

**CRESCO LABS ANNOUNCES PROFITABLE FOURTH QUARTER 2018 FINANCIAL RESULTS
WITH REVENUE GROWTH OF 411% YEAR-OVER-YEAR AND 33% QUARTER-OVER-QUARTER**

Conference Call with Investors and Analysts to be Held at 8:00 a.m. Eastern Time Today

CHICAGO – April 24, 2019 – Cresco Labs Inc. (CSE: CL) (OTCQX: CRLBF) (“Cresco” or the “Company”) one of the largest vertically integrated multistate cannabis operators in the United States, today released its unaudited financial results for the fourth quarter and full year ended December 31, 2018. All financial information presented in this release is in U.S. dollars, unless otherwise noted.

Fourth Quarter 2018, Full Year 2018 Highlights and Subsequent Events

Revenue

- Fourth quarter revenue of \$17.0 million, up 411% year-over-year and 33% quarter-over-quarter.
- Full year revenue of \$43.3 million, up 294% from the prior year.
- Fourth quarter pro forma revenue¹ of \$22.5 million and full year pro forma revenue of \$75.6 million.

EBITDA

- Fourth quarter adjusted EBITDA² of \$13.7 million, compared to an adjusted EBITDA loss of \$3.1 million in the prior-year period.
- Fourth quarter 2018 financial results included \$16.1 million related to share-based incentive compensation and one-time expenses associated with the public listing on the Canadian Securities Exchange, acquisitions and financing activities.

Net Income

- Fourth quarter net loss of \$2.6 million, compared to a net loss of \$3.0 million in the prior-year period.
- Full year net income of \$3.9 million, compared to a net loss of \$4.0 million in the prior year.

Balance Sheet

- As of fiscal year-end, total assets of \$318.4 million, including cash and cash equivalents of \$131.3 million and a working capital position of \$172.7 million with zero debt on the balance sheet.

¹ Pro forma revenue and adjusted EBITDA information reflect the results of acquisitions closed and with definitive agreements in 2018 as of the beginning of the current quarter and year.

² See "Non-IFRS Financial Measures" at the end of this press release for more information regarding Cresco Labs' use of non-IFRS financial measures.

Capital Markets

- The Company commenced trading of its subordinate voting common shares on the Canadian Securities Exchange on December 3, 2018 under the symbol “CL” following the successful completion of the Company’s reverse takeover (“**RTO**”) of Randsburg International Gold Corp.
- On March 6, 2019, the Company was approved to list on the OTCQX market and its subordinate voting common shares are currently trading under the symbol “CRLBF.”
- The Company successfully raised \$205 million in growth capital through three capital raises in 2018.

Operations

- The Company is operational in seven U.S. states, with binding transactions pending in New York, Massachusetts and Florida.
- On March 25, 2019, the Company received approval to enter into the State of Michigan.

Acquisitions

- On April 1, 2019, the Company announced that it has entered into a definitive agreement with CannaRoyalty Corp. (d/b/a Origin House), a premier cannabis brand distributor, which at the time was the largest-ever public company acquisition in the U.S. cannabis sector.

Talent

- Continued hiring top talent through key appointments and acquisitions, total staff headcount to over 835 employees at the end of the first quarter of 2019.

Management Commentary

“We completed 2018 with another quarter of positive pre-tax income that reflected continued strong execution across all areas of our operations,” said Charles Bachtell, Co-founder and CEO of Cresco Labs. “We continue to successfully enter new markets with beneficial regulatory structures, increase our production and processing capacity, and expand the distribution for our unique and sophisticated ‘house of brands.’ Our ability to offer compelling products to all major segments of the cannabis market and achieve high levels of market penetration is generating strong growth in revenue and significant improvement in our gross margin.”

“Building on our momentum from 2018, we have already made incredible progress this year in building Cresco Labs’ leadership position in the cannabis industry,” continued Bachtell. “The definitive agreement signed with Origin House earlier this month is a transformational deal for Cresco that creates a cannabis industry powerhouse with the premier distribution platform in the United States serving the greatest number of dispensaries in the country. Combined with our recent entrance into the Florida market, Cresco has built the largest and most strategic footprint of any cannabis company in the United States. We anticipate that 2019 will be a highly productive year in establishing Cresco as the first national brand in the cannabis industry, capitalizing on the strong growth we are seeing in large markets across the country, and creating additional value for our shareholders.”

Financial Results for the Fourth Quarter Ended December 31, 2018 (Unaudited)

Revenue for the fourth quarter of 2018 was \$17.0 million, an increase of 411% compared to revenue of \$3.3 million for the fourth quarter of 2017. The increase in revenue was driven by expansion into new markets and gains in market share in the states where the Company operates. Fourth quarter revenue increased 33% compared to \$12.7 million for the third quarter of 2018. On a pro forma basis, revenue for the fourth quarter of 2018 was \$22.5 million.

Fourth quarter 2018 operational gross profit³, before the impact of biological assets accounting, was \$7.3 million, or 42.8% of revenues, compared to a gross loss of \$0.1 million for the fourth quarter of 2017. The year-over-year improvement in gross margin is primarily attributable to a gain in operational efficiencies as the Company scales the business, expands its production capabilities and lowers its operating costs on a per gram basis.

Total expenses for the fourth quarter of 2018 were \$25.4 million, compared to \$2.3 million for the prior year period. Total expenses in the fourth quarter of 2018 included nearly \$16.1 million in expenses related to share-based incentive compensation and one-time expenses associated with the public listing on the Canadian Securities Exchange, acquisitions and financing activities. The balance of the increase represents significant investments in our team and operational infrastructure to drive strategic initiatives that better position the Company for future growth.

Net loss for the fourth quarter was \$2.6 million, compared to net loss of \$3.0 million for the prior-year period.

Adjusted EBITDA for the fourth quarter was \$13.7 million, compared to a loss of \$3.1 million for the fourth quarter of 2017 and \$5.3 million for the third quarter of 2018.

Balance Sheet and Liquidity

As of December 31, 2018, the Company had total assets of \$318.4 million, including cash and cash equivalents of \$131.3 million. At December 31, 2018, the Company had a working capital position of \$172.7 million with zero debt on the balance sheet.

During the fourth quarter of 2018, the Company increased its liquidity through capital raises:

- In October 2018, prior to the RTO, Cresco Labs, LLC (the target in the RTO) completed a \$100 million private placement, the second largest private funding round in U.S. cannabis history at that time. A portion of this financing was funded in late September and a substantial amount was funded during the fourth quarter of 2018.
- In November 2018, in connection with the RTO, the Company raised gross proceeds of \$85 million by way of a subscription receipt offering, comprised primarily of funds from institutional investors.

³ See "Non-IFRS Financial Measures" at the end of this press release for more information regarding Cresco Labs' use of non-IFRS financial measures.

Operational Highlights for 2018 and Beyond

Operations

- **Illinois**
 - Construction is underway to expand the Company's cultivation facility in Lincoln, IL to 170,000 square feet with expected completion during the second quarter of 2019.
 - Launched an Illinois Opioid Alternative Pilot Program in the Company's FloraMedex dispensary, which opens up access to medical cannabis across the state and removes certain registration barriers previously imposed on medical marijuana patients.
- **Pennsylvania**
 - The Company opened its third dispensary (New Kensington) under its first license in the state.
 - The Company became the first dispensary in the Pittsburgh market to offer online ordering.
 - The Company is currently in the process of expanding its Brookville cultivation facility by approximately 85,000 square feet.
- **Ohio**
 - On January 16, 2019, the Company made the first legal sale of medical marijuana in Ohio, the second consecutive state in which Cresco Labs was first to market (following similar success in Pennsylvania).
- **Massachusetts**
 - Hope Heal Health, one of the companies with which Cresco entered into a definitive merger agreement, opened a medical cannabis dispensary in Fall River, Bristol County, Massachusetts. This acquisition is pending regulatory approval.
- **Arizona**
 - The Company will be launching wholesale distribution of more than 50 products under the Cresco brand during the second quarter of 2019.
- **California**
 - The Company's new processing facility in Mendota, CA is scheduled to open during the second quarter of 2019. This will enable the Company to distribute its full suite of brands across the state.
- **Nevada**
 - Mindy's Edibles are now carried in 62 out of 67 dispensaries in Nevada and has three of the top 10 selling edibles in the state, including the top selling edible, according to Headset Inc., a cannabis data intelligence company.

Business Development

- The Company entered into a definitive agreement to acquire CannaRoyalty Corp. (d/b/a Origin House), which at the time was the largest-ever public company acquisition in the U.S. cannabis industry.
- **Florida**
 - The Company entered into a definitive agreement to acquire VidaCann, one of the largest and most advanced providers of medical cannabis in Florida. This acquisition, when completed will provide the Company with access to one of the largest cannabis markets in the United States.

- **Illinois**
 - The Company received regulatory approval for the acquisition of PDI Medical, LLC and two dispensaries from MedMar, being MedMar Rockford and MedMar Lakeview, bringing the total number of dispensaries to five, the maximum amount any company can own in the state. Cresco is the only company in Illinois to reach the maximum number of dispensaries and cultivation facilities.
- **Pennsylvania**
 - In December 2018, the Company was awarded a second merit-based license allowing Cresco to open an additional three medical marijuana dispensaries, bringing its total number of allowable dispensaries in the state to six.
- **Massachusetts**
 - Hope Heal Health, one of the companies with which Cresco entered into a definitive merger agreement, received provisional approval for adult-use cultivation, manufacturing and retail for HHH in Fall River and opened a dispensary.
- **Michigan**
 - The Company received prequalification for cultivation and processing license that will enable the Company to offer its entire branded suite of products to the state.

Recent Developments

Awards and Recognition

- Cresco was named to the 2019 list of Chicago's Best Places to Work by *Crain's Chicago Business*.
- Raechel White, Director of Marketing and Communications, was named as a 2019 Women of Weed honoree by *High Times*, a listing honoring women in the cannabis industry for their significant change, progress and advances in their fields.

Conference Call and Webcast

The Company will hold a conference call and webcast to discuss its business and financial results on Wednesday, April 24, 2019 at 8 a.m. Eastern Time. The conference call may be accessed via Cresco's investors website at investors.crescolabs.com or by dialing 866-688-4235 (409-216-0711 for international callers) and entering conference ID 5039798. Archived access to the webcast will be available for one year on the Cresco investors website.

Consolidated Financial Statements

The financial information reported in this news release is based on unaudited management prepared financial statements for the year ended December 31, 2018. Accordingly, such financial information may be subject to change. The audit process is nearly complete and fully audited financial statements for the period will be released and filed under the Company's profiles on SEDAR at www.SEDAR.com by April 30, 2019. All financial information contained in this news release is qualified in its entirety with reference to such audited financial statements. While the Company does not expect there to be any material changes, to the extent that the financial information contained in this news release is inconsistent with the information contained in the Company's audited financial statements, the financial information contained in this news release shall be deemed to be modified or superseded by the Company's audited financial statements. The making of a modifying or superseding statement shall not be deemed an

admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation for purposes of applicable securities laws.

Cresco references certain non-IFRS financial measures throughout this press release, which may not be comparable to similar measures presented by other issuers. Please see the “Non-IFRS Financial Measures” section at the end of this press release for more detailed information.

About Cresco Labs Inc.

Cresco, based in Chicago, is a leading U.S. cannabis company with experienced management, access to capital and a demonstrated growth strategy. As a differentiated grower, processor and retailer of premium cannabis operating in seven states, the Company focuses on entering highly regulated markets with outsized demand potential and high barriers to entry. Its speed-to-market to date has given Cresco a distinct competitive advantage as it replicates its model to expand its national footprint. Cresco’s proven ability to execute is complemented by a cutting-edge brand strategy spearheaded by several of the brightest minds in consumer marketing in the nation. Cresco’s products are tailored to all major consumer segments: everyday cannabis, medicinally focused, connoisseur grade and chef inspired edibles by James Beard Award-winning pastry chef Mindy Segal. Learn more about Cresco at crescolabs.com.

Non-IFRS Financial Measures

Operational gross profit, EBITDA and Adjusted EBITDA are non-IFRS measures and do not have standardized definitions under IFRS. The following information provides reconciliations of the supplemental non-IFRS financial measures, presented herein to the most directly comparable financial measures calculated and presented in accordance with IFRS. The Company has also provided unaudited pro forma financial information, which assumes that closed and pending mergers and acquisitions in 2018 are included in the Company’s financial results as of the beginning of the quarterly and annual periods in 2018. The Company has provided the non-IFRS financial measures, which are not calculated or presented in accordance with IFRS, as supplemental information and in addition to the financial measures that are calculated and presented in accordance with IFRS. These supplemental non-IFRS financial measures are presented because management has evaluated the financial results both including and excluding the adjusted items and believe that the supplemental non-IFRS financial measures presented provide additional perspective and insights when analyzing the core operating performance of the business. These supplemental non-IFRS financial measures should not be considered superior to, as a substitute for or as an alternative to, and should only be considered in conjunction with, the IFRS financial measures presented herein.

Forward Looking Statements

This press release contains “forward-looking information” within the meaning of applicable Canadian securities legislation and may also contain statements that may constitute “forward-looking statements” within the meaning of the safe harbor provisions of the United States Private Securities Litigation Reform Act of 1995. Such forward-looking information and forward-looking statements are not representative of historical facts or information or current condition, but instead represent only the Company’s beliefs regarding future events, plans or objectives, many of which, by their nature, are inherently uncertain and outside of the Company’s control. Generally, such forward-looking information or forward-looking

statements can be identified by the use of forward-looking terminology such as, 'may,' 'will,' 'should,' 'could,' 'would,' 'expects,' 'plans,' 'anticipates,' 'believes,' 'estimates,' 'projects,' 'predicts,' 'potential' or 'continue' or the negative of those forms or other comparable terms. The Company's forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements, including but not limited to those risks discussed under "Risk Factors" in the company's CSE Listing Statement filed with SEDAR; and other factors, many of which are beyond the control of the Company. Readers are cautioned that the foregoing list of factors is not exhaustive. Because of these uncertainties, you should not place undue reliance on the Company's forward-looking statements. No assurances are given as to the future trading price or trading volumes of Cresco's shares, nor as to the Company's financial performance in future financial periods. The Company does not intend to update any of these factors or to publicly announce the result of any revisions to any of the Company's forward-looking statements contained herein, whether as a result of new information, any future event or otherwise. Except as otherwise indicated, this press release speaks as of the date hereof. The distribution of this press release does not imply that there has been no change in the affairs of the Company after the date hereof or create any duty or commitment to update or supplement any information provided in this press release or otherwise.

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Cresco Labs Inc.
Unaudited Financial Information and Non-IFRS Reconciliations
(All amounts expressed in thousands of U.S. Dollars)

Unaudited Consolidated Statements of Operations and Comprehensive Income
For the Three and Twelve Months Ended December 31, 2018 and 2017

	For the Three Months Ended December 31,		For Year Ended December 31,	
	2018 (Unaudited)	2017 (Unaudited)	2018 (Unaudited)	2017
Revenue	\$ 16,957	\$ 3,317	\$ 43,252	\$ 10,982
Inventory Production Costs for Goods Sold	(9,703)	(3,428)	(24,360)	(10,344)
Additional Cash Cultivation Costs Expensed to Cost of Sales	(6,202)	(286)	(6,358)	(380)
Changes in Fair Value of Inventory Sold	(24,407)	(448)	(24,680)	(595)
Unrealized Gain on Changes in Fair Value of Biological Assets	47,652	21	52,563	1,489
Gross Profit	24,297	(824)	40,417	1,152
GP%	143.3%	-24.8%	93.4%	10.5%
Expenses:				
Selling, General and Administration	24,860	2,253	34,780	5,241
Depreciation	551	10	692	39
Total Expenses	25,411	2,263	35,472	5,280
Gain (Loss) from Operations	(1,114)	(3,087)	4,945	(4,128)
Other Income (Expense):				
Interest Income (Expense), Net	110	14	89	46
Other Income (Expense), Net	2,800	33	2,781	94
Shares of Income from Investment in Associate	(847)	-	(348)	-
Total Other Income (Loss), Net	2,063	47	2,522	140
Income (Loss) Before Income Taxes	949	(3,040)	7,467	(3,988)
Income Tax (Expense) Recovery	(3,555)	-	(3,555)	-
Net Income (Loss) ¹	\$ (2,606)	\$ (3,040)	\$ 3,912	\$ (3,988)

¹ Net income includes amounts attributable to non-controlling interest.

Cresco Labs Inc.
Unaudited Summarized Consolidated Statements of Financial Position
As of December 31, 2018 and 2017

	12/31/2018 (Unaudited)	12/31/2017
Cash and Cash Equivalents	\$ 131,302	\$ 26,936
Other Current Assets	68,927	7,129
Land, Property and Equipment, Net	39,721	4,973
Intangible Assets, Net	25,465	247
Goodwill	51,146	-
Other Long-Term Assets	1,811	2,332
Total Assets	\$ 318,372	\$ 41,617
Total Current Liabilities	\$ 27,507	\$ 4,094
Total Long-Term Liabilities	6,674	1,587
Total Shareholders' Equity	284,191	35,936
Total Liabilities and Shareholders' Equity	\$ 318,372	\$ 41,617

Cresco Labs Inc.
Unaudited Revenue and Gross Profit Metrics
For the Three and Twelve Months Ended December 31, 2018 and 2017

	For the Three Months Ended December 31,		For Year Ended December 31,	
	2018 (Unaudited)	2017 (Unaudited)	2018 (Unaudited)	2017
Revenue	\$ 16,957	\$ 3,317	\$ 43,252	\$ 10,982
Inventory Production Costs for Goods Sold ¹	(9,703)	(3,428)	(24,360)	(10,344)
Additional Cash Cultivation Costs Expensed to Cost of Sales ²	(6,202)	(286)	(6,358)	(380)
Fair Value of Inventory Sold	(24,407)	(448)	(24,680)	(595)
Unrealized Gain on Changes in Fair Value of Biological Assets	47,652	21	52,563	1,489
Gross Profit (Loss)	\$ 24,297	\$ (824)	\$ 40,417	\$ 1,152
GP%	143.3%	-24.8%	93.4%	10.5%
Operational Gross Profit (Loss)³	\$ 7,254	\$ (111)	\$ 18,892	\$ 638
GP%	42.8%	-3.3%	43.7%	5.8%

¹ Production (cultivation, manufacturing and processing) costs related to products sold during the period.

² Additional cash cultivation costs immediately expensed per the Company's accounting policy for IAS 41 – Agriculture (Biological Assets).

³ Operational Gross Profit is calculated as Revenue less Inventory Production Costs for Goods Sold in the period.

Cresco Labs Inc.
Unaudited Reconciliation of Net Income to Adjusted EBITDA
For the Three and Twelve Months Ended December 31, 2018 and 2017

	For the Three Months Ended December 31,		For Year Ended December 31,	
	2018 (Unaudited)	2017 (Unaudited)	2018 (Unaudited)	2017
Net Income (Loss)¹	\$ (2,606)	\$ (3,040)	\$ 3,912	\$ (3,988)
Depreciation and Amortization	551	10	692	39
Other Income/Expense, Net	(2,800)	(33)	(2,781)	(94)
Interest Income/Expense, Net	(110)	(14)	(89)	(46)
Shares of Income from Investment in Associates	847	-	348	-
Income Tax	3,555	-	3,555	-
Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) (Non-IFRS)	(563)	(3,077)	5,637	(4,089)
Adjustments for RTO and Acquisitions (Non- IFRS)	6,117	-	7,525	215
Management Incentive Compensation (Share Based)	9,999	1	10,464	1
Other (Gains) and Losses, Net	(1,877)	-	(1,877)	-
Adjusted EBITDA (Non-IFRS)	\$ 13,676	\$ (3,076)	\$ 21,749	\$ (3,873)

¹ Net income includes amounts attributable to non-controlling interest.

Cresco Labs Inc.
Unaudited Pro Forma Summary Financial Information
For the Three and Twelve Months Ended December 31, 2018 and 2017

	For the Three Months Ended December 31,		For Year Ended December 31,	
	2018 (Pro Forma Unaudited)	2017 (Unaudited)	2018 (Pro Forma Unaudited)	2017
Revenue	\$ 22,544	\$ 3,317	\$ 75,575	\$ 10,982
Operational Gross Profit (Loss) ¹	9,025	(111)	31,625	638
Gross Profit Percentage	40.0%	-3.3%	41.8%	5.8%
Gross Profit (Loss)	26,069	(824)	53,150	1,152
Gross Profit Percentage	115.6%	-24.8%	70.3%	10.5%
Operating Expenses	27,657	2,263	45,891	5,280
Other Income (Loss) and Provision for Income Taxes	(1,032)	47	(798)	140
Net Income (Loss)²	\$ (2,620)	\$ (3,040)	\$ 6,461	\$ (3,988)

Reconciliation of Unaudited Pro Forma Net Income to Adjusted EBITDA
For the Three and Twelve Months Ended December 31, 2018 and 2017

	For the Three Months Ended December 31,		For Year Ended December 31,	
	2018 (Pro Forma Unaudited)	2017 (Unaudited)	2018 (Pro Forma Unaudited)	2017
Net Income (Loss)²	\$ (2,620)	\$ (3,040)	\$ 6,461	\$ (3,988)
Depreciation and Amortization	635	10	1,195	39
Other Income/Expense, Net	(2,800)	(33)	(2,781)	(94)
Interest Income/Expense, Net	129	(14)	2,511	(46)
Shares of Income from Investment in Associates	847	-	348	-
Income Tax	3,557	-	3,550	-
Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) (Non-IFRS)	(252)	(3,077)	11,284	(4,089)
Adjustments for RTO and Acquisitions (Non-IFRS)	6,689	-	8,634	215
Management Incentive Compensation (Share Based)	9,999	1	10,464	1
Other (Gains) and Losses, Net	(1,877)	-	(4,509)	-
Adjusted EBITDA (Non-IFRS)	\$ 14,559	\$ (3,076)	\$ 25,873	\$ (3,873)

¹ Operational Gross Profit is calculated as Revenue less Inventory Production Costs for Goods Sold in the period.

² Net income includes amounts attributable to non-controlling interest.