

TERRANUEVA CORPORATION



TERRANUEVA

PRESS RELEASE

FOR IMMEDIATE RELEASE

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TERRANUEVA CLOSES A PRIVATE PLACEMENT OF \$1,050,000

L'ASSOMPTION, QUÉBEC – TERRANUEVA CORPORATION (CSE : TEQ) (“**Terranueva**” or the “**Corporation**”) is pleased to announce the closing of a non-brokered private placement of units for a gross proceeds of \$1,050,000 (the "Offering"). Each unit, at a subscription price of \$0.08 per unit, consists of (i) one common share in the capital stock of the Company ("Common Share"); and (ii) one warrant (a "Warrant"). Each whole Warrant entitles the holder thereof to purchase, for a period of 60 months from the closing date, one Common Share at a price of \$0.15 per Common Share (a "Warrant Share"). Each Unit, Common Share, Warrant and Warrant Share issued will be subject to a hold period of four months and one day.

All parties to the Offering are dealing at arm's length with Terranueva, except the participation of officers of Terranueva described below, and no commissions were payable. However, the private placement results in the creation of a new controlling shareholder holding more than 20% of the Corporation's share capital. This is subject to applicable regulatory approvals.

The proceeds of the Offering will be used primarily to replenish the Corporation's working capital. Concurrently with the Offering, the Corporation has also solicited and received the support of its principal creditors, including the creditor of its revolving credit facility, to agree to certain extensions of its debt maturities for periods of 12 months or more, as the case may be.

Officers of Terranueva purchased a total of 625,000 Units for a total consideration of \$50,000 which represents 4.76 % of the private placement and having increased their shareholding in the Corporation from 0% to 1.37%. The issuance of Units to the insider constitutes a related party transaction but is exempt from the formal valuation and minority approval requirements of *Regulation 61-101- Protection of Minority Security Holders in Special Transactions*, as neither the fair market value of the units issued to the insiders, nor the fair market value of the entire private placement, exceeds 25% of the Corporation's market capitalization. The Corporation did not file a material change report with respect to the participation of the insider at least 21 days prior to the closing of the private placement as the insider's participation was not determined at that time.

About Terranueva

Terranueva is leveraging research and development, innovation and operational efficiency to become a major player in the emerging cannabis industry. The Corporation's goal is to supply Canadian and international markets with premium quality medicinal and recreational cannabis. To reach this goal, Terranueva has implemented a modular production approach integrating the latest advances and innovations in the automation of these processes. Terranueva Pharma Corporation, a wholly owned subsidiary, possesses the required licenses from Health Canada to carry out this mission. For more information on Terranueva, please visit www.terraneveva.ca

The Canadian Securities Exchange has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this press release. Neither the Canadian Securities Exchange nor its Regulation Services Provider (as that term is defined in its policies) accepts responsibility for the adequacy or accuracy of this press release.

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