TERRASCEND

INVESTOR PRESENTATION

November 2022

terrascend.com

(CSE: TER | OTCQX: TRSSF)

Disclaimer

Investors and prospective investors should rely only on the information contained in the disclosure filings (the "Filings") of TerrAscend Corp. (the "Company" or "TerrAscend"). This presentation is qualified in its entirety by reference to, and must be read in conjunction with, the information contained in Filings. An investor or prospective investor is not entitled to rely on parts of the information contained in this presentation to the exclusion of others, and no person is authorized to provide different or additional information for or on behalf of the Company.

An investment in the securities discussed in this presentation is speculative and subject to a number of risks that should be considered by an investor or prospective investor. Investors and prospective investors should carefully consider the risks described in the Filings. This presentation does not constitute an offering of securities and the information contained herein is subject to the information contained in the Filings. Unless otherwise specified, all monetary amounts in this presentation are in Canadian dollars.

Forward-Looking Information
This presentation contains forward-looking information or statements within the meaning of applicable securities laws. Forward-looking information may relate to the Company's future outlook and anticipated events, plans or results, and may include information regarding the Company's objectives, goals, strategies, future revenue or performance and capital expenditures, and other information that is not historical information. Particularly, information regarding the Company's expectations of performance, achievements, prospects or opportunities, or the markets in which the Company operates, is forward-looking information. Forward-looking information can often be identified by the use of terminology such as "believe," "anticipate," "plan," "expect," "pending," "in process," "intend," "estimate," "project," "may," "will," "should," "would," "could," "can," the negatives thereof, variations thereon and similar expressions. In addition, any statements that refer to expectations, intentions, projections or other characterizations of future events or circumstances contain forward-looking information. Forward-looking information contained in this presentation is based on the Company's opinions, estimates and assumptions in light of management's experience and perception of historical trends, current conditions and expected future developments, as well as other factors that management currently believes are appropriate and reasonable in the circumstances. Forward-looking statements in this presentation include, but are not limited to: statements with respect to the anticipated completion of the Transaction and the timing for its completion; the timing for the holding of the TerrAscend Meeting and the Gage Growth Corp. ("Gage") Meeting; the satisfaction of closing conditions which include, without limitation (i) required Gage and TerrAscend shareholder approvals, (ii) certain termination rights available to the parties under the Arrangement Agreement, (iii) obtaining the necessary approvals from the CSE for the listing of TerrAscend's common shares in connection with the Transaction, (iv) anticipated timing for the opening of additional Gage dispensaries, and (v) other approvals and closing conditions contained in the Arrangement Agreement; statements with respect to the anticipated effects of the Transaction on TerrAscend and its strategy going forward and statements with respect to the anticipated benefits associated with the acquisition of Gage. Actual results and developments may differ materially from those contemplated by these statements.

The forward-looking information contained in this presentation represents the Company's expectations as of the date of this presentation or the date indicated, regardless of the time of delivery of the presentation. All of the forward-looking information contained in this presentation is expressly qualified by the foregoing cautionary statements. Potential investors should consult their own professional advisors to ascertain and assess the income tax, legal, risk factors and other aspects of their potential investment in the Company. Risk factors that could cause actual results to differ materially from forward-looking information in this presentation include: the Company's exposure to legal and regulatory risk; the effect of the legalization of adult-use cannabis in jurisdictions where the Company operates on the medical cannabis industry is unknown and may significantly and negatively affect the Company's medical cannabis business; that the medical benefits, viability, safety, efficacy, dosing and social acceptance of cannabis are not as currently expected; that adverse changes or developments affecting the Company's main or planned facilities may have an adverse effect on the Company; that the medical cannabis industry and market may not continue to exist or develop as anticipated or the Company may not be able to succeed in this market; risks related to market competition; risks related to the proposed adult-use and medical cannabis industries and markets including the Company's ability to enter into or compete in such markets; that the Company has a limited operating history and a history of net losses and that it may not achieve or maintain profitability in the future; risks related to the Company's current or proposed international operations; risks related to future third party strategic alliances or the expansion of currently existing relationships with third parties; that the Company may not be able to successfully identify and execute future acquisitions or dispositions or successfully manage the impacts of such transactions on its operations; risks inherent to the operation of an agricultural business; that the Company may be unable to attract, develop and retain key personnel; risks resulting from significant interruptions to the Company's access to certain key inputs such as raw materials, electricity, water and other utilities; that the Company may be unable to transport its cannabis products to patients in a safe and efficient manner; risks related to recalls of the Company's cannabis products or product liability or regulatory claims or actions involving the Company's cannabis products; risks related to the Company's reliance on pharmaceutical distributors, suppliers and skilled labor; that the Company, or the cannabis industry more generally, may receive unfavourable publicity or become subject to negative consumer or investor perception; that certain events or developments in the cannabis industry more generally may impact the Company's reputation or its relationships with customers or suppliers; risks related to insurance; that the Company may become subject to liability arising from fraudulent or illegal activity by its employees, contractors, consultants and others; that the Company may experience breaches of security at its facilities or losses as a result of the theft of its products; risks related to the Company's information technology systems; that the Company may be unable to sustain its revenue growth and development; that the Company may be unable to expand its operations quickly enough to meet demand or manage its operations beyond their current scale; that the Company may be unable to secure adequate or reliable sources of necessary funding; risk related to the available funds of the Company and the use of such funds; risks related to, or associated with, the Company's exposure to reporting requirements; risks related to conflicts of interest; risks related to the reliance on the expertise and judgment of senior management of the Company, and ability to retain such senior management; risks related to the management of growth; risk of litigation; risks related to energy costs; risks related to fluctuations in foreign currency exchange rates; risks related to the Company's potential exposure to greater-than-anticipated tax liabilities; risks related to the protection and enforcement of the Company's intellectual property rights, or the intellectual property that it licenses from others; that the Company may become subject to allegations that it or its licensors are in violation of the intellectual property rights of third parties; that the Company may not realize the full benefit of the clinical trials or studies that it participates in; that the Company may not realize the full benefit of its licenses if the licensed material has less market appeal than expected and the licenses may not be profitable; and any other risks that may be included in the Filings.

Although management has attempted to identify important risk factors that could cause actual results to differ materially from those contained in the forward-looking information in this presentation, there may be other risk factors not presently known to the Company or that the Company presently believes are not material that could also cause actual results or future events to differ materially from those expressed in such forward-looking information in this presentation. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers and viewers should not place undue reliance on forward-looking information, which speaks only as of the date made. The forward-looking information contained in this presentation represents the Company's expectations as of the date of this presentation or the date indicated, regardless of the time of delivery of the presentation. The Company disclaims any intention, obligation or undertaking to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required under applicable securities laws.

All of the forward-looking information contained in this presentation is expressly qualified by the foregoing cautionary statements. Investors and potential investors should consult their own professional advisors to ascertain and assess the income tax, legal, risk factors and other aspects of their investment or potential investment in the Company and should carefully consider the risks described in the Filings.

Non-IFRS Measures, Reconciliation and Discussion
Certain financial measures in this presentation are non-IFRS measures, including, Adjusted Gross Profit and Adjusted EBITDA. These terms are not defined by IFRS and, therefore, may not be comparable to similar measures provided by other companies. These metrics have no direct comparable IFRS financial measure. Such information is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. For more information, please see "Non-IFRS Financial Measures" in the Company's Interim MD&A available on www.sedar.com.

Adjusted Gross Profit and the associated margin are non-IFRS measures which management uses to evaluate the performance of the Company's business as it reflects its ongoing profitability. The Company believes that certain investors and analysts use this measure to evaluate a company's ability to service debt and to meet other payment obligations or as a common measurement to value companies in certain industries. The Company measures Adjusted Gross Profit as Gross Profit / (loss) less the cost of a one-time inventory impairments. The associated margin is Adjusted Gross Profit as a percentage of Net Sales.

Adjusted EBITDA and the associated margin are non-IFRS measures which management uses to evaluate the performance of the Company's business as it reflects its ongoing profitability. The Company believes that certain investors and analysts use this measure to evaluate a company's ability to service debt and to meet other payment obligations or as a common measurement to value companies in certain industries. The Company measures Adjusted EBITDA as EBITDA less unrealized gain on changes in fair value of biological assets and other income plus fair value changes in biological assets included in inventory sold, impairments, restructuring costs, purchase accounting adjustments, transaction costs, share based compensation, revaluation of warrants and derivatives liabilities, unrealized loss on investments or foreign exchange, settlement costs related to contractual disputes, and other one-time non-recurring items. The associated margin is Adjusted EBITDA as a percentage of Net Sales.

Third Party Information
The information contained in this presentation, including information provided by third parties, has not been independently verified and no representation or warranty, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness, correctness or timeliness of the information or opinions expressed herein.

Company Overview

Company Journey

2017
Founded

Incorporated Q1
Publicly Listed
May 2017 (CSE: TER)

Launched as Canadian LP

2017
December

JW ASSET MANAGEMENT

CANOPY GROWTH CORPORATION

Initial investment in TerrAscend of $52.5M

2018
October

Pivoted operations to the US Market

2018
December

Awarded NJ Vertically Integrated License

2019
June

Acquired

THE APOTHECARIUM

2019
September

Acquired

ILERA HEALTHCARE

2020
March - July

Canopy Growth financing $60M

Opened 2nd and 3rd PA dispensaries

Opened 4th California dispensary in Berkeley

2020
Q4

First of 3 Apothecarium dispensaries opened in NJ along with processing and cultivation facility

Opened 5th California dispensary in Capitola

2020/21
Dec/January

Dec. 2020:
Closed $140M of debt financing

Jan. 2021:
Raised $175M in non-brokered private placement

2021
April/May

Opened 2nd NJ Apothecarium in Maplewood

Acquired KCR PA (3 operating dispensaries)

Acquired HMS Grower / Processor in Maryland

2021
Q4

Announced 2021 results:

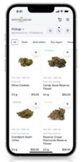
$210.4m Revenue, $65.6m Adj. EBITDA (31.2% margin), $79.6m cash on balance sheet

March
2022

GAGE CANNABIS CO

Completed Acquisition of Gage Cannabis

Launched The Apothecarium Mobile App on the Apple App Store



April-July
2022

NJ begins adult-use sales on April 21, 2022

Opened 3rd New Jersey dispensary in Lodi in July

August
2022

Completed Pinnacle Acquisition for 5 operating dispensaries in Michigan

Sept- Oct
2022

Introduced Gage and Cookies brands in Pennsylvania

Closed $45.5 million non-brokered senior secured term loan

Our Business

Creating a leading, vertically-integrated, North American Operator

2017
Year Founded

~1,200
Total employees

5
U.S. States

10
Canadian Provinces

32
Operating Dispensaries

10
Premium Brands

Broad Wholesale Distribution

7
U.S. Cultivation & Production Facilities

$67 M
Q3 2022 Net Revenue

36.4%
YoY Quarterly Revenue Growth

46.1%
Q3 2022 Adj. Gross Margin

16.9%
Q3 2022 Adjusted EBITDA Margin

Company Strategy

Delight our customers with great brands & outstanding retail experience

Depth & Scale in Attractive Limited License States

Vertical Integration to Maximize Quality & Profitability

Operational Excellence & Financial Discipline

Focused on Expanding Digital & Data Capabilities

Business Overview

Operations in 5 Highly Attractive U.S. Markets

CALIFORNIA

Population
39.5 Million

Super Premium Flower & 5 Retail Dispensaries

MICHIGAN

Population
9.9 Million

Industry Leading Retail and Exclusive Brand Partnerships

PENNSYLVANIA

Population
12.8 Million

Scaled Vertical Operation

NEW JERSEY

Population
8.9 Million

1 of 7
Adult-Use Operators

Top 3 Player - Scaled Vertical Operation with 3 Operational Adult-Use Dispensaries

MARYLAND

Population
6.2 Million

Operationalized new cultivation and manufacturing facility in Hagerstown ahead of adult-use.

1. Source: Based on Total of Individual State Estimates in Following Slides

New Jersey

Market Details:

Population:	6.76 Million (21+ Adult Population)
Type:	Adult Use (Began 4/21/22)
Size[1]:	$900 Million Run-Rate[1] $2.5 Billion/year – 2025[1]

TerrAscend Operations:

- Adult Use sales implemented on April 21, 2022
- 3 Adult Use operational dispensaries
- 16-acre site with 140K Sq Ft Cultivation & Processing facility with the ability to expand up to ~240K Sq Ft
- Kind Tree branded flower represents 3 of the top 10 SKUs in NJ
- Gage and Cookies other top brands

1. Source: BDSA Retail Sales Tracking Q2 2022

Maryland

Market Details:

Population:	6.3 Million
Type:	Medical (AU approved on November 8, 2022)
Size[1]:	$600 Million/year – Current[1] $800 Million/year – 2025[1]

TerrAscend Operations:

- Exited legacy facility in Frederick and now fully operational with cultivation and manufacturing at Hagerstown
- Ability to acquire up to 4 Retail Licenses
- Broad wholesale distribution capability
- Actively evaluating M&A opportunities for vertical integration
- Adult use approval on Nov. 8th - preparing to go to market with full complement of brands, products and formats

1. Source: 8th Edition, The State of the Legal Cannabis Markets, Arcview Market Research (Published May 5, 2020)

Pennsylvania

Market Details:

Population:	12.8 Million
Type:	Medical
Size:	$1.2 Billion/year – Current[1] $3.9 Billion/year - 2025[2]

TerrAscend Operations:

- 1 of 5 originally permitted vertically integrated cannabis cultivator, processor, and dispensary operators
- State-of-the-art ~150K Sq Ft cultivation facility
- Broad wholesale distribution across PA dispensaries
- 6 operating retail locations comprised of 3 Apothecarium and 3 KCR dispensaries
- Over 35 cannabis strains, 40+ Product SKU's in market and 23+ New Products under development
- Leading brands include: Cookies, Gage, Kind Tree, Prism, and Ilera

1. Source: September 2021, PCC Month in Review, Pennsylvania Cannabis Coalition
2. Source: 8th Edition, The State of the Legal Cannabis Markets, Arcview Market Research (Published May 5, 2020)

Michigan

Market Details:

Population: 9.9 million

Type: Adult-Use

Size: $2.0 Billion/year – Current[1]
$2.5 Billion/year - 2025[1]

TerrAscend Operations:

- Acquired Gage Growth Corp. in March 2022
- 3 cultivation and processing facilities as well as 9 contract grow agreements
- 17 operating retail locations with 2 additional locations planned by end of year
    - Closed on acquisition of KISA Enterprises MI, LLC and KISA Holdings, LLC ("Pinnacle") consisting of 6 licenses 5 of which are operating dispensaries
- Continuing to build branded wholesale business

1. Source: 8th Edition, The State of the Legal Cannabis Markets, Arcview Market Research (Published May 5, 2020)

California

Market Details:

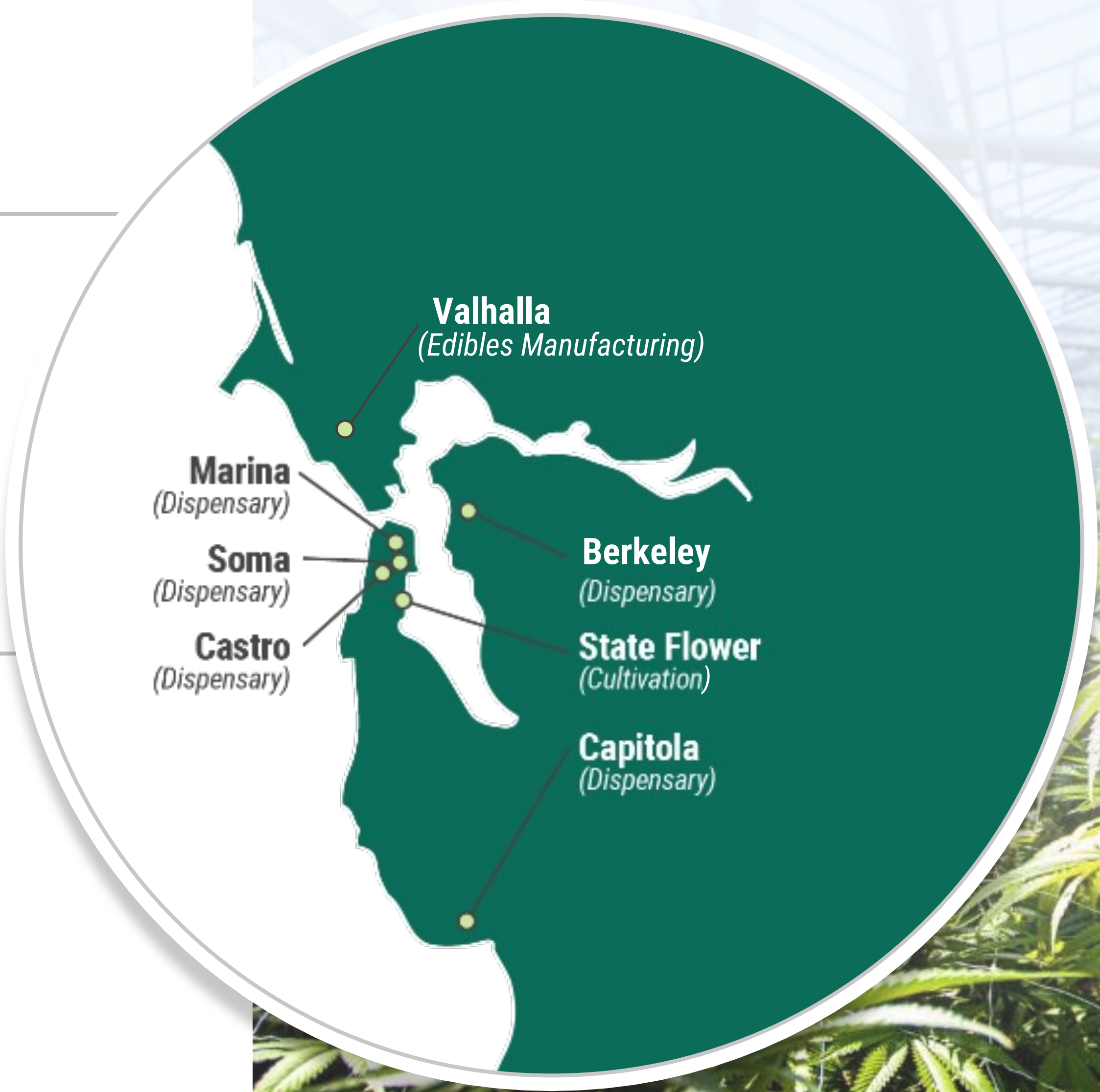
Population: 39.5 million

Type: Medical/Adult-use

Size[1]: $4.3 Billion/year – Current[1]
$5.7 Billion/year – 2025[1]

TerrAscend Operations:

- Focused on San Francisco / Bay Area with 5 Retail Dispensaries Open
- State Flower 20K Sq Ft Cultivation facility
- 110+ Dispensaries with our Brands
- Valhalla Edibles Products Production



1. Source: 8th Edition, The State of the Legal Cannabis Markets, Arcview Market Research (Published May 5, 2020)

Expanding Portfolio of Brands Across TerrAscend's North American Footprint

Cookies[1]

ILERA HEALTHCARE

Funky Farms CBD EXTRACTS

GAGE CANNABIS CO

HAVEN ST. PREMIUM CANNABIS

KIND TREE CANNABIS

LEGEND

Original HEMP

PRISM CONCENTRATES

STATE FLOWER

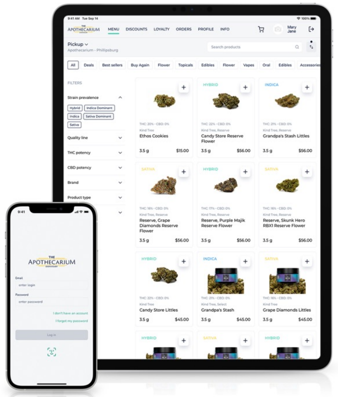
VALHALLA

1. Cookies exclusively licensed in MI and NJ.

Elevated Retail Experiences

32 dispensaries across Pennsylvania, New Jersey, Michigan, California, and Canada

- 10 years of operating retail experience in San Francisco, CA
- Gage dispensaries generate industry leading retail metrics, including strong average basket size and premium pricing for its flower products (50%+ relative to the Michigan market average price[1]).
- Designed to provide enhanced patient and customer experiences
- Highly trained staff to provide product education
- Mobile App and online ordering available for express pick-up or delivery (in select markets)



Flagship Castro store in San Francisco named the best designed dispensary in the country by Architectural Digest[2]

1. Marijuana Regulatory Agency – State of Michigan – https://www.michigan.gov/mra/reports/marijuana-regulatory-agency-statistical-report
2. Architectural Digest, 11 of the Best-Designed Marijuana Shops Across America, April, 2017

TerrAscend + Cookies

Bringing New Jersey, Michigan, Pennsylvania, and Toronto access to Cookies branded products

Financial Overview

Among Top US MSOs across key financial metrics

Q3 2022 Financial Metrics[1]

$67M
Net Revenue

46.1%
Adj. Gross Profit Margin

$11.3M
Adj. EBITDA

16.9%
Adj. EBITDA %

1. Adjusted Gross (Profit)/Margin and Adjusted EBITDA are Non-IFRS measures. Please see discussion and reconciliation of Non-IFRS measures in our most recent earnings press release and filings on SEDAR.

2022 Third Quarter Financial Results

Q3 Net Sales: $67 million
+36.4% YOY; +3.4% sequentially

YOY growth driven mainly by strong results in New Jersey and a partial quarter benefit from the Pinnacle acquisition

$53.4M Retail

- +11% sequentially; +114% YOY:
  - Driven by New Jersey sales growth and benefits of Pinnacle acquisition.
  - Partially offset by same store sales pressure in Pennsylvania and Michigan.

$13.6M Wholesale

- -19% sequentially; -44% YOY:
  - Reflects decline in Pennsylvania due to increasing focus on verticality by most major state operators
  - Partially offset by growth in New Jersey.
  - Maryland, California, Canada and Michigan were relatively flat QoQ.

Q3 Gross Profit Margin: 36.3%
Adj. Gross Margin*: 46.1% (Q3 '22) vs 47.1% (Q2 '22)

* Excluding one-time $6 million USD write off of inventory in Canada

Sequential decline reflects temporary operational drags from Maryland and Canada, related to COGS charge for Hagerstown move and write off of $6.0 million USD due to winddown of Canadian business.

We are now fully out of our legacy facility in Maryland and we have scaled down the business in Canada; neither of these areas are expected to be a drag on margin going forward.

Excluding Maryland and Canada in Q3, adjusted gross margin was 49.0%.

Demonstrates progress towards stated goal of 50% gross margin in the coming months.

Adjusted EBITDA: $11.3 million (Q3) vs $5.8 million (Q2)

Adjusted EBITDA Margin: 17% (Q3) vs 9% (Q2)

Highlights

- Adjusted EBITDA increased 96% sequentially and 22.8% year over year.
- Improvement was driven by the operating expense reduction actions outlined.
- GAAP net loss for the third quarter was $311 million compared to a positive $14.2 million for the previous quarter, driven by a $331 million non-cash impairment to goodwill and intangibles of its Michigan business.

Experienced Executive Leadership Team

Executive Leadership Team

Jason Wild
Executive Chairman

JW ASSET MANAGEMENT · arbor PHARMACEUTICALS, INC.

Ziad Ghanem
President &
Chief Operating Officer

Parallel · Walgreens

Keith Stauffer
Chief Financial Officer

COTY · DELL · P&G · HERSHEY'S

Lynn Gefen
Chief Legal Officer

HomeServe · Holland & Knight · CITRIX

David Wheeler
SVP,
Chief Information Officer

THE Coca-Cola COMPANY

Share Count Detail

Fully Diluted Shares Outstanding (As of November 11, 2022)	Total Shares (in Millions)
Common Shares	**259**
Preferred Shares (as converted)	**13**
Exchangeable Non-voting Shares	**52**
Total Basic Shares Outstanding	**324**
Warrants and Options	**70**
Total Shares Outstanding (Fully-Diluted)	**394**

Our Focus

Happy Customers

World-class Talent

Strong Core Values

Financial Discipline

Data & Technology

Thank You

November 2022 | Terrascend.com

(CSE: TER | OTCQX: TRSSF)

Appendix – Reconciliation of Non-GAAP Measures

The table below reconciles net loss to EBITDA and Adjusted EBITDA for the quarters ended September 30, 2022, June 30, 2022, and September 30, 2021.

	For the Three Months Ended		
	September 30, 2021	June 30, 2022	September 30, 2022
Net income (loss)	$ 55,835	$ 14,162	$ (310,985)
Add (deduct) the impact of:			
Provision for income taxes	4,999	4,688	(34,033)
Finance expenses	6,351	9,427	10,092
Amortization and depreciation	4,200	7,046	7,110
EBITDA	**71,385**	**35,323**	**(327,816)**
Add (deduct) the impact of:			
Relief of fair value of inventory upon acquisition	1,163	549	415
Non-cash write downs of inventory	—	5,894	6,037
Vape recall	—	1,071	—
Share-based compensation	5,178	4,463	2,705
Impairment of goodwill and intangible assets	—	331,242	331,242
Loss (gain) on disposal of fixed assets	220	929	(81)
Revaluation of contingent consideration	(338)	34	36
Restructuring and executive severance	450	—	1,443
Legal settlements	—	—	1,170
Other one-time items	1,365	924	1,311
Gain on fair value of warrants and purchase option derivative asset	(69,016)	(47,345)	(5,497)
Indemnification asset release	95	3,998	—
Unrealized and realized loss (gain) on investments	—	234	(231)
Unrealized and realized foreign exchange loss (gain)	(1,256)	(306)	586
Adjusted EBITDA	**$ 9,246**	**$ 337,010**	**$ 11,320**

Appendix – Reconciliation of Non-GAAP Measures

The table below reconciles Gross Profit and Adjusted Gross Profit for the quarters ended September 30, 2022, June 30, 2022, and September 30, 2021.

	For the Three Months Ended		
(in millions of U.S. Dollars)	**September 30, 2021**	**June 30, 2022**	**September 30, 2022**
Gross profit	21,497	22,993	24,363
Add (deduct) the impact of:			
Relief of fair value of inventory upon acquisition	1,163	549	415
Non-cash write downs of inventory	—	5,894	6,037
Vape recall	—	1,071	—
Facility transition costs	—	—	107
Adjusted gross profit	**22,660**	**30,507**	**30,922**