FORM 7  
  
MONTHLY PROGRESS REPORT

Name of Listed Issuer: Verano Holdings Corp. (the “**Issuer**”)

Trading Symbol: VRNO

Number of Outstanding Listed Securities: 305,356,151 Class A subordinate voting shares

Date: June 6, 2022

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.

* On May 4, 2022, the Issuer prevailed in arbitration proceedings regarding various RICO (Racketeer Influenced and Corrupt Organizations Act) claims brought by Nicholas Nielsen. The arbitrator dismissed all of Mr. Nielsen’s claims with prejudice and awarded the Issuer US$94,068.64 in attorney’s fees in the arbitration. Mr. Nielsen filed claims analogous to those brought in the arbitration in United States District Court for the District of Colorado, and the Issuer filed a motion in the pending District Court case on May 22, 2022 to confirm the arbitrator’s May 4, 2022 final award order and dismiss the District Court case with prejudice.
* On May 6, 2022, the Issuer announced the opening of a MÜV™ medical cannabis dispensary in Fort Myers Beach, Florida. The dispensary is the first medical cannabis dispensary to open in the Fort Myers Beach community within greater Fort Myers and is the Issuer’s 46th retail location in Florida and 97h location nationwide. The comprehensive product selection includes edibles, chocolates and lozenges, flower, pre-rolls, an array of vaporizer pens, concentrates, metered-dose inhalers, topicals and oral sprays, along with patented encapsulation formulations in EnCaps™ capsules, tinctures, 72-hour transdermal patches and transdermal gels.
* On May 16, 2022, the Issuer announced the launch of mobile applications for the Issuer’s flagship Zen Leaf and MÜV™ dispensaries, which provide an additional digital channel for shoppers to order cannabis products and access exclusive rewards across a total of 71 dispensaries in seven states. Both the Zen Leaf and MÜV™ mobile applications include rewards programs and promotional deals.
* On May 19, 2022, the Issuer announced the opening of a MÜV™ medical cannabis dispensary in Ocala, Florida. The dispensary is the Issuer’s 47th retail location in Florida and 98th location nationwide. The comprehensive product selection includes edibles, chocolates and lozenges, flower, pre-rolls, an array of vaporizer pens, concentrates, metered-dose inhalers, topicals and oral sprays, along with patented encapsulation formulations in EnCaps™ capsules, tinctures, 72-hour transdermal patches and transdermal gels.
* On May 25, 2022, the Issuer announced the grand opening of the Issuer’s largest dispensary by square foot in Arizona, Zen Leaf North Phoenix, which resulted from the relocation of an existing dispensary to a more heavily trafficked location. The new facility offers enhanced amenities including a larger store space, additional registers and more customer parking, in addition to the Issuer’s suite of premium cannabis products and branded merchandise offerings.
* On May 26, 2022, the Issuer announced the opening of Zen Leaf Westover, the Issuer’s second dispensary in West Virginia and 99th location nationwide. Zen Leaf Westover will offer a variety of cannabis therapeutics, including flower, topicals, edibles, and vapes.
* On May 31, 2022, the Issuer closed on the purchase of real property and improvements located in Highland Park, Illinois, for a purchase price of US$4,300,000. The Issuer intends to relocate an existing dispensary in Highland Park to this new location.

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

The Issuer is a vertically-integrated, multi-state cannabis operator in the U.S. devoted to the ongoing improvement of communal wellness by providing responsible access to regulated cannabis products. With a mission to address vital health and wellness needs, the Issuer produces a suite of cannabis products sold under its portfolio of consumer brands: Verano™, Avexia™, Encore™, and MÜV™. The Issuer designs, builds, and operates dispensaries under retail brands Zen Leaf™ and MÜV™, among others, delivering a superior cannabis shopping experience in both medical and adult-use markets. The Issuer’s portfolio encompasses 14 U.S. states, with active operations in 13 U.S. States, and 99 retail dispensaries and 13 cultivation and production facilities comprising over 1,000,000 square feet.

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.

Not applicable.

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.

Not applicable.

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.

Not applicable.

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.

Not applicable.

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.

As set forth in Part 1 above, in May 2022 the Issuer closed on the purchase of real property and improvements located in Highland Park, Illinois, for a purchase price of US$4,300,000. The Issuer intends to relocate an existing dispensary in Highland Park to this new location.

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

As set forth in Part 1 above, in May 2022 the Issuer opened medical dispensaries in Fort Myers Beach and Ocala, Florida, opened a medical dispensary in Westover, West Virginia, and relocated a retail dispensary in Phoenix, Arizona. The Issuer expects to attract new customers at these three new locations and the relocated Phoenix dispensary.

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

Not applicable.

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

Not applicable.

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

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.

As set forth in Part 1 above, in May 2022 the Issuer prevailed in arbitration proceedings regarding various RICO (Racketeer Influenced and Corrupt Organizations Act) claims brought by Nicholas Nielsen. The arbitrator dismissed all of Mr. Nielsen’s claims with prejudice and awarded the Issuer nearly $100,000 in attorney’s fees in the arbitration. Mr. Nielsen brought claims analogous to those brought in the arbitration in United States District Court for the District of Colorado, and the Issuer has filed a motion in the pending District Court case to confirm the arbitrator’s final award order and dismiss the District Court case with prejudice

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

Not applicable.

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

As set forth in the table below, in May 2022 the Issuer issued 291,734 Class A subordinate voting shares to employees and non-employee service providers in connection with the vesting of restricted stock units granted under the Issuer’s Stock and Incentive Plan. No proceeds were realized in connection with this issuance.

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| --- | --- | --- | --- |
| **Security** | **Number Issued** | **Details of Issuance** | **Use of Proceeds(1)** |
| Class A subordinate voting shares | 291,734 | Issued upon the vesting of restricted stock units issued under the Issuer’s Stock and Incentive Plan | Not applicable |

*(1) State aggregate proceeds and intended allocation of proceeds.*

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

Not applicable

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

Not applicable

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

The safety of the Issuer’s customers and employees is its highest priority. The Issuer continues to monitor the COVID-19 situation in the U.S. The Issuer proactively modifies and implements precautions and mandates to adhere to applicable laws in the geographic areas in which it operates, taking into account public health guidance.

In addition, the Issuer is actively monitoring economic changes that may impact its markets and financial performance, including inflation, rising interest rates, supply shortages, global disruptions and volatility and declining consumer and business confidence, all of which could lead to decreased levels of consumer spending and higher costs. The Issuer is taking these economic changes into account in its planning processes.

*[Certificate of Compliance follows]*

**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 is 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 June 6, 2022 Darren Weiss

Name of Director or Senior Officer

*/s/ Darren Weiss*Signature

Chief Operating Officer, General Counsel & Chief Legal Officer

Official Capacity

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|  | For Month End  May 31, 2022 | Date of Report  YY/MM/D  22/06/6 |
| Issuer Address  415 Dearborn St., 4th Floor, Chicago, IL, United States | | |
| City/Province/Postal Code  60654 | Issuer Fax No.  N/A | Issuer Telephone No.  (312) 265-0730 |
| Contact Name  Aaron Miles | Contact Position  Chief Investment Officer | Contact Telephone No.  (312) 265-0730 |
| Contact Email Address  [investors@verano.com](mailto:investors@verano.com) | Web Site Address  <http://www.verano.com> | |