UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **March 8, 2022**

TERRASCEND CORP.

Commission File Number: 000-56363

Ontario, Canada (State or other jurisdiction of incorporation)	**N/A** (IRS Employer Identification No.)
3610 Mavis Road **Mississauga, Ontario** (Address of principal executive offices)	**L5C 1W2** (Zip Code)

(855) 837-7295
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
N/A		

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 1.01. Entry into a Material Definitive Agreement.

On March 8, 2022, in connection with the previously disclosed acquisition (the "Gage Acquisition") by TerrAscend Corp. (the "Company") of all of the issued and outstanding securities of Gage Growth Corp. ("Gage"), the Company entered into to certain amendments (the "Amendments") to the arrangement agreement, dated August 31, 2021, as amended on October 4, 2021, by and between the Company and Gage (the "Arrangement Agreement"), and the membership interest purchase agreement, dated August 31, 2021, as amended on November 9, 2021, by and between WDB Holdings MI, Inc. and 3 State Park, LLC, AEY Holdings, LLC, AEY Capital, LLC, AEY Thrive, LLC (the "Michigan Licensed Operators") and the owner of the Michigan Licensed Operators ("Seller"), and for the limited purpose of certain provisions, Gage (the "MIPA"). Gage supports the Michigan Licensed Operators pursuant to certain service agreements. The Amendments were entered into to permit the Transaction to close based on the regulatory approvals that have been received and were expected to be received by the closing date. Until such time as the requisite approvals for the Company to ultimately acquire ownership of all of the Michigan Licensed Operators is received, the Company's wholly-owned subsidiary will operate the Gage business through the existing service agreements with the Michigan Licensed Operators.

Item 2.01. Completion of Acquisition or Disposition of Assets.

On March 10, 2022, the Company completed the Gage Acquisition. Under the terms of the Arrangement Agreement, Gage shareholders received 51,349,978 Company common shares and an additional 25,811,460 of Company common shares are reserved for issuance in connection with the exercise or exchange of former Gage convertible securities that will be settled with the Company's common shares if and when exercised or exchanged. Total consideration was valued at approximately $386 million based on the closing price of the Company's common shares on the Canadian Stock Exchange on March 9, 2022. The exchange ratio implied consideration of $1.50 per Gage share as of March 9, 2022.

Jason Wild, the Company's Executive Chairman, a director and significant shareholder, was also a significant shareholder of Gage prior to the closing, and Richard Mavrinac, a director of the Company, was, prior to the closing of the Gage Acquisition, a director of Gage. Pursuant to the Gage Acquisition, Mr. Wild and his respective

affiliates received 10,467,229 of the Company's common shares in exchange for their Gage subordinate voting shares that were owned, held, controlled or directed, directly or indirectly, by Mr. Wild and his respective affiliates and 7,129,517 of the Company's warrants in exchange for their Gage warrants that were owned, held, controlled or directed, directly or indirectly, by Mr. Wild and his respective affiliates. The value of the interests of funds controlled directly or indirectly by Mr. Wild in the transaction in respect of the common shares was $52.3 million, in addition to the Company warrants issued in replacement of Gage warrants, at the implied consideration of $1.50 per Gage warrant. Mr. Mavrinac received 40,213 of the Company's common shares in exchange for his Gage subordinate voting shares that were owned, held, controlled or directed, directly or indirectly, by Mr. Mavrinac and also received 6,683 of the Company's common shares in exchange for his Gage restricted stock units that were owned, held, controlled or directed, directly or indirectly by Mr. Mavrinac. The value of Mr. Mavrinac's interest in the transaction was $0.2 million.

Item 3.02. Unregistered Sales of Equity Securities.

The information set forth in Item 2.01 of this Current Report on Form 8-K with respect to the nature and amount of consideration received by the Company under the Gage Acquisition is incorporated by reference into this Item 3.02.

On March 10, 2022, upon closing of the Gage Acquisition, the Company issued an aggregate of 51,349,978 of its common shares to Gage shareholders pursuant to the terms of the Arrangement Agreement.

No underwriters were involved in the Gage Acquisition. All of the common shares issued by the Company in connection with the Gage Acquisition were issued in reliance upon the exemption from registration available provided by Section 3(a)(10) of the Securities Act of 1933, as amended.

Item 9.01. Financial Statements and Exhibits

(a) Financial statements of business or funds acquired

The financial statements required by Item 9.01(a) of Form 8-K will be filed by amendment to this Form 8-K no later than 71 calendar days after the date on which this Form 8-K must be filed.

(b) Pro forma financial information

The pro forma financial information required by Item 9.01(b) of Form 8-K will be filed by amendment to this Form 8-K no later than 71 calendar days after the date on which this Form 8-K must be filed.

(d) Exhibits

The following exhibits are furnished with this report:

Exhibit No.	Description
10.1	Second Amendment to Membership Interest Purchase Agreement, dated March 8, 2022, by and between WDB Holdings MI, Inc. and 3 State Park, LLC, AEY Holdings, LLC, AEY Capital, LLC, AEY Thrive, LLC, Seller* and Gage Growth Corp.
10.2	Second Amendment to Arrangement Agreement, dated March 8, 2022, by and between TerrAscend Corp. and Gage Growth Corp.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

* Certain confidential information has been excluded from this exhibit because it is both (i) not material and (ii) would be competitively harmful if publicly disclosed.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: March 14, 2022

TerrAscend Corp.

By: /s/ Keith Stauffer
Keith Stauffer
Chief Financial Officer

Exhibit 10.1

SECOND AMENDMENT
TO
MEMBERSHIP INTEREST PURCHASE AGREEMENT

This SECOND AMENDMENT TO MEMBERSHIP INTEREST PURCHASE AGREEMENT (this "Amendment"), dated effective March 8, 2022 (the "Effective Date"), is entered into by and among WDB Holdings MI, Inc., a Delaware corporation ("Buyer"), 3 State Park, LLC, a Michigan limited liability company ("3 State Park"), AEY Thrive, LLC, a Michigan limited liability company ("AEY Thrive"), AEY Holdings, LLC, a Michigan limited liability company ("AEY Holdings"), AEY Capital, LLC, a Michigan limited liability company ("AEY Capital," together with, 3 State Park, AEY Thrive and AEY Holdings, the "Companies" and each, individually, a "Company"), Redacted, an individual resident of the State of Michigan (the "Seller"), and for the limited purpose set forth in the MIPA (as defined below) Gage Growth Corp., a Canadian corporation ("Gage"). Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the MIPA. The Companies, Seller, Buyer and Gage may be referred to herein individually as a "Party" and collectively as the "Parties."

W I T N E S S E T H:

WHEREAS, the Parties are party to that certain Membership Interest Purchase Agreement, dated effective as of August 31, 2021, as amended pursuant to that certain First Amendment to Membership Interest Purchase Agreement, dated November 9, 2021, and otherwise amended, supplemented, or modified from time to time (the "MIPA");

WHEREAS, the MIPA originally contemplated that the First Closing would occur concurrently with the closing of the transactions contemplated by that certain Arrangement Agreement, dated August 31, 2021, between TerrAscend Corp. and Gage (the "Arrangement Agreement");

WHEREAS, the Parties have decided that each Closing, including the First Closing, will occur subsequent to the closing of the Arrangement Agreement;

WHEREAS, Section 12.2 of the MIPA requires that any waiver or amendment to the Purchase Agreement must be in a writing signed by all Parties.

NOW, THEREFORE, in consideration of these premises, the terms and provisions set forth herein, the mutual benefits to be gained by the performance thereof, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

SECTION 1. *Amendment.* Effective as of the Effective Date, the MIPA is hereby amended as follows:

(a) Section 2.2(a) is hereby deleted in its entirety and replaced with the following: "The aggregate purchase price to be paid by Buyer as consideration for all of the Purchased Securities and for all transactions effectuated pursuant to the terms set forth in Section 2.4 herein, if any, shall equal FIFTY THOUSAND DOLLARS ($50,000 US) (the "Purchase Price")."

(b) Section 2.2(d)(i) is hereby deleted in its entirety and replaced with the following: "On the Effective Date, Buyer shall disburse TEN THOUSAND DOLLARS ($10,000.00 US) to Seller as provided in Section 2.2(c)."

(c) The following provision shall be included as a new Section 2.2(d)(ii), the previous Section 2.2(d)(ii) shall become Section 2.2(d)(iii) and the previous Section 2.2(d)(iii) shall become Section 2.2(d)(iv): "At the First Closing, Buyer shall disburse TWENTY THOUSAND DOLLARS ($20,000.00 US) to Seller as provided in Section 2.2(c)."

(d) Subsection (B) of Section 2.3(c)(i) is hereby deleted in its entirety.

(e) Section 2.3(c)(viii) is hereby deleted in its entirety and replaced with the following: "solely for purposes of the First Closing, cooperate with Buyer to negotiate with proper authorities and cause Thrive Enterprises and AEY Holdings to obtain consents, approvals, amendments and all other such confirmatory evidence of the approvals for a change of ownership and/or transfer of those Cannabis Licenses (i) representing seventy (70%) or more of the rolling three (3) month average of gross revenue relating to the MRA Permits, measured as of the close of the month financials for the month immediately prior to such First Closing, prepared on a basis that is consistent with past practice and accounting standards or (ii) as Buyer, in its sole discretion, determines (the "Permit Reorganization"). A copy of each such consent, approval, amendment, and evidence for the MRA Permits and Local Permits shall evidence approval of a change of ownership and/or transfer for the respective MRA Permit and Local Permit;"

(f) Section 2.4 is hereby deleted in its entirety and replaced with the following: "If Seller is unable to satisfy the closing deliveries set forth in Section 2.3 above on or before December 31, 2022 (or such later date for each Company as the Parties may agree to in writing) or if the purpose of this Agreement becomes frustrated due to tax, legal or other condition, Seller shall (a) cause the Companies which have not been transferred in a Closing (each, a "Remaining Company") to execute and deliver a Bill of Sale and Assignment Agreement in the form attached hereto as Exhibit B whereby each such Remaining Company shall assign, transfer, sell and deliver all assets (including without limitation, all physical assets, equipment, inventory, contracts, leases, licenses, permits, etc.) of each Remaining Company to Buyer, and Buyer agrees to accept, purchase and receive all assets of each such Remaining Company, or (b) Seller shall provide, execute and/or deliver such documents or instruments and take such actions as Buyer may direct in order for Buyer to acquire the assets of each Company. For the avoidance of doubt, Buyer may elect an alternative to close as set forth above on a one-by-one or rolling basis from Seller."

(g) Section 7.1(b) is hereby deleted in its entirety and replaced with the following: "Seller shall cause such Cannabis Licenses as are required for the First Closing to be transferred to Thrive Enterprises and AEY Holdings;"

(h) Section 7.1(c) is hereby deleted in its entirety and replaced with the following: "the Parties shall effect the First Closing immediately following the Permit Reorganization at a time mutually determined by the Parties;"

(i) Section 7.1(e) is hereby deleted in its entirety and replaced with the following: "following the closing of the Arrangement Agreement, Seller shall (on a continual basis) timely submit applications to change the ownership of and/or transfer the remaining Cannabis Licenses that are not otherwise directly or indirectly owned or controlled by Buyer, to Buyer or an Affiliate designated by Buyer; and"

(j) Section 7.1(f) is hereby deleted in its entirety and replaced with the following: "the Bridge MSA or existing management services agreements, as applicable, will continue in effect until terminated in accordance with their own respective terms."

(k) Section 8.1(c) is hereby deleted in its entirety.

(l) The following is added to the end of Section 8.2: "Termination of this Agreement pursuant to Section 8.1 shall not affect the terms of any existing management services agreement, the Arrangement Agreement, or anything contemplated by such agreements, all of which shall remain in full force and effect in accordance with their respective terms."

SECTION 2. *Governing Law.* This Amendment shall be governed by and construed and interpreted in accordance with the laws of the State of New York, without regard to any principles of conflicts of law that would result in the application of the laws of any other jurisdiction.

SECTION 3. *Further Assurances.* The Parties agree to execute and deliver any additional documents and instruments and to perform any additional acts necessary or appropriate to effectuate the provisions of this Amendment.

SECTION 4. *Other.* Notwithstanding anything contained in this Amendment, no Party waives, and shall not be deemed to have waived, any rights to indemnification pursuant to the MIPA. Except as expressly amended hereby, the MIPA, and all rights and obligations of the Parties thereunder, shall remain in full force and effect. This Amendment may be executed in counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

[Remainder of Page Intentionally Left Blank]

THE PARTIES HERETO have executed and delivered this Amendment to each other through their duly authorized representatives effective as of the date first written above.

BUYER:

WDB Holdings MI, Inc.,
a Delaware corporation

By: /s/ Keith Stauffer
Keith Stauffer
Chief Financial Officer

[Signature Page 1 of 2]

[Signature Page to 2nd Amendment to Membership Interest Purchase Agreement]

THE PARTIES HERETO have executed and delivered this Amendment to each other through their duly authorized representatives effective as of the date first written above.

SELLER:

By: /s/ Redacted
Redacted

COMPANIES:

3 STATE PARK, LLC,
a Michigan limited liability company

By: /s/ Redacted
Redacted
Sole Member

AEY THRIVE, LLC,
a Michigan limited liability company

By: /s/ Redacted
Redacted
Sole Member

AEY HOLDINGS, LLC,
a Michigan limited liability company

By: /s/ Redacted
Redacted
Sole Member

AEY CAPITAL, LLC,
a Michigan limited liability company

By: /s/ Redacted
Redacted
Sole Member

For the limited purpose of Sections 2.3(c)(vii) and 11.6 of the MIPA:

GAGE GAGE GROWTH CORP.,
a Canadian corporation

By: /s/ Fabian Monaco
Fabian Monaco
Chief Executive Officer

Exhibit 10.2

SECOND AMENDING AGREEMENT

THIS AMENDING AGREEMENT dated as of the 8th day of March 2022.

BETWEEN:

TERRASCEND CORP., a corporation existing under the laws of the Province of Ontario (the "**Purchaser**")

AND:

GAGE GROWTH CORP., a corporation existing under the laws of Canada (the "**Company**")

(collectively referred to as the "**Parties**", and each individually as a "**Party**")

WHEREAS:

A. The Parties entered into an arrangement agreement dated August 31, 2021 (the "**Arrangement Agreement**") pursuant to which, among other things, the Purchaser has agreed to acquire all of the issued and outstanding Company Shares (and the Company Exchangeable Shares) in exchange for Purchaser Shares on the terms set forth in the Arrangement Agreement pursuant to an arrangement under the provisions of the *Canada Business Corporations Act*;

B. The Parties entered into an amending agreement dated October 4, 2021 (the "**First Amending Agreement**") pursuant to which the Parties made amendments to the Plan of Arrangement to (i) correct certain administrative errors relating to: (A) the number of Company Exchangeable Shares outstanding on the date of the Arrangement Agreement, and (B) the exchange ratio set forth in Section 3.1.1(c) of the Plan of Arrangement; and (ii) provide that Mergerco (as defined in the Plan of Arrangement) shall file an election to cease to be a public corporation under the Tax Act;

C. The Parties wish to enter into this second amending agreement ("**Second Amending Agreement**") to reflect updated conditions precedent pursuant to Article 6 of the Arrangement Agreement and certain other administrative matters as hereinafter set forth. All capitalized terms used herein but not defined herein shall have their respective meanings set forth in the Arrangement Agreement.

NOW THEREFORE in consideration of the premises and the mutual agreements and covenants herein contained and other good and valuable consideration (the receipt and adequacy of which is hereby acknowledged), the Parties hereto hereby covenant and agree as follows:

1. Section 6.2(1)(g) which currently reads as follows:

> ***Services Agreements.*** *Any services agreements to be entered into with the Licensed Operators shall have been amended or entered into to the satisfaction of the Purchaser with effect as of the Effective Time, acting reasonably, in accordance or in connection with the MIPA.*

is hereby deleted in its entirety.

2. Section 6.2(1)(h) which currently reads as follows:

> ***Completion of the MIPA.*** *The closing conditions for a First Closing (as defined in the MIPA) as set out in the MIPA has been achieved to the satisfaction of the Purchaser.*

is hereby deleted in its entirety and replaced with:

> ***Conditional Approvals.*** *The Parties have submitted relevant amendment applications and the Michigan Marijuana Regulatory Agency has granted conditional approval for WDB Holding MI, Inc. to acquire the ownership of AEY Holdings, LLC, Thrive Enterprises LLC, and RKD Ventures, LLC.*

3. The reference to Section 6.2(1)(h) [Completion of the MIPA] is hereby deleted in its entirety from Section 7.2(1)(d)(iv).

4. This Second Amending Agreement shall ensure to the benefit of and be binding upon the Parties and their respective successors and assigns.

5. This Second Amending Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, and all of which together shall constitute but one and the same instrument. Delivery of an executed signature page to this Second Amending Agreement by any Party by electronic transmission will be as effective as delivery of a manually executed copy of this Second Amending Agreement by such party.

6. This Second Amending Agreement is supplementary to the Arrangement Agreement and is to be read with and construed in accordance with the Arrangement Agreement as if this Second Amending Agreement and the Arrangement Agreement constitute one agreement.

7. Other than as provided in this Second Amending Agreement, all other terms and conditions of the Arrangement Agreement, as amended, shall remain in full force and effect, unamended, and the Parties hereto hereby ratify and confirm the same.

[remainder of this page intentionally left blank]

IN WITNESS WHEREOF the Parties hereto have duly executed this agreement as of the day and year first above written.

TERRASCEND CORP.

Per: /s/ Keith Stauffer

Keith Stauffer
Chief Financial Officer

GAGE GROWTH CORP.

Per: /s/ Fabian Monaco

Fabian Monaco
Chief Executive Officer

[Signature Page to the Amending Agreement]