

## CRESCO LABS COMPLETES EXPANSION OF STATE-OF-THE-ART CULTIVATION AND MANUFACTURING FACILITY IN PENNSYLVANIA

**Expansion enables Company to triple its grow capacity and significantly expands its manufacturing capabilities**



### **Cresco Labs Brookville, PA Cultivation Facility Completes Expansion of Indoor, Greenhouse and Manufacturing Capabilities**

CHICAGO – May 7, 2020 — [Cresco Labs](#) (CSE:CL) (OTCQX:CRLBF) (“Cresco” or “the Company”), one of the largest vertically integrated multistate cannabis operators in the United States, announced today that it has completed the expansion project for its cultivation and manufacturing facility located in Brookville, PA. The expansion project provides an additional 66,000 square feet of indoor and greenhouse cultivation area, bringing the total cultivation space<sup>1</sup> in the facility to 88,000 square feet. The Brookville site supplies Cresco’s house of brands to 100% of the licensed dispensaries in Pennsylvania and the Company currently maintains one of the largest wholesale market shares.

The Company also concluded a significant expansion of its manufacturing capabilities with new and advanced extraction booths and integrated safety systems. The expansion project provides

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<sup>1</sup> Total cultivation space represents all areas used in cultivation including vegetative, mother and flowering plant rooms

a 300% increase in capacity for butane extraction and a 90% increase in ethanol extraction which enables Cresco to efficiently process its increased biomass to manufacture its full portfolio of brands, including Cresco, Remedi and Reserve, with new brands launching soon. As a result of tripling the site's capacity in a phased approach, the Company expects products from the third, 22,000-square-foot phase to enter the market this month, with production from the fourth, 22,000-square-foot phase starting in July 2020 and gradually increasing throughout the remainder of the year.

Charlie Bachtell, Cresco Labs' CEO and Co-founder said, "Pennsylvania continues to be one of the most attractive and highly coveted markets in the country. Today's announcement marks a strategic milestone towards building our leadership in this high-growth market. This expansion enables us to more efficiently cater to patients across the Keystone State and increase our operating leverage. This expansion project follows the [recently completed](#) scale up of our cultivation facilities in Lincoln and Kankakee, Illinois. It is testament to our stated strategy of going deep in key states and focusing on branded products and wholesale distribution."

Pennsylvania is a high-barrier, limited license market that is expected to become one of the biggest medical markets in the U.S.<sup>2</sup> and has already witnessed rapid demand acceleration with over 284,000 registered patients and nearly 80 operational dispensaries<sup>3</sup> as of April 2020.

Cresco Labs first entered the Pennsylvania market in February 2018, with the opening of its CY+ branded retail dispensary in Butler making the first-ever legal sale of cannabis under the state's medical marijuana program. Cresco's flagship location opened in June 2018 in the historic Strip District in Pittsburgh. A third dispensary opened in New Kensington in February 2019. The Company has plans to open three more dispensaries in the Philadelphia area as well as rebrand all dispensaries in the state to its Sunnyside national retail brand.

#### **About Cresco Labs:**

Cresco Labs is one of the largest vertically-integrated multi-state cannabis operators in the United States. Cresco is built to become the most important company in the cannabis industry by combining the most strategic geographic footprint with one of the leading distribution platforms in North America. Employing a consumer-packaged goods ("CPG") approach to cannabis, Cresco's house of brands is designed to meet the needs of all consumer segments and includes some of

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<sup>2</sup> <https://mjbizdaily.com/chart-pennsylvanias-medical-marijuana-market-set-become-one-countrys-biggest/>

<sup>3</sup> [BDS Analytics](#)

the most recognized and trusted national brands including Cresco, Remedi and Mindy's, a line of edibles created by James Beard Award-winning chef Mindy Segal. Sunnyside\*, Cresco's national dispensary brand, is a wellness-focused retailer designed to build trust, education and convenience for both existing and new cannabis consumers. Recognizing that the cannabis industry is poised to become one of the leading job creators in the country, Cresco has launched the industry's first national comprehensive Social Equity and Educational Development (SEED) initiative designed to ensure that all members of society have the skills, knowledge and opportunity to work in and own businesses in the cannabis industry. Learn more about Cresco Labs at [www.crescolabs.com](http://www.crescolabs.com).

### **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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