

FORM 7

MONTHLY PROGRESS REPORT

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

Trading Symbol: CL.CN

Number of Outstanding Listed Securities:

213,796,714 Subordinate Voting Shares

29,203,954 Proportionate Voting Shares

Date: February 5th, 2021

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 January 14th, the Company announced that it has entered into a definitive agreement pursuant to which Cresco will acquire all of the issued and outstanding shares of Bluma Wellness Inc., a vertically integrated operator in Florida, in an all-share transaction that values Bluma at an equity value of US\$213 million.

On January 18th, the Company announced its employees volunteered over 5,000 service hours during a seven-month period in 2020 as part of Cresco's "Make a Difference" initiative.

Please refer to the Issuer's news releases dated January 14th and 18th, 2021.

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, acquiring talent, and exploring and evaluating expansion opportunities.

On January 7th, the Company announced that its management would participate in the 23rd Annual Needham Growth Conference on January 12th, 2021 and the ATM Capital Markets 9th Annual Institutional Investor Conference on January 14th, 2021.

Please refer to the Issuer's news release dated January 7th, 2021.

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: On January 28th, the Company announced the launch of 1.0g and 0.5g Live Cartridges from its High Supply line in dispensaries across California and Illinois.

Please refer to the Issuer's news release dated January 28th, 2021.

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: None noted.

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, increased product availability, and retail footprint expansion.

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: None noted.

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: The Company continues to issue stock options and other equity compensation to key employees and members of the board under its share-based compensation plan.

On January 14th, the Company announced that it is commencing a best efforts overnight market offering of subordinate voting shares of the Company (the "Offering"). On January 15th, the Company announced the pricing of the Offering at C\$16.00 per share, for total gross proceeds of approximately US\$125 million. On January 22nd, the Company announced the closing of the Offering, raising a total of US\$125 million. The securities were offered in each of the Provinces of Canada, other than Québec, pursuant to a prospectus supplement dated January 19, 2021 to the Company's base shelf prospectus dated July 25, 2019 and in the United States on a private placement basis to "qualified institutional buyers" pursuant to an exemption from the registration requirements of the United States Securities Act of 1933, as amended.

Please refer to the Issuer's news releases dated January 14th, 15th, and 22nd, 2021.

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

Issuer Response: The Company has borrowings of \$18.3 million with related parties related to the Company's amended senior secured term loan.

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

Issuer Response: On January 19th, the Company announced the hiring of consumer packaged goods industry veteran Ty Gent as the Company's new Chief Operating Officer ("COO"). As COO, Gent will be responsible for operational

consistency and efficiency across markets and implementation of structural enhancements to facilitate scaling.

Please refer to the Issuer's news release dated January 19th, 2021.

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 noted.

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 February 5th, 2021.

Dennis Olis
Name of Director or Senior
Officer

/s/ Dennis Olis
Signature

Chief Financial Officer
Official Capacity

<i>Issuer Details</i> Name of Issuer Cresco Labs Inc.	For Month End January 2021	Date of Report YY/MM/DD 21/02/05
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 Dennis Olis	Contact Position CFO	Contact Telephone No. 312-929-0993
Contact Email Address Dennis.Olis@crescolabs.com	Web Site Address https://www.crescolabs.com	