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TerrAscend Announces Joint Venture for a Proposed Drug Preparation Premises at its Facility

TORONTO, July 18, 2017 (GLOBE NEWSWIRE) -- **TerrAscend Corp.** (CSE:TER) ("TerrAscend" or the "Company"), is pleased to announce that under a newly created subsidiary, Solace Rx Inc. ("**SolaceRx**"), the Company will commence construction and application for licensing of a Drug Preparation Premises at its Mississauga facility. Subject to receipt of required approvals and licenses, the business of SolaceRx will be comprised of the reconstitution, dilution, preparation and/or combination of drug preparations for health care practitioners and institutions. The addition of SolaceRX will provide TerrAscend with a non-cannabis revenue stream and the opportunity to work directly with healthcare stakeholders to enable them to deliver customized formulations in meeting patients' needs.

SolaceRx will be operated as a joint venture ("**JV**") with Theomar Ltd. and, its owner, Mike Hannalah (together the "**Partner**"), a leader in the drug formulation compounding business. Under the terms of the JV, TerrAscend and its Partner will form SolaceRx with each party initially holding a 50% ownership interest. Under the terms of the JV, TerrAscend has agreed to fund certain expenditures as approved by TerrAscend's Board and has also provided its Partner with the right to cause TerrAscend to purchase predetermined percentages of the Partner's ownership in the business at pre-determined milestones based on SolaceRx's EBITDA over the next approximately seven years. TerrAscend has also agreed to provide Solace RX with space at its Mississauga facility as a part of its contribution to the JV.

Mr. Hannalah is a compounding pharmacist and President of Smith's Pharmacy ("**SP**") in Toronto, Ontario. SP has been operating for over 80 years and is a leader in sterile and non-sterile compounding. SP specializes in bio-identical hormone therapy, pain management compounding, intravenous therapy, nutritional supplementation, pediatric compounding, chelation and mesotherapy, fertility compounding, cosmetic and dermatological compounds and dental preparations. Mr. Hannalah is an active member of multiple pharmacy associations such as the Ontario Pharmacists Association and Professional Compounding Centers of America. He is also a member of the Canadian Health Food Association, among other associations and governing bodies.

"The formation of SolaceRx allows TerrAscend to leverage its vast network and expertise in the pharmaceutical space," commented Dr. Michael Nashat, Co-Founder and Chief Operating Officer of TerrAscend. "We are excited to commence the development of a strategic, complimentary operation to our existing businesses. SolaceRx will allow TerrAscend to broaden its position by providing non-medical cannabis drug preparations to meet the needs of practitioners and health care institutions, while increasing its ability to generate revenue from its target markets."

About TerrAscend

TerrAscend is a vertically-integrated Canadian cannabis company that strives to create and deliver quality products and services that meet the evolving needs of the cannabis market. The Company provides support to patients through its wholly-owned subsidiaries, Solace Health Inc. ("**Solace Health**"), a licensed producer of medical cannabis under the *Access to Cannabis for Medical Purposes Regulations*, and Terra Health Network Inc. ("**Terra Health**"), a clinical support program and education platform led by health care professionals. Please visit www.TerrAscend.com for more information about the Company.

Forward-looking statements

This news release contains "forward-looking information" within the meaning of applicable securities laws. Although TerrAscend believes in light of the experience of its officers and directors, current conditions and expected future developments and other factors that have been considered appropriate, that the expectations reflected in this forward-looking information are reasonable, undue reliance should not be placed on them because TerrAscend can give no assurance that they will prove to be correct. Readers are cautioned to not place undue reliance on forward-looking information. Actual results and developments may differ materially from those contemplated by these statements. The statements in this press release are made as of the date of this release. 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). TerrAscend disclaims any intent or obligation to update publicly 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.

The Canadian Securities Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of the content of this news release.

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