

TerrAscend Closes US\$25 Million Commercial Loan with Stearns Bank

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TORONTO, June 27, 2023 (GLOBE NEWSWIRE) -- TerrAscend Corp. ("TerrAscend" or the "Company") (CSE: TER) (OTCQX: TRSSF), a leading North American cannabis operator, today announced that it has closed on a US\$25 million commercial loan with Stearns Bank (the "Loan"). The proceeds from the Loan will be used to pay down the Company's higher interest rate debt, thereby lowering overall interest expense. The Loan carries an interest rate of prime plus 2.25%, which is currently 10.5%, and matures in December 2024.

"Our team has worked tirelessly over the last twelve months to transform our balance sheet, lower expenses, improve margins and drive positive cashflow, all while leading the industry in revenue growth," said Jason Wild, Executive Chairman of TerrAscend. "We are building a sustainable business for the long term, and we are thrilled to see Stearns Bank share our excitement for the future growth of TerrAscend. I am convinced that our relationship with them will grow significantly in the future."

"Stearns Bank is pleased to offer this financing to TerrAscend under our Cannabis Banking Program. TerrAscend's concentrated operations and focus in the Northeast with well-structured transition programs to expand from medical to adult use, is disciplined and impressive. We look forward to working with Jason and his team," said Heather Plumski, Stearns Bank EVP, Chief Financial & Strategy Officer.

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 Corp.

TerrAscend is a leading 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. TerrAscend Growth operates The Apothecarium and Gage dispensary retail locations as well as scaled cultivation, processing, and manufacturing facilities in its core markets. TerrAscend Growth'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, and Valhalla Confections. For more information visit www.terrascend.com.

About Stearns Bank

Stearns Financial Services Inc. (SFSI), a modern bank with traditional roots is a well-capitalized, \$2.4 billion independent financial holding company based in St. Cloud, MN. Founded in 1912, the bank was acquired by Norm Skalicky in 1964. His daughter Kelly Skalicky became president in 2018, and later was named president and CEO. Stearns Bank continues to extend its foundation of excellence with bank locations in Minnesota, Arizona and Florida. Through decades of growth, we've never forgotten our roots. Stearns Bank remains anchored in our friendliness, fairness and financial excellence and we delight in making every customer's life a little easier.

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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