

**TERRASCEND CORP.
AUDIT COMMITTEE CHARTER**

I. GENERAL

1. Mandate and Purpose of the Committee

The purpose of the Audit Committee (the “**Committee**”) is to assist the board of directors (the “**Board**”) of Terrascend Corp. (the “**Company**”) in fulfilling its oversight responsibilities relating to:

- (a) the integrity of the Company’s financial statements;
- (b) the Company’s compliance with legal and regulatory requirements, including risk assessment, as they relate to the Company’s financial statements;
- (c) the qualifications, engagement terms, fees, selection, independence and performance of the external auditors;
- (d) accounting and financial reporting processes, internal controls and disclosure controls, and financial statement audits;
- (e) the design, implementation, organization, and performance of the Company’s internal audit function;
- (f) the maintenance and facilitation of an open avenue of communication among the Board, the Company’s management, internal audit group, and external auditors;
- (g) any applicable financial reports or disclosures required by applicable law and any applicable stock exchange listing requirements; and
- (h) performing the additional duties set out in this Charter or otherwise delegated to the Committee by the Board.

2. Authority of the Committee

- (a) The Committee has the authority to:
 - (i) access, on an unrestricted basis, all Company books, records, facilities and personnel as deemed necessary or appropriate by any member of the Committee;
 - (ii) engage independent counsel and accounting or other advisors as it determines necessary to carry out its duties;
 - (iii) set and pay the compensation for any advisors employed by the Committee, including any ordinary administrative expenses the Committee deems appropriate in carrying out its duties;
 - (iv) conduct any investigation appropriate to its responsibilities, and it may require any of the Company’s personnel or outside advisors attend any meeting of the Committee or meet with any member of the Committee or any of its advisors; and
 - (v) communicate directly with the internal and external auditors.
- (b) The Committee has the authority to delegate to individual members or subcommittees of the Committee.

II. PROCEDURAL MATTERS

1. Composition

The Committee will be composed of a minimum of three members.

2. Member Qualifications

- (a) Every Committee member must be a director of the Company.
- (b) Every Committee member shall satisfy the independence, financial literacy, and other requirements imposed by applicable law and any applicable stock exchange listing requirements.

(c) At least one member of the Committee shall satisfy the applicable financial-sophistication requirements and any other requirement for accounting or related financial management expertise required by applicable law and any applicable stock exchange listing requirements.

(d) Committee members shall meet any other qualifications determined by the Board.

3. Member Appointment and Removal

Members of the Committee will be appointed by the Board and serve at the pleasure of the Board for one year or until their successors are duly appointed. Resignation or removal of a Committee member from the Board for any reason will automatically constitute resignation or removal from the Committee.

4. Committee Structure and Operations

(a) Chair and Subcommittee

Each year, the Board will appoint one member of the Committee to act as Chair of the Committee. The Chair of the Committee may be removed at any time at the discretion of the Board. If, in any year, the Board does not appoint a Chair, the incumbent Chair will continue in office until a successor is appointed. If the Chair of the Committee is absent from any meeting, the Committee will select one of the other members of the Committee to preside at that meeting.

The Chair shall have the delegated authority to act on behalf of the Committee in connection with (1) approval of the retention of outside service providers and advisors (including negotiation and execution of their engagement letters), (2) pre-approval of audit or non-audit services; provided such pre-approval is presented to the Committee at its first scheduled meeting following such pre-approval, (3) reviewing with management the Company's proposed earnings press releases and other financial information and guidance regarding the Company's results of operations provided publicly or to ratings agencies, (4) approval of payment of ordinary administrative and other expenses incurred by the Committee described in Section I.2.(a)(iii) above, and (5) as may otherwise be determined by the Committee to the extent such delegation is permitted under applicable law and any applicable stock exchange listing requirements.

The Committee also may form and delegate authority to one or more subcommittees consisting of one or more members of the Board (whether or not he, she or they are on the Committee) to the extent allowed under applicable law and any applicable stock exchange listing requirements.

By delegating an issue to the Chair or a subcommittee, the Committee does not surrender any authority over that issue. Although the Committee may act on any issue that has been delegated to the Chair or a subcommittee, doing so will not limit or restrict future action by the Chair or subcommittee on any matters delegated to it. Any action or decision of the Chair or a subcommittee will be presented to the full Committee at its next scheduled meeting. By approving this Charter, the Board delegates authority to the Committee with respect to these responsibilities.

(b) Meetings

The Chair of the Committee will be responsible for developing and setting the agenda for Committee meetings. The Committee will meet whenever its members deem a meeting necessary or appropriate, or as may be required by applicable legal or stock exchange requirements.

(c) Notice

(i) Notice of the time and place of every meeting will be given by email or by phone to each member of the Committee at least 72 hours before the time fixed for that meeting. The notice period may be waived by unanimous resolution of the Committee.

(ii) The external auditor of the Company will be given notice of every meeting of the Committee and, at the expense of the Company, will be entitled to attend and be heard at that meeting.

(iii) If requested by a member of the Committee, the external auditor will attend every meeting of the Committee held during the term of office of the external auditor.

(d) Quorum

A majority of the Committee will constitute a quorum. No business may be transacted by the Committee except at a meeting of its members at which a quorum of the Committee is present in person or by means of such telephonic, electronic or other communications facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously.

(e) Attendees

The Committee may invite any of the directors, officers and employees of the Company and any advisors as it sees fit to attend meetings of the Committee. During each meeting of the Committee, the Committee will meet with only Committee members present in person or by other permitted means.

Unless otherwise determined by the Committee, each regularly scheduled meeting of the Committee will conclude with an executive session that excludes members of management other than counsel as necessary. As part of its responsibility to foster open communication, the Committee will meet periodically with management, personnel in charge of the internal audit function (if any) and external auditor in separate executive sessions.

(f) Secretary

Unless otherwise determined by resolution of the Board, the corporate secretary of the Company, or his or her nominee, will act as the Secretary to the Committee.

(g) Records

Minutes of meetings of the Committee will be recorded and maintained by the Secretary to the Committee and will be subsequently presented to the Committee for review and approval. The Committee may act by unanimous written consent; when it does so, those actions will be filed in the minute book.

(h) Liaison

The Chief Financial Officer will act as management liaison with the Committee.

5. Committee and Charter Review

The Committee will conduct an annual review and assessment of its performance, effectiveness and contribution, including a review of its compliance with this Charter, in accordance with the process developed by the Board. The Committee will conduct that review and assessment in such manner as it deems appropriate and report the results to the Board.

The Committee will also review and assess the adequacy of this Charter on an annual basis, taking into account all legislative and regulatory requirements applicable to the Committee, as well as any best practice guidelines recommended by regulators or an applicable stock exchange, and will recommend any required or desirable changes to the Board.

6. Reporting to the Board

The Committee will report to the Board in a timely manner with respect to each of its meetings held. This report may take the form of circulating copies of the minutes of each meeting held. The Committee is responsible for reviewing

and submitting to the Board, as a whole, recommendations concerning the Corporation's financial affairs, code of ethics, whistleblower and corporate disclosure, confidentiality and insider trading policies. RESPONSIBILITIES

The Committee's responsibilities are for oversight, as described under "Mandate and Purpose of the Committee" above. The members of the Committee are not employees of the Company, and they do not perform management's or any external auditor's functions. The Committee relies on the expertise and knowledge of management, the internal auditors (if any), and any external auditors in carrying out its oversight responsibilities. Management is responsible for preparing accurate and complete financial statements in accordance with generally accepted accounting principles ("GAAP"), crafting periodic reports, and establishing and maintaining appropriate accounting principles and financial reporting policies and satisfactory internal control over financial reporting. The external auditors will audit the Company's annual consolidated financial statements and, when required, the effectiveness of the Company's internal control over financial reporting and review the Company's quarterly financial statements. It is not the Committee's responsibility to prepare or certify the Company's financial statements, guarantee the audits or reports of the external auditors, certify as to whether any external auditors are "independent" under applicable law or any applicable stock exchange listing requirements, or ensure that the financial statements or periodic reports are complete and accurate, conform to GAAP, or otherwise comply with applicable law or any applicable stock exchange listing requirements or the Company's policies.

The Committee shall have the following responsibilities; *provided, however*, that this list of responsibilities is intended to be a guide and to remain flexible to account for changing circumstances and needs. Accordingly, the Committee may depart from or supplement such responsibilities, and establish policies and procedures, to the extent permitted by applicable law and any applicable stock exchange listing requirements.

7. Financial Reporting

(a) The Committee is responsible for reviewing and recommending approval to the Board, as applicable, of:

(i) the Company's financial statements, "Management's Discussion and Analysis of Financial Condition and Results of Operations" ("MD&A"), "Risk Factors", as appropriate, and annual and interim profit or loss news releases before the Company publicly discloses this information;

(ii) prospectus type documents;

(iii) if applicable, the preparation of any report of the Committee required by applicable law or any applicable stock exchange listing requirements to be included in the Company's annual proxy statement; and

(iv) any press releases containing disclosure regarding financial information that are required to be reviewed by the Committee under any applicable laws or by this Charter before the Company publicly discloses this information.

(b) The Committee is also responsible for:

(i) discussing with management and the external auditor the quality of GAAP, not just the acceptability of GAAP;

(ii) reviewing the external auditor's views about qualitative aspects of the Company's significant accounting practices and the reasonableness of significant judgments and estimates (including material changes in estimates and analyses of the effects of alternative GAAP methods on the Company's financial statements);

(iii) reviewing the adequacy of the disclosures in the Company's financial statements;

(iv) discussing with management any significant variances between comparative reporting periods and across comparable business units;

(v) in the course of discussion with management and the external auditor, identifying problems or areas of concern and ensuring those matters are satisfactorily resolved (other than those the external auditor believes to be trivial);

(vi) engaging the external auditor to perform a review of the interim financial reports and reviewing their findings, however, no formal report from the external auditor will be required;

(vii) reviewing the financial statements of the Company's subsidiaries, as well as the consolidated financial statements and financial statements for the Company pension plans, joint ventures and other similar instances, as applicable ;

(viii) requiring a representation letter from management similar to that provided by the external auditor;

(ix) reviewing all financial information and earnings guidance provided to analysts and rating agencies (including, without limitation, reviewing any pro forma or non-GAAP information); and

(x) reviewing any other matters that the external auditor must communicate to the Committee under applicable accounting or auditing standards.

- (c) The Committee must be satisfied that adequate procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements and must periodically assess the adequacy of those procedures.

8. External Auditor

(a) The Company's external auditor is required to report directly to the Committee.

(b) The Committee is responsible for recommending to the Board:

(i) the external auditor to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company; and

(ii) the compensation of the external auditor.

(c) The Committee will evaluate, determine whether to retain, and determine the fees of any external auditors and any other registered public accounting firm engaged for the financial reporting process. In addition, the Committee may replace any existing external auditors or other registered public accounting firm engaged for the financial reporting process with a different public accounting firm.

(d) Prior to engagement of any prospective external auditor, and at least annually thereafter, the Committee will assess the qualifications, performance, and independence of the external auditor, or in the case of prospective external auditors, before they are engaged. That assessment will include reviewing written disclosures from any external auditor regarding any relationships they have that may affect independence, as defined by applicable law and any applicable stock exchange listing requirements. The Committee will review a written statement from any external auditor affirming their independence, and assess, consider, and discuss with them any potential relationships concerning their objectivity and independence.

(e) The Committee is directly responsible for overseeing the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company, including the resolution of disagreements between management and the external auditor regarding financial reporting.

9. Relationship with the External Auditor

(a) The Committee is responsible for reviewing the proposed audit plan, adequacy of staffing, and the proposed audit fees (to ensure fee containment) and overseeing the negotiation and execution of any engagement letters on behalf of the Company.

(b) The Committee is also responsible for:

(i) establishing effective communication processes with management and the external auditor so that it can objectively monitor the quality and effectiveness of the external auditor's relationship with management and the Committee;

(ii) reviewing with the external auditor, as appropriate, communications between the audit team and the external auditor's national office with respect to accounting or auditing issues presented by the engagement;

(iii) receiving and reviewing regular reports from the external auditor on the progress against the approved audit plan, important findings, recommendations for improvements and the auditors' final report;

(iv) discussing, at least annually, with the external auditor the matters required to be discussed by Auditing Standard No. 1301, Communications with Audit Committees, as adopted by the Public Company Accounting Oversight Board ("PCAOB"), including any successor rule adopted by the PCAOB;

(v) meeting regularly in private with the external auditor;

(vi) receiving at least annually (if required by any applicable stock exchange listing requirements), or as may otherwise be determined by the Committee, a report by the external auditor describing the audit firm's internal quality control procedures and any material issues raised by (1) that firm's internal quality control review, (2) any peer review of the firm's internal quality control procedures or review, or (3) any inquiry or

investigation by governmental or professional authorities conducted in the last five years of any audit performed by the external auditor; and

(vii) overseeing the rotation of the external auditor's partners on the Company's audit engagement team as required by applicable law and stock exchange listing requirements.

10. Accounting Policies

The Committee is responsible for:

(a) reviewing the Company's accounting policy note to ensure completeness and acceptability with GAAP as part of the approval of the financial statements;

(b) ensuring by discussion with management and the external auditor that the underlying accounting policies, disclosures and key estimates and judgments are considered to be the most appropriate in the circumstances (within the range of acceptable options and alternatives);

(c) discussing with management and the external auditor the clarity and completeness of the Company's financial disclosures made under applicable disclosure requirements;

(d) the potential impact on the Company's financial statements of alternative treatments and any off-balance sheet structures; and

(e) any other significant reporting issues and judgments, significant regulatory, legal, and accounting initiatives, or developments that may have a material impact on the Company's financial statements, compliance programs, and policies.

11. Risk and Uncertainty

(a) The Committee is responsible for reviewing, as part of its approval of the financial statements, uncertainty notes and disclosures.

(b) The Committee, in consultation with management and the external auditor, will review the Company's processes and policies on risk identification, management and assessment in all areas of the Company's business. Areas of focus for the Committee shall include the Company's policies and other matters relating to the Company's investments, cash management and foreign exchange management, major financial risk exposures, the adequacy and effectiveness of the Company's information security policies and practices and the internal controls regarding information security, and the steps taken by management to monitor and mitigate or otherwise control these exposures and to identify future risks.

(c) The Committee will review and discuss with management the adequacy of the Company's insurance programs, including director and officer insurance, product liability insurance and general liability insurance.

(d) The Board shall continue to have overall responsibility for evaluating key business risks faced by the Company, including but not limited to information security, competition and regulation.

12. Controls and Control Deviations

(a) The Committee is responsible for:

(i) receiving reports from management when significant control deviations occur, together with management responses and any special audit steps adopted in light of such significant control deviations; and

(ii) conferring with management and the external auditor concerning the scope, design, adequacy and effectiveness of internal control over financial reporting and the Company's disclosure controls and procedures.

13. Compliance with Laws and Regulations

(a) The Committee is responsible for considering and reviewing with management, the external auditor, and outside advisors or accountants any correspondence with regulators or governmental agencies and any published reports that raise material issues regarding the Company's financial statements or accounting policies.

(b) The Committee is responsible for reviewing the results of management's efforts to monitor compliance with the Company's programs and policies designed to ensure compliance with applicable laws and any applicable stock exchange listing requirements, including the Company's Code of Business Conduct and Ethics (the "Code").

(c) The Committee is responsible for considering any request by directors or executive officers of the Company for a waiver from the provisions of the Code. Any approved waivers shall be promptly disclosed as required by applicable law and any applicable stock exchange listing requirements.

(d) The Committee is responsible for reviewing with management legal and regulatory compliance and any actual, pending or threatened legal or financial matters that could significantly affect the Company's business or financial statements or as otherwise deemed appropriate by the Committee.

14. Relationship with the Internal Auditor

- (a) The Committee is responsible for reviewing:
- (i) the appointment of the internal auditor;
 - (ii) the internal auditor's terms of reference;
 - (iii) the overall scope of the internal audit;
 - (iv) any significant reports issued by the internal auditor; and
 - (v) management's response to the internal auditor's reports.

(b) The Committee is responsible for approving the reporting relationship of the internal auditor to ensure appropriate segregation of duties is maintained and the internal auditor has direct access to the Committee.

(c) The Committee is responsible for ensuring that the internal auditor's involvement with financial reporting is coordinated with the activities of the external auditor.

15. Other Responsibilities and Issues

(a) The Chair of the Committee is responsible for ensuring the information received by the Committee is responsive to important performance measures and to the key risks the Committee oversees.

(b) The Committee is responsible for the investigation of any matters that fall within the Committee's responsibilities and has the explicit authority to do so.

(c) The Committee is responsible for receiving and reviewing reports from the internal and external auditors on their review of the officer and senior executive expense accounts.

16. Pre-Approval of Non-Audit Services

The Committee is responsible for pre-approving all non-audit services to be provided to the Company or its subsidiary entities by the Company's external auditor. The Committee may establish pre-approval policies and procedures or delegate pre-approval authority to one or more Committee members as permitted by applicable law and any applicable stock exchange listing requirements.

17. Submission Systems and Treatment of Complaints

The Committee is responsible for establishing procedures for:

- (a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and
- (b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

In addition, the Committee will oversee procedures for receiving, retaining and investigating any "hotline" complaints or submissions delegated to the Committee by the Board.

18. Hiring Policies

The Committee is responsible for reviewing and approving the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Company, as required by applicable law and any applicable stock exchange listing requirements.

19. Related Party Transactions

The Committee will review and approve, in accordance with the Company's policies, any related party transaction as defined by applicable law or any applicable stock exchange listing requirements.

Adopted: March 8, 2017, as amended on May 10, 2023