

FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: Cresco Labs Inc. (the “Issuer”).

Trading Symbol: CL.CN

Number of Outstanding Listed Securities:

154,223,416 Subordinate Voting Shares

52,330,844 Proportionate Voting Shares

Date: May 7th, 2020

This Monthly Progress Report must be posted before the opening of trading on the fifth trading day of each month. This report is not intended to replace the Issuer’s obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by Exchange Policies. If material information became known and was reported during the preceding month to which this report relates, this report should refer to the material information, the news release date and the posting date on the Exchange website.

This report is intended to keep investors and the market informed of the Issuer’s ongoing business and management activities that occurred during the preceding month. Do not discuss goals or future plans unless they have crystallized to the point that they are “material information” as defined in the Policies. The discussion in this report must be factual, balanced and non-promotional.

General Instructions

- (a) Prepare this Monthly Progress Report using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the items must be in narrative form. State when the answer to any item is negative or not applicable to the Issuer. The title to each item must precede the answer.
- (b) The term “Issuer” includes the Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

Report on Business

1. Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.

Issuer Response: Updates about the Company's business are available under the Company's profile on SEDAR at www.sedar.com and on Cresco's investors website at investors.crescolabs.com.

On April 6th, the Company announced that it had received final state approval for an adult-use dispensing organization license from the Illinois Department of Financial Regulation for its dispensary located at 436 N. Clark Street in the prestigious River North neighborhood of Chicago. Sunnyside River North will soon begin adult-use cannabis sales online for pick up through a pop-up retail experience.

On April 16th, the company announced that it has completed the expansion of its cultivation facility in Lincoln, IL, the largest in the state, and the first phase of expansion at its Kankakee facility. These expansions add almost 180,000 square feet of additional indoor and greenhouse cultivation space, bringing the total cultivation space to 215,000 square feet across all three of its Illinois facilities.

On April 23rd, the Company announced that it has completed the agreement to sell its Marshall, MI property to Innovative Industrial Properties, Inc. The sale was for a consideration of approximately \$16 million, which includes \$11 million in funding for tenant improvements. The property represents approximately 115,000 square feet of industrial space in aggregate.

On April 27th, the Company announced record fourth quarter and full year 2019 results with revenue growth of 144% year-over-year and 14% quarter-over-quarter and pre-announces first quarter 2020 revenue of \$66.5 million.

Please refer to the Issuer's News releases dated April 6th, 16th, 23rd and 27th 2020.

2. Provide a general overview and discussion of the activities of management.

Issuer Response: Management has been actively involved in managing the operations and revenue growth, as well as exploring and evaluating expansion opportunities.

On April 8th, the Company announced it has undertaken steps to strengthen the depth of the Company's senior leadership team with key hirings and promotions. These key appointments position the Company to scale rapidly, efficiently, and with a view to generating industry-leading sustaining returns on invested capital by focusing on brands and wholesale in the states that matter. These hirings/promotions include:

Tom Manning, Chairman of the Board and Executive Chair
Todd West, Executive Vice President – Operations

Donny Trivisonno, Executive Vice President - Planning, Insights & Analytics
Brenna Albert, CPA, Senior Vice President & Controller – Accounting, Treasury & Tax (Promotion)
Drew Duval, Senior Vice President – Cultivation
Cora Colvin, Executive Vice President – Compliance
Geoff Mikelsons, Vice President – Finance

Please refer to the Issuer's News release dated April 8th, 2020.

3. Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.

Issuer Response: None noted.

4. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.

Issuer Response: None noted.

5. Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.

Issuer Response: None noted.

6. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced.

Issuer Response: On April 27th, the Company announced it had reached a mutual agreement to terminate the purchase agreement dated September 16, 2019, to acquire certain assets from Tryke Companies, LLC.

Please refer to the Issuer's News release dated April 27th, 2020.

7. Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship.

Issuer Response: None noted

8. Describe the acquisition of new customers or loss of customers.

Issuer Response: The Issuer continues to seek customer growth through strategic acquisitions, as well as organically through product expansion and increased product availability.

9. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks.

Issuer Response: None noted.

10. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.

Issuer Response: On April 13th, the Company announced it is hiring retail positions for its Sunnyside dispensaries throughout Illinois in an effort to shore up its teams and provide patients and customers in its communities with the cannabis products they need. The Company will focus recruitment efforts on local industries significantly impacted by COVID-19, including hospitality and restaurant service workers. In addition, the Company has added an essential pay program and additional support to current employees working in cultivation centers, distribution facilities and dispensaries.

Please refer to the Issuer's News release dated April 13th, 2020.

11. Report on any labour disputes and resolutions of those disputes if applicable.

Issuer Response: Not applicable.

12. Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.

Issuer Response: None noted.

13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.

Issuer Response: None noted

14. Provide details of any securities issued and options or warrants granted.

Issuer Response: None noted

15. Provide details of any loans to or by Related Persons.

Issuer Response: None noted

16. Provide details of any changes in directors, officers or committee members.

Issuer Response None noted

17. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.

Issuer Response: None

Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there were no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated May 7th, 2020.

Ken Amann
Name of Director or Senior
Officer

/s/ Ken Amann
Signature

Chief Financial Officer
Official Capacity

<i>Issuer Details</i> Name of Issuer Cresco Labs Inc.	For Month End April 2020	Date of Report YY/MM/D 20/05/7
Issuer Address 400 W Erie St., Suite 110		
City/Province/Postal Code Chicago, Illinois 60654	Issuer Fax No.	Issuer Telephone No. 312-929-0993
Contact Name Ken Amann	Contact Position CFO	Contact Telephone No. 312-929-0993
Contact Email Address kena@crescolabs.com	Web Site Address https://www.crescolabs.com	