an additional 6.25% of TerraAscend New Jersey at a pre-determined valuation during the period commencing April 1, 2023 through June 15, 2023.

"I am thrilled to increase our stake in TerraAscend New Jersey ahead of the commencement of adult-use sales," said Jason Wild, Executive Chairman of TerraAscend. "We are focused on exceeding New Jersey customers' expectations and are well-positioned with our Cookies brand partnership and new Lodi dispensary set to open before year-end."

TerraAscend New Jersey currently operates a 140,000 sq. ft cultivation and processing facility located in Boonton. In addition, TerraAscend New Jersey operates two Alternative Treatment Centers ("ATCs"), or dispensaries, located in Maplewood and Philipsburg, and expects to open a third ATC in the high-traffic town of Lodi, right outside of New York City, before the end of the year.

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 TerraAscend

TerraAscend 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.

Forward Looking Information

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, and include statements with respect to future revenue and profits. 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.

Although the Company believes that the expectations and assumptions on which such forward-looking information is based are reasonable, undue reliance should not be placed on the forward-looking information because the Company 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 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 the Company's most recently filed MD&A, filed with the Canadian securities regulators and available under the Company's profile on SEDAR at www.sedar.com.

The statements in this press release are made as of the date of this release. The Company 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.

SOURCE TerrAscend