



TerrAscend Enters Ohio with the Signing of Definitive Agreement to Acquire a Well Situated and Profitable Dispensary

Acquisition represents the Company's initial entry into its sixth state; Intends to be a leader in Ohio through additional acquisitions

Expected to be immediately accretive on an EBITDA and cashflow basis

TORONTO, Nov. 06, 2024 -- TerrAscend Corp. ("TerrAscend" or the "Company") (TSX: TSND, OTCQX: TSNDF), a leading North American cannabis company, today announced the signing of a definitive agreement to acquire the assets of Ratio Cannabis LLC ("Ratio Cannabis"), a well situated dispensary in Goshen Township, Ohio. Upon closing, this acquisition will be TerrAscend's initial entry into Ohio, the Company's sixth state. Upon closing, total consideration to the sellers of \$10.3 million will be comprised of \$5.0 million in cash, \$1.32 million in Company common shares and a seller's note for \$3.98 million bearing 6% interest with a two-year maturity. The transaction, which is expected to be immediately accretive on an EBITDA and cashflow basis, and is subject to customary closing conditions, including regulatory approval from the Ohio Division of Cannabis Control (the "Division").

"Entering Ohio and expansion in the Midwest has long been a priority for us. With the acquisition of this well situated and profitable dispensary, we will enter our sixth U.S. state through an accretive transaction at an attractive price," stated Jason Wild, Executive Chairman of TerrAscend. "This acquisition is a great first step to becoming a leader in this emerging adult-use market."

Ratio Cannabis is a high-performing dispensary in Ohio which is well situated in Goshen Township with no competition within a 20-mile radius. TerrAscend expects to achieve significant revenue growth at this location as the state expands its implementation of adult-use sales and as regulation for additional product categories are permitted. This acquisition will increase TerrAscend's U.S. retail footprint to 38 dispensaries across six states. The Company intends to become a market leader in Ohio through the acquisition of additional dispensaries in the future.

Under the terms of the agreement, Ohio Dispensing 1, LLC, a subsidiary of TerrAscend USA, has the option to purchase, subject to certain conditions, the assets of Ratio Cannabis. The closing of the transaction is subject to standard closing conditions, including exercise of the option and regulatory approval from the Division.

Strike Partners acted as the exclusive financial advisor to Ratio Cannabis in connection with the transaction.

The Toronto Stock Exchange ("TSX") has neither approved nor disapproved the contents of this news release. Neither the TSX nor any securities regulator accepts responsibility for the adequacy or accuracy of this release.

About TerrAscend

TerrAscend is a leading TSX-listed cannabis company with interests across the North American cannabis sector, including vertically integrated operations in Pennsylvania, New Jersey, Maryland, Michigan and California through TerrAscend Growth Corp. and retail operations in Canada through TerrAscend Canada Inc. ("TerrAscend"). TerrAscend operates The Apothecarium, Gage and other 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 or licenses several synergistic businesses and brands including Gage Cannabis, The Apothecarium, Cookies, Lemonnade, Ilera Healthcare, Kind Tree, Legend, State Flower, Wana, and Valhalla Confections. For more information visit www.terrascend.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,

and include statements with respect to the Company's expectations regarding the financial and operational results of any acquisitions in Ohio and any synergies and margin expansions achieved and whether the Company is able to close the transaction and the timeline thereof. 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, actual revenues and profitability achieved from an acquisition; the timeline required to close the transaction; the likelihood of being able to acquire additional licensed operators in Ohio; current and future market conditions; risks related to federal, state, 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.sedarplus.ca and in the section titled "Risk Factors" in the Company's Annual Report for the year ended December 31, 2023 filed with the Securities and Exchange Commission on March 14, 2024.

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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