

## FORM 8

### NOTICE OF PROPOSED PROSPECTUS OFFERING

Please complete the following:

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

Trading Symbol: CL (subordinate voting shares)

Date: January 19, 2021

Is this an updating or amending Notice:  Yes  No

If yes provide date(s) of prior Notices: N/A.

Issued and Outstanding Securities of Issuer Prior to Proposed Prospectus Offering: 500,000 super voting shares; 194,085,615 subordinate voting shares; (C) 197,598 proportionate voting shares (which are convertible on a 1:200 basis into 39,519,572 subordinate voting shares); and 63,900,000 special subordinate voting shares (which are convertible on a 1:0.00001 basis into 639 subordinate voting shares).

Date of News Release Announcing Proposed Prospectus Offering: January 14, 2021  
(or provide explanation if news release not disseminated yet and expected date or circumstances that are expected to trigger news release dissemination)

#### 1. Prospectus Offering

1. Description of securities to be issued:

- (a) Class subordinate voting shares .
- (b) Number up to 11,359,683 .
- (c) Price per security C\$16.00 .
- (d) Voting rights one vote per subordinate voting share .

2. Provide details of the net proceeds to the Issuer as follows:

- (a) Per security: C\$16.00 (not including deduction of 4.0% agents' commission) .
- (b) Aggregate proceeds: C\$181,754,928 (not including deduction of 4.0% agents' commission) .

3. Provide description of any Warrants (or options) including:
- (a) Number N/A .
  - (b) Number of securities eligible to be purchased on exercise of Warrants (or options) N/A .
  - (c) Exercise price N/A .
  - (d) Expiry date N/A .
  - (e) Other significant terms N/A .
4. Provide the following information if debt securities are to be issued:
- (a) Aggregate principal amount N/A .
  - (b) Maturity date N/A .
  - (c) Interest rate N/A .
  - (d) Conversion terms N/A .
  - (e) Default provisions N/A .
5. Details of currently issued and outstanding shares of each class of shares of the Issuer: 500,000 super voting shares; 194,085,615 subordinate voting shares; (C) 197,598 proportionate voting shares (which are convertible on a 1:200 basis into 39,519,572 subordinate voting shares); and 63,900,000 special subordinate voting shares (which are convertible on a 1:0.00001 basis into 639 subordinate voting shares) .
6. Describe any unusual particulars of the offering (i.e. tax “flow through” shares, special warrants, etc.).
- The Issuer has granted the Underwriters (as defined below), an over-allotment option, exercisable in whole or in part, at any time and from time to time for a period of 30 days following the Closing, to purchase such number of additional subordinate voting shares as is equal to 15% of the number of subordinate voting shares initially sold under the Offering, which has been exercised .
7. Provide details of the use of the proceeds:

The Corporation currently intends to use the net proceeds from the Offering principally for organic and inorganic growth opportunities and general corporate purposes. However, management of the Corporation will have broad discretion with respect to the actual use of the net proceeds from the Offering .

8. Provide particulars of any proceeds of the offering which are to be paid to Related Persons of the Issuer: N/A .
9. Provide details of the amounts and sources of any other funds that will be available to the Issuer prior to or concurrently with the completion of the offering: N/A .
10. 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 offering (including warrants, options, etc.):
- (a) Details of any dealer, agent, broker, finder or other person receiving compensation in connection with the offering (name, address, beneficial ownership where applicable) ATB Capital Markets Inc., 66 Wellington Street West, Suite 3530, Toronto, Ontario M5E 1B5 .
  - (b) Cash 4.0% of the aggregate gross proceeds of the Offering .
  - (c) Securities N/A .
  - (d) Other N/A .
  - (e) Expiry date of any options, warrants etc. N/A .
  - (f) Exercise price of any options, warrants etc. N/A .
11. State whether the sales agent, broker, dealer, finder, or other person receiving compensation in connection with the offering is a Related Person of the Issuer with details of the relationship: N/A .
12. Provide details of the manner in which the securities being offered are to be distributed. Include details of agency agreements and sub-agency agreements outstanding or proposed to be made including any assignments or proposed assignments of any such agreements and any rights of first refusal on future offerings: The subordinate voting shares to be issued under the Offering will be issued pursuant to the terms of the agency agreement between the Issuer and the Agent dated January [●], 2021 .

13. Attach any term sheet, engagement letter or other document setting out terms, conditions or features of the proposed offering. Please refer to the Prospectus Supplement, attached hereto, for full details of the proposed Offering.

## 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 on behalf of the Issuer.
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 8 Notice of Proposed Prospectus Offering is true.

Dated January 19, 2021.

Charles Bachtell  
Name of Director or Senior  
Officer

(s) "Charles Bachtell"  
Signature

Chief Executive Officer  
Official Capacity