FORM 7

MONTHLY PROGRESS REPORT

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

Trading Symbol: CL.CN

Number of Outstanding Listed Securities: 57,140,294 Subordinate Voting Shares

Date: August 7th, 2019

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**

1. 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.
2. The term “Issuer” includes the Issuer and any of its subsidiaries.
3. 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 July 26th, 2019 the Company announced it has obtained eligibility with The Depository Trust Company (DTC) for its common shares listed on the OTCQX.

*Please refer to the Issuer’s News release dated July 26th, 2019*

On July 29th, 2019 the Company announced the launch of Sunnyside\*, a new dispensary brand created to accelerate industry growth and shift people’s expectations and perceptions around shopping for cannabis from intimidation and doubt to curiosity and acceptance through a new retail and marketing approach..

*Please refer to the Issuer’s News release dated July 29th, 2019*

1. 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.

1. 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:** No new products or services developed or offered during July.

1. 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.

1. 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:** During July, the Company did not enter into any material contracts, joint venture agreements or licensing agreements.

1. 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:** Not applicable.

1. 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:**  During July, the Issuer did not make any acquisitions or dispositions.

1. 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.

1. 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:** During July, the Issuer did not experience any new developments or effects on intangible assets.

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

**Issuer Response:**

On July 1st, 2019 the Company announced that Mo Dastagir has joined the Company as its new Chief Information Officer. Mr. Dastagir succeeds Zach Marburger, who is taking on a new role at Cresco as Entrepreneur in Residence. As CIO, Mr. Dastagir will be responsible for overseeing the technological infrastructure throughout Cresco and designing, scaling and implementing technological systems and platforms to optimize the customer experience.

*Please refer to the Issuer’s News release dated July 1st, 2019*

On July 17th, 2019 the Company announced that Angie Demchenko has joined the Company as its first Chief People Officer. Ms. Demchenko most recently served as Vice President, Head of Human Resources for Starwood Retail Partners, a leading operator of shopping malls and lifestyle centers. As Cresco Labs’ Chief People Officer, Ms. Demchenko will be responsible for performance management, recruitment, compensation and employee benefits, and other employee-related matters.

*Please refer to the Issuer’s News release dated July 17th, 2019*

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

**Issuer Response:** Not applicable.

1. 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.

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

**Issuer Response:** None.

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

**Issuer Response:** There are no changes to report.

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

**Issuer Response:** There are no changes to report.

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

**Issuer Response:** There are no changes to report.

1. 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 August 7th, 2019.

 Ken Amann
Name of Director or Senior Officer

 /s/ Ken Amann
Signature

Chief Financial Officer
Official Capacity

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| ***Issuer Details***Name of IssuerCresco Labs, Inc. | For Month EndJuly 2019 | Date of ReportYY/MM/D19/8/7 |
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