

## FORM 7

### **MONTHLY PROGRESS REPORT**

Name of Listed Issuer: Green Thumb Industries Inc. (the "Issuer" or "GTI").

Trading Symbol: GTII

Number of Outstanding Listed Securities: 104,906,400

Date: June 6, 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**

- (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.

GTI, a national cannabis consumer packaged goods company and retailer, is dedicated to providing dignified access to cannabis while giving back to the communities in which it serves. GTI manufactures and distributes a portfolio of branded cannabis products including Rythm, Dogwalkers, The Feel Collection, and Beboe, among others. GTI also owns and operates a rapidly growing national

chain of retail cannabis stores called RISE™ and Essence. Headquartered in Chicago, Illinois, GTI has thirteen manufacturing facilities and licenses for 89 retail locations across twelve U.S. markets. Established in 2014, GTI employs approximately 1,100 people and serves thousands of patients and customers each year. GTI was named a Best Workplace 2018 by Crain's Chicago Business.

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

- The Issuer will hold its 2019 Annual and Special Meeting of Shareholders (the "Meeting") on Wednesday, June 12, 2019 at the Kimpton Gray Hotel, Field Room, 122 W. Monroe Street, Chicago, Illinois, USA. The record date for notice of the Meeting and the record date for voting is May 8, 2019. The Issuer filed a Notice of Annual and Special Meeting of Shareholders on SEDAR on May 22, 2019.
- On June 6, 2019, the Issuer announced that Integral Associates was awarded a retail dispensary and delivery license by the City of Pasadena, making it one of only six new license awardees in Pasadena. Integral Associates placed first out of 122 retail applications. The Pasadena license was awarded the same day that GTI closed on its acquisition of Integral Associates, which is described below.

A news release describing the foregoing license awards was disseminated on June 6, 2019 through Newswire Services and filed on SEDAR.

- On June 5, 2019, the Issuer announced that it closed on the acquisition of Integral Associates. The acquisition includes:
  - Integral Associates' three high-traffic Essence retail stores located across the Las Vegas area including the only cannabis retail store on the Las Vegas Strip;
  - Eight additional retail licenses in Nevada: five in the Las Vegas area and three in Northern Nevada;
  - West Hollywood retail license, one of only five with a consumption lounge and delivery service;
  - Desert Grown Farms, a 54,000 square foot state-of-the-art cultivation and processing facility with an award-winning genetics library of 100+ strains; and
  - Cannabiotix NV, a 41,000 square foot cultivation and processing facility which has been a recognized High Times Cannabis Cup award winner.

A news release describing the foregoing acquisition was disseminated on June 5, 2019 through Newswire Services and filed on SEDAR.

- On May 30, 2019, the Issuer reported its financial results for the first quarter 2019. First quarter 2019 revenue increased 155% year-over-year to \$27.9 million. Quarter-over-quarter revenue increased 34%, a record sequential growth for GTI. EBITDA, Adjusted EBITDA, and Adjusted Operating EBITDA for the quarter, as described in an accompanying financial table,

was a loss of \$4.0 million, a gain of \$4.9 million, and a loss of \$0.4 million, respectively. Net loss for the first quarter 2019 was \$9.7 million, as compared to net loss of \$3.3 million in the fourth quarter 2018, primarily due to the decrease in value from a variable note receivable in other income. Current assets totaled \$151.1 million and included cash and cash equivalents of \$117.1 million. Total debt outstanding was \$6.7 million. For more information on the Issuer's first quarter 2019 financial results, please see the Issuer's Press Release dated May 30, 2019 available on the Issuer's website, and the Issuer's Interim Financial Statements and Management Discussion & Analysis available on SEDAR at [www.sedar.com](http://www.sedar.com) and the Issuer's website at [GTIgrows.com](http://GTIgrows.com).

- On May 23, 2019, the Issuer announced that it closed on a USD \$105 million Senior Secured non-brokered private placement financing through the issuance of senior secured notes (the "Notes"). The Issuer intends to use the proceeds for general working capital purposes, various growth initiatives, as well as to retire the Issuer's existing debt. The Notes have a maturity date of May 22, 2022 and will bear interest from the date of issue at 12% per annum, payable quarterly, with an option, at the discretion of the Issuer, to extend an additional 12 months. The financing permits the Issuer to borrow an additional \$45 million over the next six months. The purchasers of the Notes also received 1,822,771 warrants (the "Warrants"). Each Warrant is exercisable to purchase one subordinate voting share of GTI at an exercise price of CDN\$19.39 per share, for a period of 60 months from the date of issue.

Certain insiders participated in the financing, purchasing an aggregate of less than \$1 million of the issued Notes. Pursuant to Multilateral Instrument 61-101 –Protection of Minority Security Holders in Special Transactions ("MI 61-101"), such insider participation is a "related party transaction." The Issuer is exempt from certain requirements of MI 61-101 in connection with the insider participation in reliance on section 5.5(b) of MI 61-101, as no securities of the Issuer are listed or quoted for trading on the Toronto Stock Exchange, the New York Stock Exchange, the American Stock Exchange, the NASDAQ stock market or any other stock exchange outside of Canada and the United States, and section 5.7(1)(a) of MI 61-101, as the aggregate value of the insider participation does not exceed 25% of the market capitalization of the Issuer.

A news release describing the foregoing debt financing was disseminated on May 23, 2019 through Newswire Services and filed on SEDAR.

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.

On May 2, 2019, the Issuer, announced the expansion of its national cannabis retail concept Rise™ with the grand opening of Rise Lorain and Rise Toledo in Ohio on May 3 and May 6, respectively, marking 18 stores open nationwide with

licenses for a total of 77 locations. Rise Toledo and Rise Lorain are the first of five retail stores that GTI will open in Ohio. Future stores include one Rise™ store slated for Cleveland and two in Lakewood. Rise Toledo is located at 3157 W. Sylvania Avenue in Toledo. Rise Lorain is located at 1920 Cooper Foster Park Road in Lorain. Hours for both locations are 10 a.m. to 7 p.m., Monday through Saturday and 12 p.m. to 5 p.m. on Sunday.

A news release describing the foregoing new store openings was disseminated on May 2, 2019 through Newswire Services and filed on SEDAR.

On May 8, 2019, the Issuer, a leading national cannabis consumer packaged goods company and owner of the retail chain Rise™, announced that Rise Amherst will begin selling cannabis to adults aged 21 and over on May 12, 2019. The store will continue to offer exceptional care to medical cannabis patients with a separate consultation space, retail floor, checkout area and exit for people with a valid Commonwealth of Massachusetts medical card. Rise Amherst is located at 169 Meadow Street in Amherst. Hours are Monday through Saturday 9:00 am to 8:00 pm and Sunday 11:00 am to 6:00 pm.

A news release describing the foregoing sales launch was disseminated on May 8, 2019 through Newswire Services and filed on SEDAR.

On May 31, 2019, the Issuer announced that it opened its third retail location in Florida and 20th in the country, Rise Bonita Springs, on May 31, 2019. Rise™ opened locations in Deerfield Beach and Pinellas Park earlier this year and has a retail footprint for up to 35 locations in the state. The Issuer owns and operates a manufacturing facility in Homestead where it cultivates and produces GTI's branded cannabis products including Rythm and The Feel Collection. Rise™ also offers delivery to registered cardholders in Florida via orders placed at [RiseCannabis.com](http://RiseCannabis.com) or by calling the store directly. Rise Bonita Springs is located at 26701 S Tamiami Trail in Bonita Springs and open daily from 10:00 am to 7:00 pm.

A news release describing the foregoing new store opening was disseminated on May 31, 2019 through Newswire Services and filed on SEDAR.

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.

N/A

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.

N/A

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.

N/A

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.

Please refer to Section 2 above for a description of the acquisition of Integral Associates.

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

N/A

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.

N/A

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

N/A

11. 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.

N/A

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

Please refer to Section 2 above for a description of the Issuer's \$105 million senior secured debt financing and retirement of prior debt.

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

See the Issuer's previously filed CSE Form 11 dated May 15, 2019 and CSE Forms 9 dated May 15, 2019, May 23, 2019 and June 5, 2019.

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

Please refer to Section 2 above for a description of the Issuer's \$105 million senior secured debt financing whereby certain insiders participated in the financing, purchasing an aggregate of less than \$1 million of the issued Notes.

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

N/A

16. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends. N/A

## 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 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, 2019.

Anthony Georgiadis  
Name of Director or Senior  
Officer

Anthony Georgiadis  
Signature  
CFO & Director  
Official Capacity

<b>Issuer Details</b>	For Month	Date of Report
Name of Issuer	End	YY/MM/D
Green Thumb Industries Inc.	May 2019	2019/6/6
Issuer Address		
c/o Dentons Canada LLP		
20th Floor, 250 Howe Street		
City/Province/Postal Code	Issuer Fax No.	Issuer Telephone No.
Vancouver, B.C. V6C 3R8	(604) 691-6120	(604) 691-6100
Contact Name	Contact Position	Contact Telephone No.
Anthony Georgiadis	CFO, Director	(312) 471-6720
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