

Cresco Labs Granted Final State Approval to Open the First Adult-use Dispensary in Downtown Chicago

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Sunnyside River North will open soon for online sales

CHICAGO--(BUSINESS WIRE)--

Cresco Labs (CSE:CL) (OTCQX:CRLBF) (“Cresco” or “the Company”), one of the largest vertically integrated multistate cannabis operators in the United States, announced today that it received an adult-use dispensing organization license from the Illinois Department of Financial Regulation for its dispensary located at 436 N. Clark Street in the prestigious River North neighborhood of Chicago. Sunnyside River North (the “Dispensary”) will soon begin adult-use cannabis sales online for pick up through a pop-up retail experience. As part of the procedures they’ve implemented system-wide to eliminate wait lines, crowding and follow social distancing guidelines during the COVID-19 pandemic, the Dispensary will operate with online orders only through **Sunnyside.shop**. Once customers receive a notification that their order is ready, they can visit the store at staggered times for order pick up. Normal store hours will be 10:00 AM to 9:00 PM daily, seven days a week.

This press release features multimedia. View the full release here:

<https://www.businesswire.com/news/home/20200406005231/en/>

Cresco Labs’ Sunnyside River North Dispensary will open soon as the first recreational-only dispensary in Chicago (Photo: Business Wire)

The Dispensary is located in the former home of the iconic Baton Club, right at the heart of one of

the most dynamic downtown neighborhoods of Chicago. River North is home to hotels, restaurants, a variety of nightlife options as well as residential buildings, offering retailers in the area consistent foot traffic day and night. The area touches the Loop and the Magnificent Mile on North Michigan Avenue, which is Chicago’s premier

commercial district and a destination point for Chicago's 58 million visitors annually¹. As the first recreational only cannabis store to open in the city, Cresco's River North location will be ideally positioned to act as both a driver of retail results as well as a brand showcase for the Company.

"We are thrilled to make history in our home city, opening Chicago's first-ever recreational only dispensary in such a sought-after location. The state's approval provides a significant opportunity for Cresco to grow its retail footprint and serve more consumers across the state through six Sunnyside dispensaries—two of which are in Chicago," said Charlie Bachtell, Cresco Labs CEO and Co-founder. "It is also incredibly rewarding to be able to help the local community during such a challenging and uncertain time by providing more convenient access to downtown residents, adding new jobs, and acting as a good community partner to build impactful, positive relationships with local businesses and provide essential products and other support that our community members need."

Mr. Bachtell added, "The Illinois adult-use market is proving to be as robust as forecasted with nearly \$110 million in sales during the first three months² of 2020 and approximately \$188 million including adult and medical sales. With our strategic retail footprint and our expanding cultivation footprint, I am confident that Cresco is well-positioned to be a long-term leader in the Illinois market."

As **previously announced**, the Dispensary is one of two licenses that Cresco won in the Central Business District in the city of Chicago's lottery. Sunnyside River North is the Company's sixth retail location in Illinois. Cresco also has licenses to open an additional four dispensaries and has so far announced its intention to open locations in the Gold Coast neighborhood of Chicago, as well as Danville, Schaumburg and South Beloit in Illinois.

Illinois is expected to be a \$2 - \$4 billion dollar market at maturity³. To strengthen its leading market share in the Illinois market, Cresco is nearing completion of a significant expansion that will bring total cultivation to 243,000 square feet and will considerably increase supply to support its dispensaries and wholesale distribution across the state. Cresco is able to expand its three cultivation facilities to an aggregate total of 630,000 sq. ft. of flowering canopy—the largest capacity footprint allowed in the state⁴. Cresco currently sells into 100% of licensed dispensaries in Illinois and has maintained its leading market share of wholesale sales in the state.

About Cresco Labs:

Cresco Labs is one of the largest vertically-integrated multi-state cannabis operators in the United States. Cresco is built to become the most important company in the cannabis industry by combining the most strategic geographic footprint with one of the leading distribution platforms in North America. Employing a consumer-packaged goods ("CPG") approach to cannabis, Cresco's house of brands is designed to meet the needs of all consumer segments and includes some of the most recognized and trusted national brands including Cresco, Remedi and Mindy's, a line

of edibles created by James Beard Award-winning chef Mindy Segal. Sunnyside*, Cresco's national dispensary brand, is a wellness-focused retailer designed to build trust, education and convenience for both existing and new cannabis consumers. Recognizing that the cannabis industry is poised to become one of the leading job creators in the country, Cresco has launched the industry's first national comprehensive Social Equity and Educational Development (SEED) initiative designed to ensure that all members of society have the skills, knowledge and opportunity to work in and own businesses in the cannabis industry. Learn more about Cresco Labs at www.crescolabs.com.

Forward Looking Statements

This press release contains "forward-looking information" within the meaning of applicable Canadian securities legislation and may also contain statements that may constitute "forward-looking statements" within the meaning of the safe harbor provisions of the United States Private Securities Litigation Reform Act of 1995. Such forward-looking information and forward-looking statements are not representative of historical facts or information or current condition, but instead represent only the Company's beliefs regarding future events, plans or objectives, many of which, by their nature, are inherently uncertain and outside of the Company's control. Generally, such forward-looking information or forward-looking statements can be identified by the use of forward-looking terminology such as, 'may,' 'will,' 'should,' 'could,' 'would,' 'expects,' 'plans,' 'anticipates,' 'believes,' 'estimates,' 'projects,' 'predicts,' 'potential' or 'continue' or the negative of those forms or other comparable terms. The Company's forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements, including but not limited to those risks discussed under "Risk Factors" in the company's CSE Listing Statement filed with SEDAR; and other factors, many of which are beyond the control of the Company. Readers are cautioned that the foregoing list of factors is not exhaustive. Because of these uncertainties, you should not place undue reliance on the Company's forward-looking statements. No assurances are given as to the future trading price or trading volumes of Cresco's shares, nor as to the Company's financial performance in future financial periods. The Company does not intend to update any of these factors or to publicly announce the result of any revisions to any of the Company's forward-looking statements contained herein, whether as a result of new information, any future event or otherwise. Except as otherwise indicated, this press release speaks as of the date hereof. The distribution of this press release does not imply that there has been no change in the affairs of the Company after the date hereof or create any duty or commitment to update or supplement any information provided in this press release or otherwise.

¹ Choose Chicago Tourism Bureau

² <https://www.idfpr.com/>

³ Illinois is projected to be a \$2-4 billion dollar market at maturity according to Marijuana Business Daily making it

one of largest cannabis markets in US.

⁴ State of Illinois, Department of Agriculture cannabis cultivation licenses

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