

Cresco Labs Commends New York State for Passing Adult Use Cannabis Legislation

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Company will have the ability to cultivate, manufacture, distribute and dispense cannabis for adult use customers

CHICAGO--(BUSINESS WIRE)-- **Cresco Labs** (CSE:CL) (OTCQX:CRLBF) ("Cresco Labs" or "the Company"), a vertically integrated operator and the number one wholesaler of branded cannabis products in the U.S., today provided comments on the legalization of adult-use cannabis in New York.

"The legislation passed today significantly expanding the medical program and legalizing adult-use cannabis in New York represents a massive domino falling in what has been a steady march towards acceptance and legalization of cannabis nationwide. The fourth most populated state in the country with almost 20 million total residents will now have access to high quality, regulated cannabis products and will benefit from the jobs, tax revenue and ancillary business opportunities that this industry creates," said Charlie Bachtell CEO and Co-Founder of Cresco Labs. "We are thrilled with the inclusive framework put forward by the New York state government as we firmly believe that responsible regulations create respectable programs that lead to robust marketplaces. This balanced approach to creating a competitive market with a strong emphasis on social equity, and prioritizing diversity of ownership, reiterates a trend that states are following as they transition to adult-use programs, while normalizing and professionalizing the U.S. cannabis industry along the way. New York is the financial and cultural capital of the world and the legalization of cannabis for adult-use should serve as a catalyst for the progression of cannabis laws far beyond the boundaries of the state. Cresco Labs is one of the ten operators licensed for vertical operations in New York and we look forward to deepening our position in the state ahead of adult-use sales commencing."

Highlights from New York Cannabis Legislation

The creation of a robust adult-use market allowing existing operators (like Cresco Labs) to remain vertically

integrated. Existing operators will have the ability to increase their retail store count from four to eight medical dispensaries, with the option to co-locate three of those with adult-use retailing. **Existing operators will also be permitted to operate cultivation, manufacturing, and wholesale distribution of their products to all existing and future dispensaries around the state.** We expect that hundreds of new dispensaries will be authorized under the program. A large portion of the cannabis sales tax revenue will be directed to the communities most impacted by the war on drugs.

Significant improvements to the medical cannabis program include the sale of flower as an approved form, expansion of qualifying conditions to any ailment at the discretion of healthcare practitioners, and improved patient access through additional retail licenses.

New York is the fourth most populous state in the U.S., with a population of approximately 19.5 million (21+ population approximately 14.7 million). New York City is most populated city in the United States and considered the cultural, financial, and media capital of the world. It is estimated that the New York cannabis market will grow to \$5 billion at maturity.

Forward Looking Statements

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