

June 30, 2023



TerrAscend Increases Footprint in Maryland to Four Dispensaries with Agreement to Acquire Herbiculture, Transaction Already Approved by Maryland Regulator

Company reaches its goal to sign definitive acquisitions of four Maryland dispensaries prior to adult-use launch

US\$8.25 million transaction expected to be immediately accretive on an EBITDA and cashflow basis

TORONTO, June 30, 2023 (GLOBE NEWSWIRE) -- [TerrAscend Corp.](#) ("**TerrAscend**" or the "**Company**") (CSE: TER) (OTCQX: TRSSF), a leading North American cannabis operator, today announced that it entered into a definitive agreement on June 29, 2023 to acquire Herbiculture Inc. (d/b/a "Herbiculture"), a medical dispensary in Maryland. With this transaction, TerrAscend will reach the four dispensary cap in the state. With the upcoming launch of adult-use on July 1, 2023, the Company believes that Herbiculture is well positioned to achieve substantial sales and profit growth. Under the terms of the agreement, TerrAscend will acquire Herbiculture for total consideration of US\$8.25 million (the "Transaction"), composed of US\$3.0 million in cash, with the remainder in a seller's note. The transaction, which is expected to be immediately accretive to TerrAscend on an EBITDA and cashflow basis, has already been approved by the Maryland Cannabis Administration and is expected to close in the coming days.

Located in an approximately 3,100 square foot location in Burtonsville, Herbiculture has a loyal customer base and a net revenue run rate of approximately US\$4.3 million. TerrAscend expects to achieve significant sales and margin improvement at this location with the launch of adult-use and by offering a complete selection of its high-quality brands including Kind Tree, Gage, Cookies and Wana. TerrAscend's retail footprint will increase to 37 dispensaries nationwide, once closed.

"Adding a fourth dispensary in Maryland is an important step in our strategy to become a market leader in the state. We anticipate that Herbiculture, combined with our other Maryland dispensaries, will drive substantial revenue growth and profitability," said Jason Wild, Executive Chairman of TerrAscend. "We look forward to serving more consumers in Maryland with the start of adult-use sales in this state, and intend to utilize the same, successful strategy and business model that we built in New Jersey."

The 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 is a leading North American cannabis operator with vertically integrated operations in Pennsylvania, New Jersey, Maryland, Michigan and California and retail operations in Canada. TerrAscend operates The Apothecarium and Gage dispensary retail locations as well as scaled cultivation, processing, and manufacturing facilities in its core markets. TerrAscend's cultivation and manufacturing practices yield consistent, high-quality cannabis, providing industry-leading product selection to both the medical and legal adult-use markets. The Company owns several synergistic businesses and brands including Gage Cannabis, The Apothecarium, Ilera Healthcare, Kind Tree, Legend, State Flower, Wana, and Valhalla Confections. For more information visit www.terrascent.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 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.

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. 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, the risk factors set out in Company's Annual Report on Form 10-K for the year ended December 31, 2022 filed with the Securities and Exchange Commission on March 16, 2023.

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.

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