

FORM 10

NOTICE OF PROPOSED SIGNIFICANT TRANSACTION (not involving an issuance or potential issuance of a listed security)¹

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

Trading Symbol: CL.CN (CSE); CLBRF (OTC)

Issued and Outstanding Securities of the Issuer Prior to Transaction: 220,881,220 Subordinate Voting Shares; 27,342,860 Proportionate Voting Shares (as converted to SVS); 500,000 Super Voting Shares and 639 Special Subordinate Voting Shares (as converted to SVS)

Date of News Release Fully Disclosing the Transaction: April 14, 2021

1. Transaction

1. Provide details of the transaction including the date, description and location of assets, if applicable, parties to and type of agreement (eg: sale, option, license, contract for Investor Relations Activities etc.) and relationship to the Issuer. The disclosure should be sufficiently complete to enable a reader to appreciate the significance of the transaction without reference to any other material:

On April 14, 2021, Cresco Labs and Bluma Wellness Inc. closed on their agreement in which Cresco Labs acquired all of the issued and outstanding shares of Bluma Wellness Inc. The acquisition gives Cresco eight additional dispensaries, eight additional locations planned to open in 2021, and an additional 54,000 square feet of cultivation space currently under construction at our Indiantown facility.

2. Provide the following information in relation to the total consideration for the transaction (including details of all cash, non-convertible debt securities or other consideration) and any required work commitments:

(a) Total aggregate consideration in Canadian dollars:
USD\$239,528,000

(b) Cash: _____

¹ If the transaction involved the issuance of securities, other than debt securities that are not convertible into listed securities, use Form 9.

(c)	Other: (all in USD)	
	- Equity consideration	\$193,171,000
	- Warrants issued	\$20,999,000
	- Settlement of Bluma's existing debt	\$13,639,000
	- Pre-existing loan relationship	\$7,587,000
	- Payment of Bluma's acquisition related costs	\$4,132,000

(d) Work commitments: _____ .

3. State how the purchase or sale price and the terms of any agreement were determined (e.g. arm's-length negotiation, independent committee of the Board, third party valuation etc).

The purchase price and the terms of the agreement were determined via arm's length negotiation between the parties.

4. Provide details of any appraisal or valuation of the subject of the transaction known to management of the Issuer: Not applicable.

5. If the transaction is an acquisition, details of the steps taken by the Issuer to ensure that the vendor has good title to the assets being acquired:

The Issuer conducted customary due diligence investigations, including discussions with management and review of documentation.

6. Provide the following information for any agent's fee, commission, bonus or finder's fee, or other compensation paid or to be paid in connection with the transaction (including warrants, options, etc.):

(a) Details of any dealer, agent, broker or other person receiving compensation in connection with the transaction (name, address. If a corporation, identify persons owning or exercising voting control over 20% or more of the voting shares if known to the Issuer): Cowen and Company LLC, 599 Lexington Avenue, New York, NY 10022.

(b) Cash \$1,000,000 held in Escrow

(c) Other _____ .

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7. State whether the vendor, sales agent, broker or other person receiving compensation in connection with the transaction is a Related Person or has any other relationship with the Issuer and provide details of the relationship. Not a related person.
8. If applicable, indicate whether the transaction is the acquisition of an interest in property contiguous to or otherwise related to any other asset acquired in the last 12 months. Not applicable.

2. **Development**

Provide details of the development. The disclosure should be sufficiently complete to enable a reader to appreciate the significance of the transaction without reference to any other material: The acquisition of Bluma Wellness, Inc. includes seven strategically located dispensaries as of the acquisition date, one dispensary which opened after the acquisition with seven additional locations planned to open in 2021, and an additional 54,000 square feet of cultivation space currently under construction at our Indiantown facility.”

3. 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. To the knowledge of the Issuer, at the time an agreement in principle was reached, no party to the transaction had knowledge of any undisclosed material information relating to the Issuer, other than in relation to the transaction.
3. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.
4. 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).
5. All of the information in this Form 10 Notice of Proposed Significant Transaction is true.

Dated July 12, 2021.

Dennis Olis
Name of Director or Senior
Officer

/s/ Dennis Olis
Signature

Chief Financial Officer
Official Capacity