



LEADERS IN PROFESSIONAL CANNABIS

CRESCO LABS IS AUTHORIZING THE NEW CANNABIS NARRATIVE BASED ON:

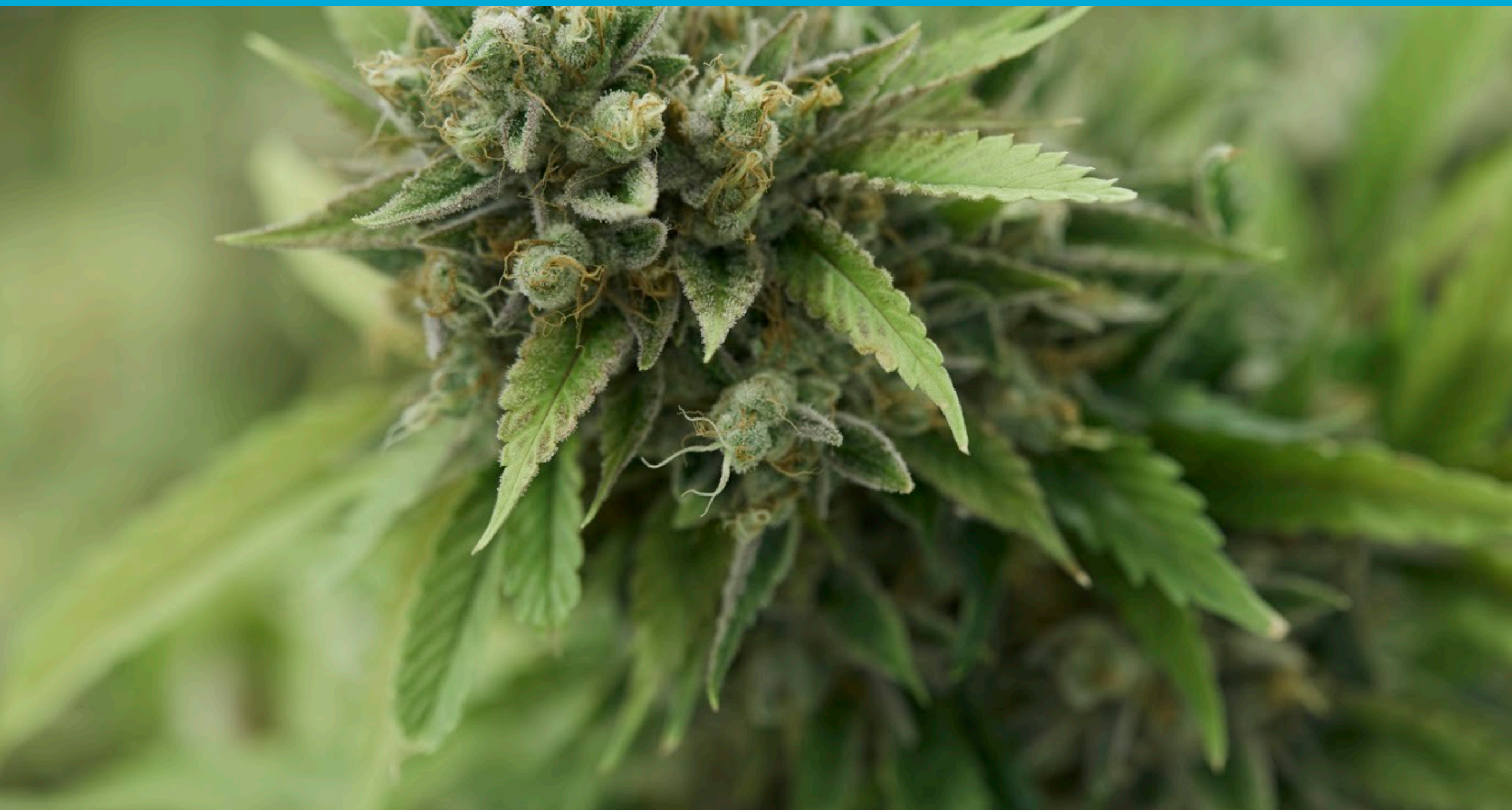
- **Regulatory compliance and engagement**
- **Professional process-based operations**
- **Consistent and reliable production of high-quality products**
- **CPG approach to branding that addresses major consumer market segments**



CHARLES BACHTELL CO-FOUNDER & CEO

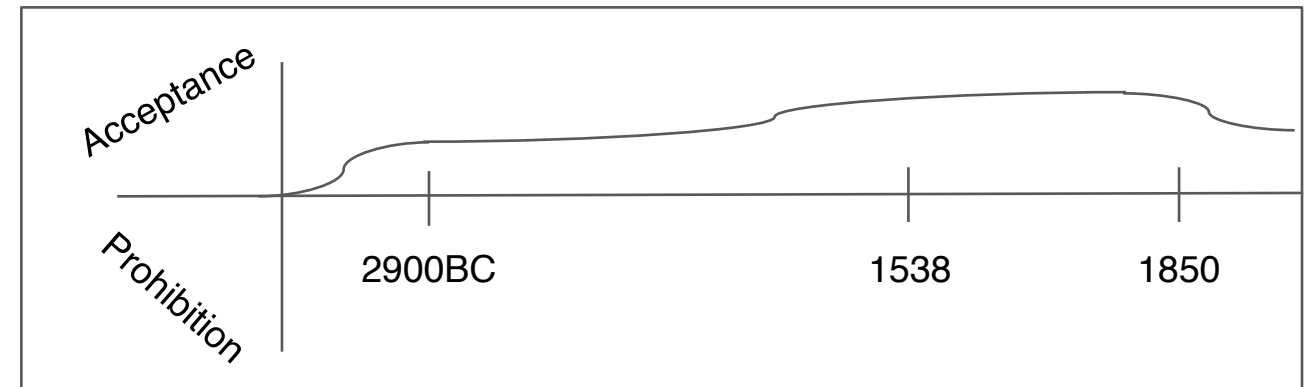
Charles Bachtell is the CEO of Cresco Labs, LLC. Bachtell is an attorney and brings with him deep legal expertise in both corporate governance and complex regulatory compliance. Bachtell led the efforts for Cresco to successfully win and acquire the nineteen (19) licenses that it currently holds and continues to work tirelessly to ensure that Cresco remains an industry leader, setting new standards for a progressive, transparent and reputable medical cannabis community, and operating at all times in a professional, secure and compliant manner. Bachtell is a founding member of the Illinois Cannabis Bar Association and industry trade associations in IL, PA, and OH. Prior to Cresco Labs, Bachtell served for 8 years as the Executive Vice President and General Counsel of Guaranteed Rate, the nation's seventh largest mortgage bank – a leading attorney during the reform of the US mortgage industry. Bachtell is an adjunct Professor at Northwestern University Pritzker School of Law teaching a course on the legal and regulatory issues in the emerging cannabis industry.

CANNABIS HISTORY



Initial Beginnings & Acceptance of Cannabis

PROGRESSION



ANCIENT TIMES

- 2900 BC -- "The Chinese Emperor Fu Hsi (ca. 2900 BC), whom the Chinese credit with bringing civilization to China, seems to have made reference to Ma, the Chinese word for Cannabis, noting that Cannabis was very popular medicine that possessed both yin and yang."
- 1450 BC – Book of Exodus references anointing oils containing “kaneh-bosm”
- 700 BC – Persian religious text reference “bhang” (a drink of cannabis and milk).

MIDDLE AGES

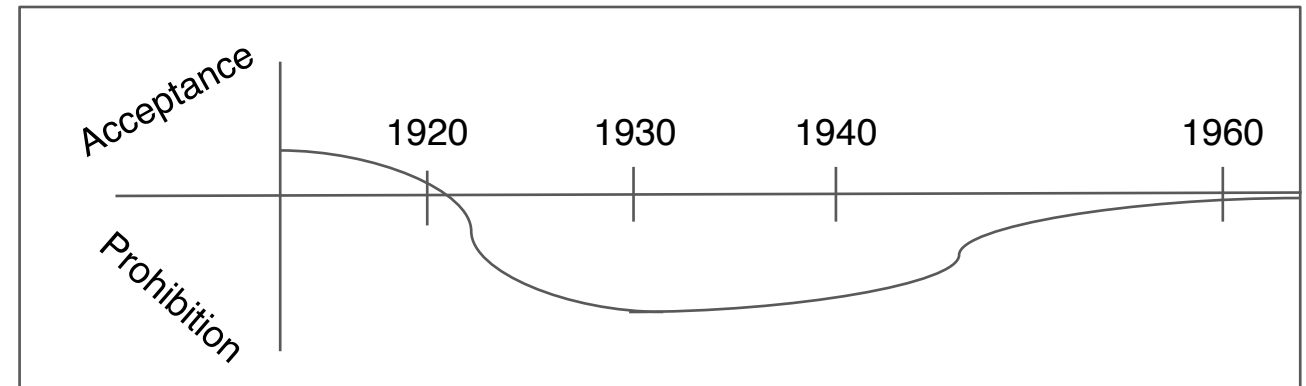
- 1538 – William Turner, considered the first English botanist, praises hemp for medicinal purposes in his text published in 1538
- 1621-1652 – English herbalists regularly cite in texts that cannabis can be used as a treatment for depression, inflammation, and pain.

EARLY UNITED STATES

- 1611 – Jamestown settlers bring hemp to North America.
- 1745-1775 – George Washington grows hemp on his plantation and, according to agricultural ledgers, was particularly interested in the medicinal use of cannabis.
- 1850 – Cannabis added to US Pharmacopeia (an official public standards-setting authority for all prescription and OTC medicines. Lists cannabis as treatment for many conditions including cholera, opiate addiction, gout, and convulsive disorders.

The Anti-Cannabis Crusade

PROGRESSION



THE ANTI CANNABIS MOVEMENT

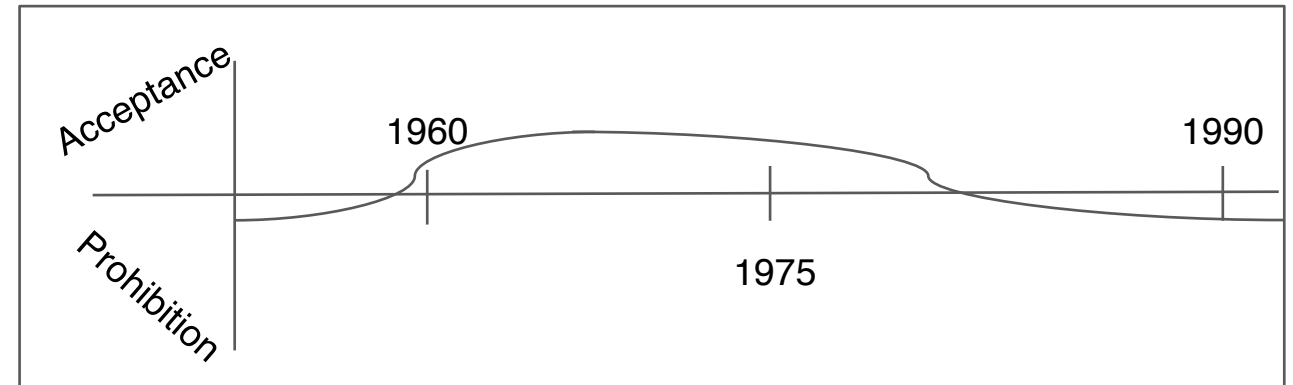
- 1920's - 1930s US sentiment toward alcohol & recreational drug use turns toward prohibition
- 1911-1927 - MA is the first state to outlaw marijuana. Shortly followed by Maine, Wyoming, Indiana, New York, Utah, Vermont, Colorado, California and others.
- 1925 - League of Nations signs treaty restricting cannabis use to scientific and medical only. At the International Opium Convention, Egypt proposes that hashish be added to the list of narcotics covered by the convention. This is the first multilateral treaty that deals with cannabis.
- 1936 - "Reefer Madness" premiers; originally entitled "Tell Your Children" and financed by a small church group.
- 1937 - Congress enacts the Marihuana Tax Act, promoted by Harry Anslinger of the Federal Bureau of Narcotics. It does not prohibit marijuana outright. By this time, every state had already enacted laws criminalizing the possession and sale of cannabis. The Tax Act was opposed by the American Medical Association (AMA)—the AMA feared that cannabis may have important uses in medicine and psychology and that this prohibitive tax may jeopardize future investigation of the medical uses of cannabis.
- 1942 - cannabis removed from US Pharmacopeia

ANTI CANNABIS LAWS

- 1956 - Congress includes marijuana in the Narcotics Control Act of 1956, creating stricter mandatory sentences for marijuana-related offenses.
- 1961 - the UN Convention on Narcotic Drugs adopts Article 49, restricting the use of cannabis for anything other than medical and scientific purposes.
- 1970 Controlled Substances Act - marijuana is identified as a Schedule 1 drug "classified as having a high potential for abuse, no currently accepted medical use in treatment in in the US."

The Tide Starts To Turn

PROGRESSION

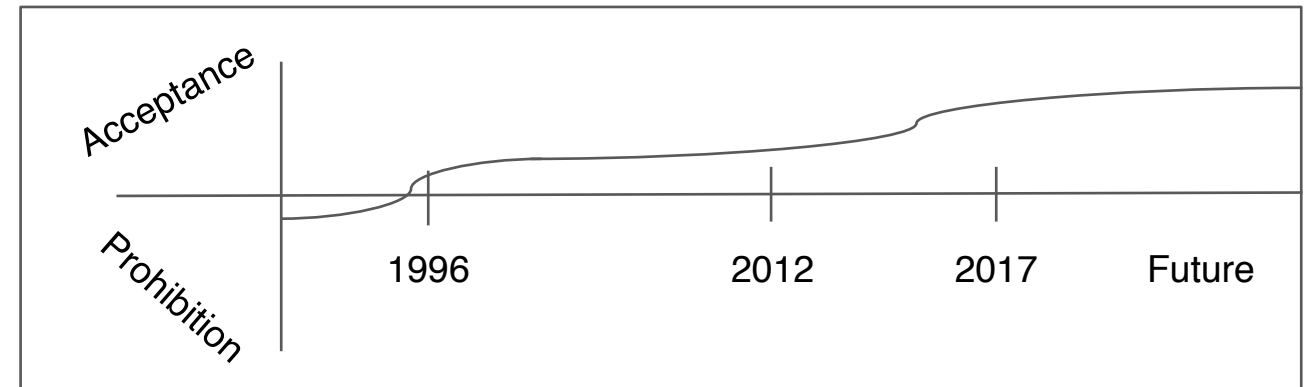


CHANGING PERSPECTIVE

- 1964 – Dr. Raphael Mechoulam, Professor of Medicinal Chemistry at the Hebrew University of Jerusalem, is the first to identify delta-9-tetrahydrocannabinol (THC).
- 1968 – NIDA authorizes the University of Miss. To cultivate marijuana for government use and research activities – still to this day, Ole Miss is the only DEA-authorized cultivator of marijuana in the U.S.
- 1976 – Netherlands decriminalizes cannabis through a policy of the Ministry of Justice to not enforce the Dutch laws against cannabis.
- 1978 – the National Institute on Drug Abuse (NIDA) supplies cannabis to seven patients in US for medical purposes.
- 1978 – New Mexico passes the first state law recognizing the medical value of marijuana.
- 1985 – Marinol, a synthetic version of THC created by the National Cancer Institute (NCI) in 1980, receives FDA approval for anti-nausea purposes.
- 1988 – DEA Administrative Judge issues an opinion recommending that marijuana be rescheduled from schedule I to schedule II. “The evidence in this record clearly shows that marijuana has been accepted as capable of relieving the distress of great numbers of very ill people... It would be unreasonable, arbitrary and capricious for DEA to continue to stand between those sufferers and the benefits of this substance in light of the evidence in this record.” – the DEA Administrator subsequently overruled the decision.
- 1988-1992 – scientists discover cannabinoid receptors in mammals and identify the endocannabinoid system.

Cannabis Re-gains Acceptance

PROGRESSION



STATE MEDICAL PROGRAMS

- 1996 - Voters in California passed a state medical marijuana initiative, known as Proposition 215, permitting patients and their primary caregivers, with a physician's recommendation, to possess and cultivate marijuana for the treatment of AIDS, cancer, muscular spasticity, migraines, and several other disorders.
- 1998 - Alaska, Oregon, and Washington Become 2nd, 3rd, and 4th States to Legalize Medical Marijuana.

ADULT USE BEGINS

- 2012 - In the November election season both Colorado and Washington legalize the adult-use of marijuana. A cornerstone event.
- 2012 - Massachusetts Becomes 18th state to Legalize Medical Marijuana, passing a bill in two to one fashion.
- 2013 - Illinois becomes the 20th state to Legalize Medical Marijuana.
- 2013 - CNN airs Dr. Sanjay Gupta's special 'WEED' featuring Charlotte Figi, a 5 year old girl whose seizures are cured from medical marijuana use.

NOW & THE FUTURE

- 2012 - In the November election season both Colorado and Washington legalize the adult-use of marijuana. A cornerstone event.
- 2012 - Massachusetts Becomes 18th state to Legalize Medical Marijuana, passing a bill in two to one fashion.
- 2013 - Illinois becomes the 20th state to Legalize Medical Marijuana.

CURRENT STATE OF THE LAW: FEDERAL VS STATE



FEDERAL POSITION

- 1970 — Federal Government creates Controlled Substances Act (CSA) and places cannabis as a Schedule 1 drug
- 2013 — DOJ issues the Cole Memo
- 2014 — DOJ/FINCEN issue Memo
- 2014-2016 — Appropriations Bill adopted that de-funds DEA from prosecuting parties acting in accordance with state MEDICAL cannabis laws
- 2015 — DEA issues policy amendment to accept additional registrants to produce cannabis for research purposes.
- 2016 — DEA refuses to reschedule cannabis. FDA says cannabis has “no currently accepted medical use in treatment in the U.S.”
- 2016 — Candidate Donald Trump campaigns saying “100%” on board with medical cannabis and that cannabis is a states’ rights issue
- 2017 — President Trump appoints cabinet members that have very strong, and public, anti-cannabis positions even for medical use (AG Jeff Sessions in particular).
- 2017 — a Marijuana Task Force formed by AG Sessions does not recommend increased enforcement; encourages officials to keep Obama administration’s approach in place and further evaluate.

STATES -- Gallup Poll Oct. 2017

Americans' Support for Legalizing Marijuana Continues to Rise

Do you think the use of marijuana should be made legal, or not?

■ % Yes, legal



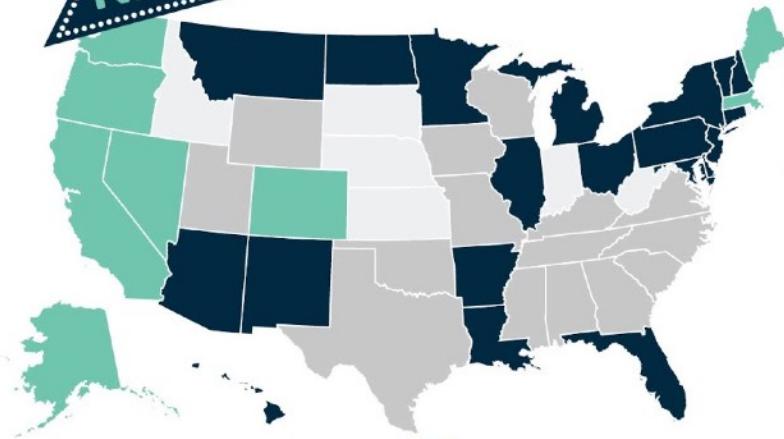
GALLUP

STATE POSITION

FOR MORE INSIGHTS LIKE THIS VISIT: NEWFRONTIERDATA.COM

DID
YOU
KNOW?

95% OF THE U.S. POPULATION
LIVES IN STATES WITH LEGAL
MARIJUANA ACCESS



Medical use is legal in 21 states including the District of Columbia, covering a population of **135 MILLION PEOPLE**.



Adult use is legal in eight states including the District of Columbia, covering a population of **69 MILLION PEOPLE**.



CBD* only use is legal in 15 states, covering a population of **102 MILLION PEOPLE**.



If the federal government decided to crack down on the adult use market, this year alone, **IT COULD JEOPARDIZE \$3.4 BILLION IN PROJECTED REVENUE AND \$8.6 BILLION BY 2020**

New
FrontierTM
data



CannaBit

93% OF MEMBERS
OF CONGRESS
REPRESENT CONSTITUENTS
IN MARKETS WHERE SOME
FORM OF CANNABIS IS LEGAL.
412 members in the House of
Representatives & 86 Senators

Of those, **334 (62%)**
REPRESENT STATES THAT HAVE
PASSED FULL MEDICAL OR
ADULT USE LAWS.

276 representatives & 58 senators



18 MILLION AMERICANS cast votes
in support of either medical or
adult use initiatives. These voters
represent 6% of the U.S. population.

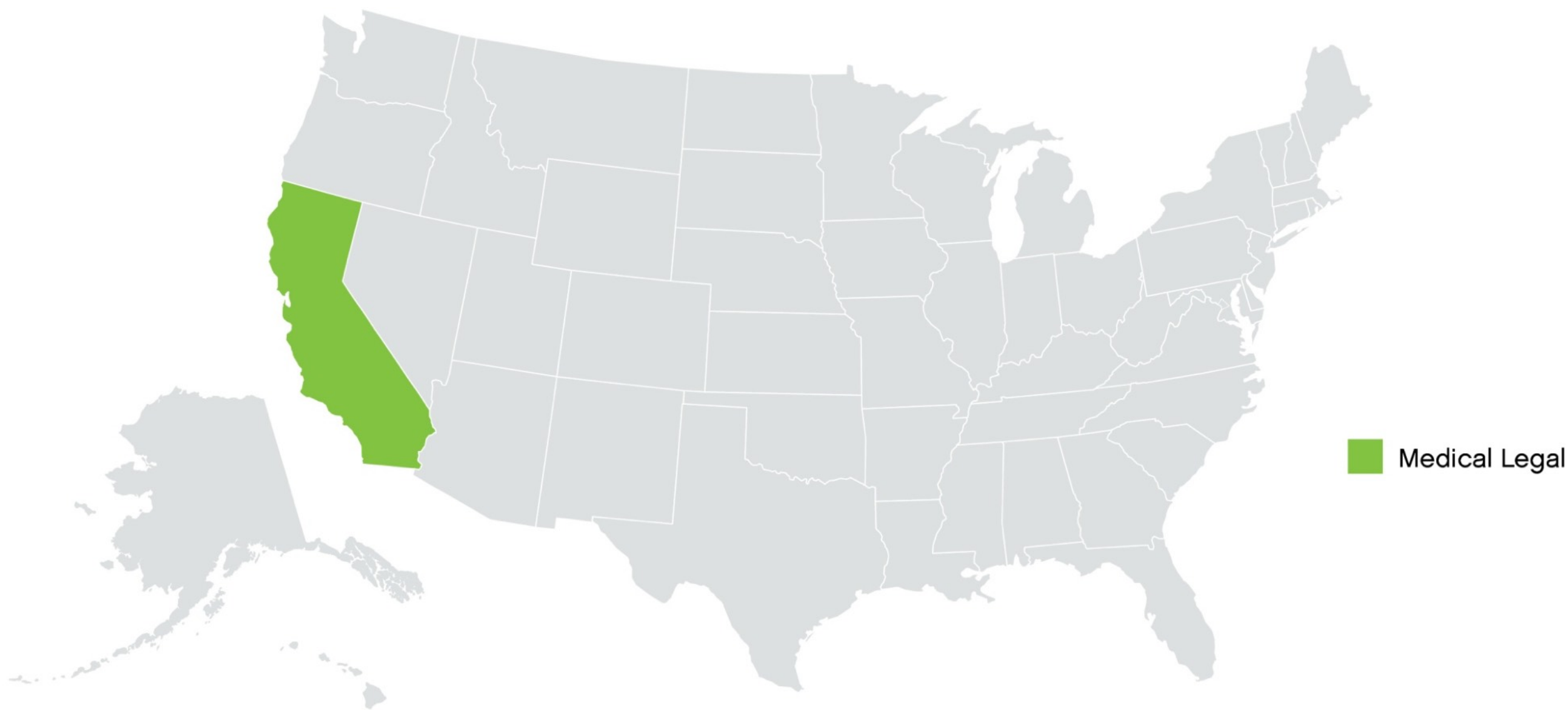
VOTER PARTICIPATION in states which passed
adult use initiatives was **4% higher** than the
national average (62.9% vs 59.3%) suggesting
that adult use legalization may have been a
motivating factor for voters.

* CBD only refers to products where THC must be at or lower than 0.3%.

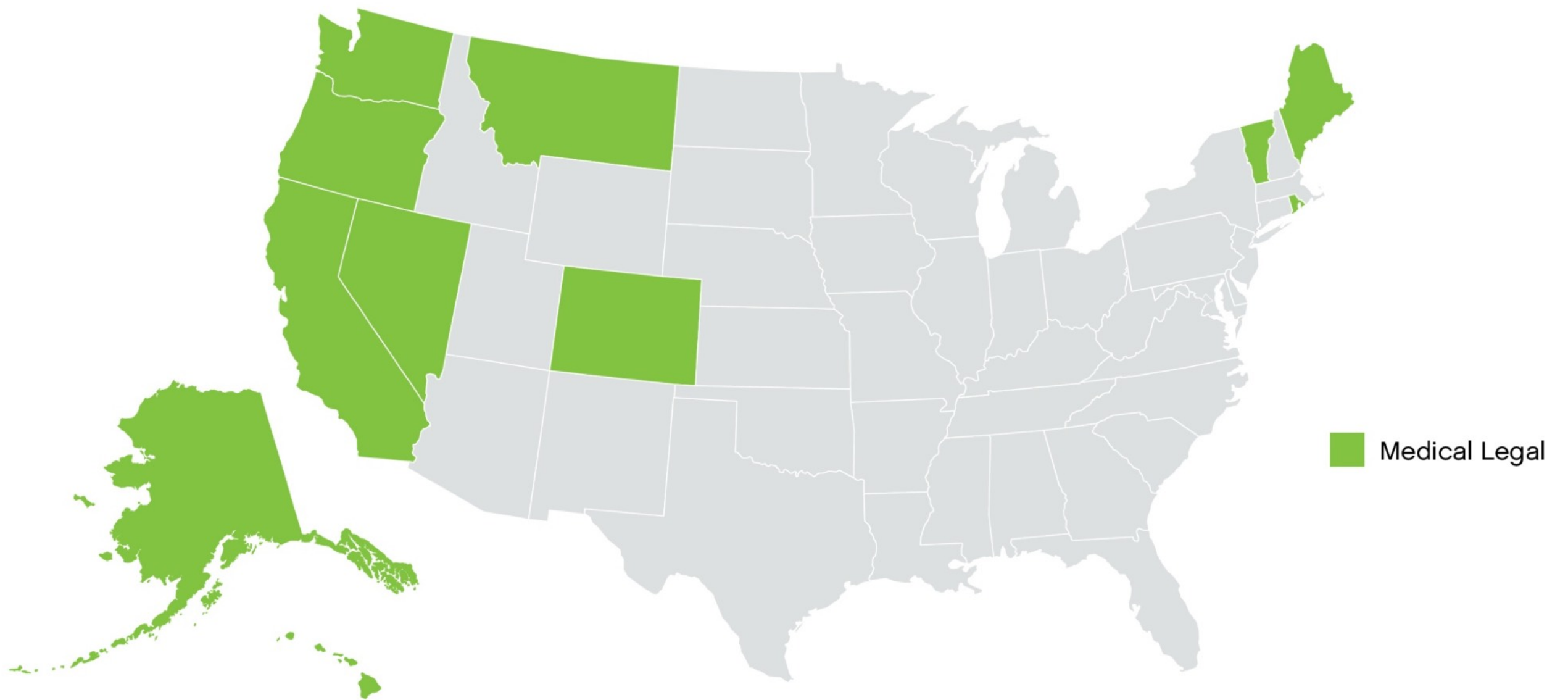
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LEGALIZATION PROGRESSION MAP

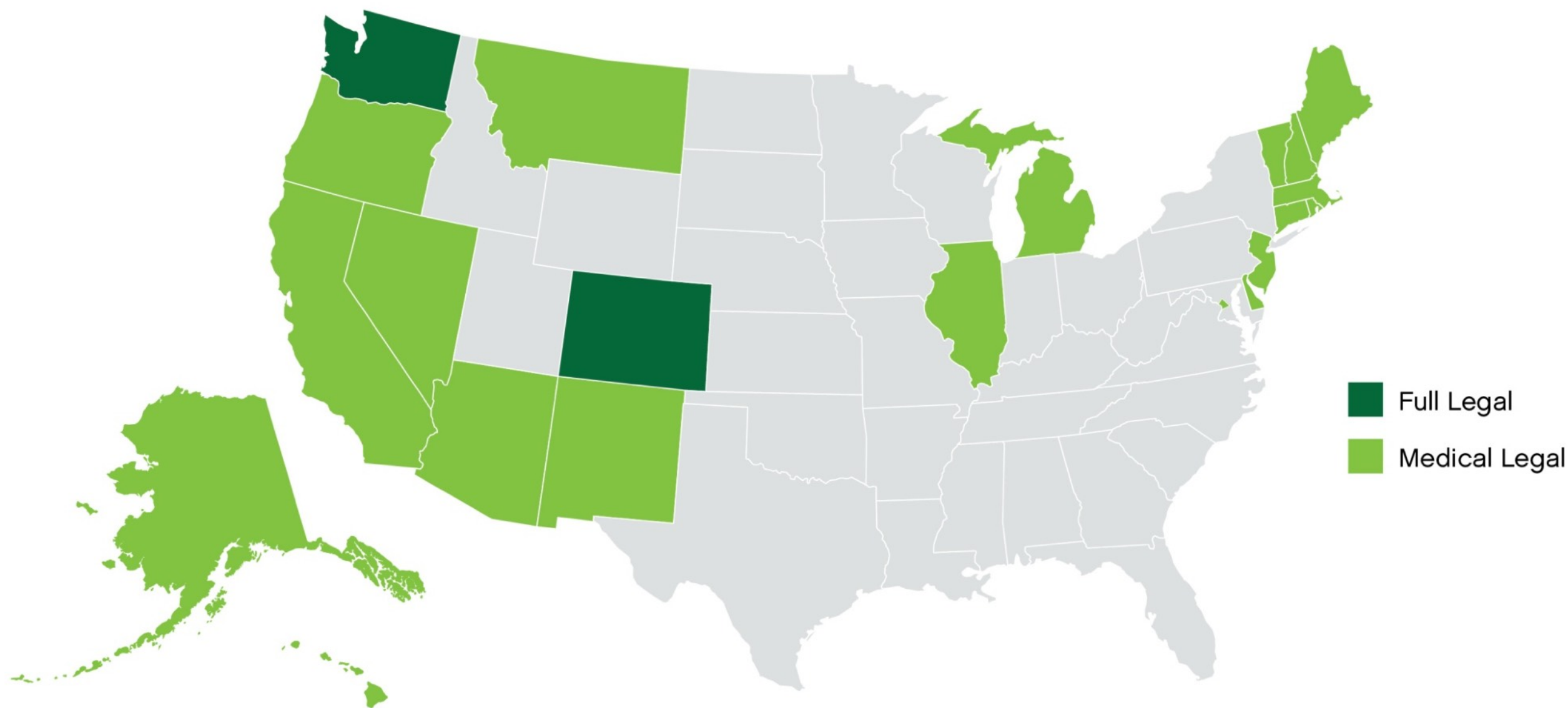




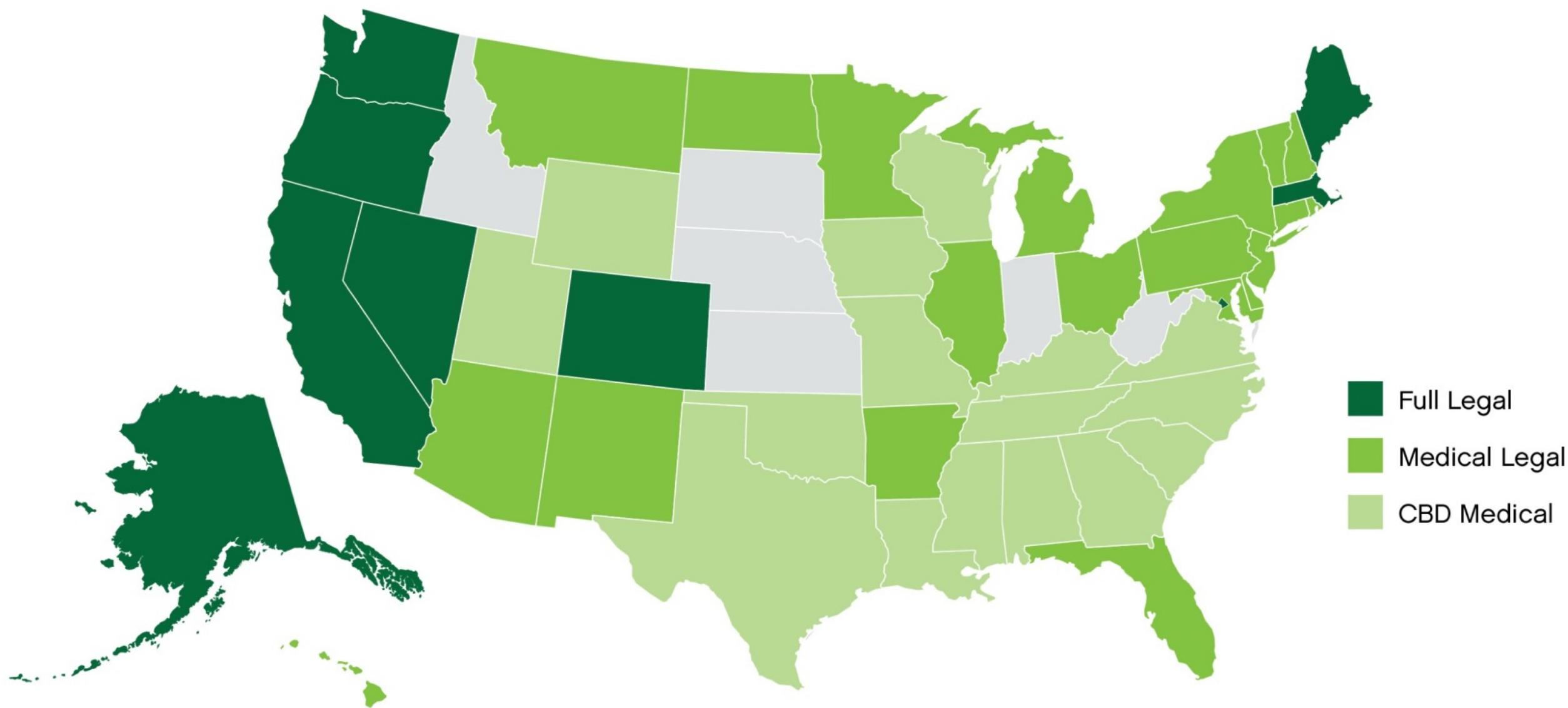
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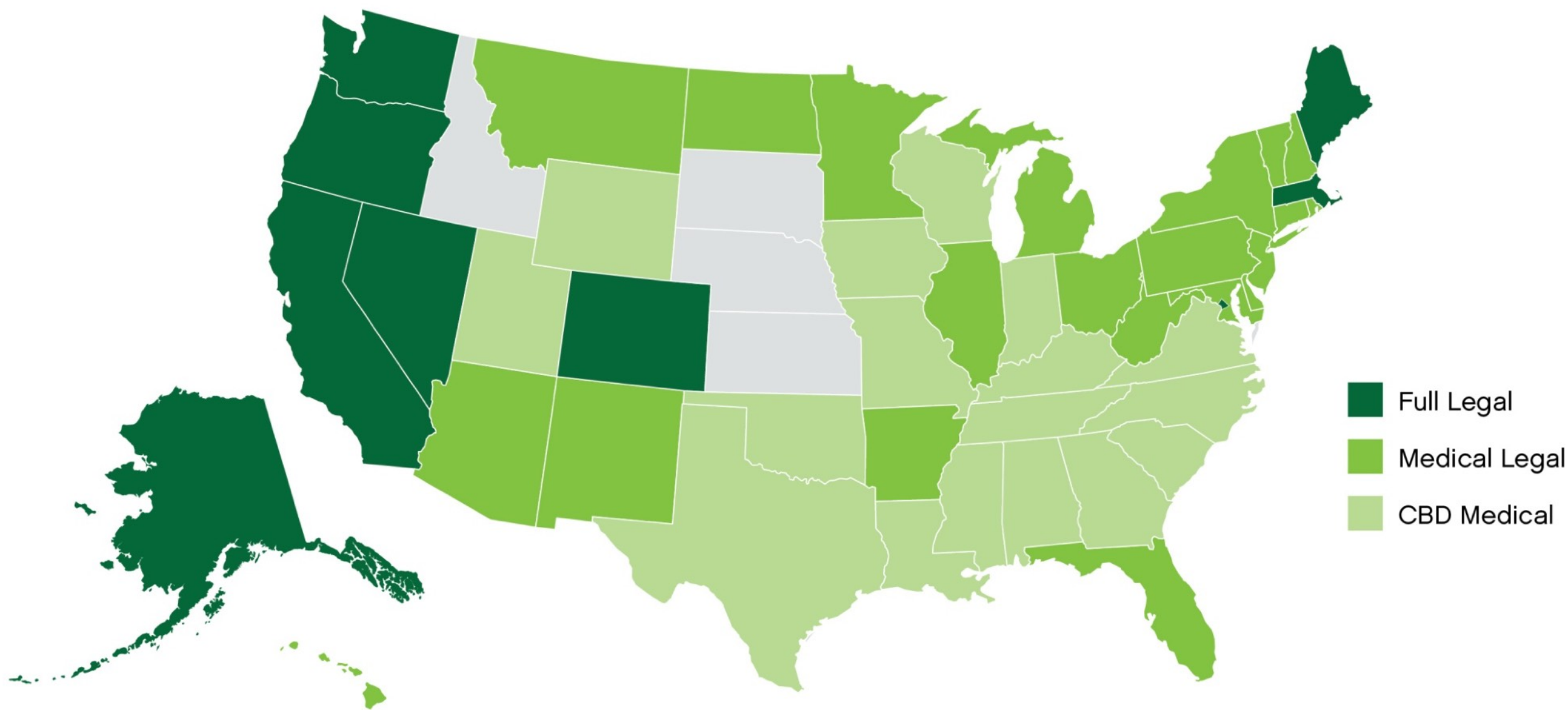
1996 1997 1998 1999 2000 2001 2002 2003 2004 2005 **2006** 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017



2013



1996 1997 1998 1999 2000 2001 2002 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 **2016** 2017



1996 1997 1998 1999 2000 2001 2002 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 **2017**

TYPES OF REGULATED PROGRAMS



Program Types: 4 Distinct Types of Programs

MEDICAL Gen. 1

- Early days (CA, MI, CO, OR, others) created large 'grey' and cooperative driven markets.
- Utilized a "collective" model.
- Low patient barrier to entry, favorable conditions list.
- Relatively unregulated
- As states move to legitimize medical cannabis, programs becoming more compliance focused

MEDICAL Gen. 2

- Started with IL in 2013
- Highly regulated and compliance focused
- Very limited in number of licenses to produce and dispense.
- Substantially higher application and licensing fees.
- Limited in consumption form and covered medical conditions.
- **Currently 30** combined, Gen. 1 and Gen 2 state programs

ADULT USE

- Starting West in traditionally liberal parts of the country and spreading East.
- Regulated more like alcohol than medicine.
- Massive tax revenue generator.
- Culturally accepted.
- Major investment capital.
- California and Canada tipping points.
- **8 Adult-Use States** - CA, WA, CO, AK, NV, OR, MA and ME.

CBD ONLY

- NO THC and in some cases < .03%
- Seen as a way to get 'get the ball rolling'.
- Popular in Southern and highly conservative states.
- Shown to help treat a number of incredibly harmful diseases.
- **17 CBD States** - FL (changing), ID, GA, TN, NC, SC, IA, TX, AL, MS, OK, MI, WI, KY, VA, UT, and WY.

Program Comparison -- Medical Gen 1 vs. 2; Adult-use; and CBD-only

	CALIFORNIA	ILLINOIS	COLORADO	FLORIDA
Legalization Vehicle(s)	(1st Gen Medical 1996 - Prop 215 and SB420)	(2nd Gen Medical 2013 - Public Act 98-0122)	(Adult Recreational Use 2013 - Amendment 64)	(CBD Only 2014 - SB1030)
Licensing Limitations	<ul style="list-style-type: none"> •No state issued license or regulatory structure (caregiver/patient) 	<ul style="list-style-type: none"> •Limited license count •Merit based application •Restrictive pre-requisites 	<ul style="list-style-type: none"> •Open license count •Requirement based application 	<ul style="list-style-type: none"> •Limited license count •Merit based application •Highly restrictive pre-requisites
Medical Patient Registration and Customer Considerations	<p>In order to qualify for the protections of Prop. 215 and SB 420, applicants will need to be diagnosed with a serious medical condition. The diagnosis and your physician's recommendation that the use of medical marijuana is appropriate for you must be documented in your medical records</p>	<ul style="list-style-type: none"> •Be 18 years of age or older (minors need two physician recommendations as well as consent from their legal guardian), •Be diagnosed with a qualifying medical condition <ul style="list-style-type: none"> •Have consent from a physician, •Pass a background check with fingerprinting •Be an Illinois state resident with proof of residency. 	<ul style="list-style-type: none"> • A single package of an edible marijuana product cannot contain more than 100 milligrams of active THC, regardless of how many servings it contains. • Labels on marijuana edibles have to list all ingredients and carry warnings including "The intoxicating effects of this product may be delayed by two or more hours." • Colorado residents can buy up to an ounce of marijuana per visit to the retail outlet. Out-of-state residents can only buy up to a quarter-ounce of marijuana per visit. 	<ul style="list-style-type: none"> •A terminal condition that is attested to by their physician and confirmed by a second, independent evaluation by a board-certified physician with a specialty for that condition. •Considered all other treatment options for the terminal condition currently approved by the U.S. Food and Drug Administration. •Given written, informed consent for the use of an investigational drug, biological product or device. •Obtained documentation from his or her treating physician that he or she meets these requirements.
Patient possession / prescription quantities	<ul style="list-style-type: none"> •Two ounces of usable marijuana. 	Two and a half ounces of cannabis per 14-day period	Adults 21 and older - Up to 1 ounce of usable marijuana.	<p>A qualified physician may not issue a physician certification for more than three 70-day supply limits of marijuana. The department shall quantify by rule a daily dose amount with equivalent dose amounts for each allowable form of marijuana dispensed by a medical marijuana treatment center.</p>
Forms / Types	<ul style="list-style-type: none"> •Raw Flower •Pills •Oils •Topical forms, including gel, creams or ointments. • Concentrates for administration by vaporization •Tinctures •Oral Sprays 	<ul style="list-style-type: none"> •Raw Flower •Pills •Oils •Edibles •Topical forms, including gel, creams or ointments. • Concentrates for administration by vaporization •Tinctures •Oral Sprays <p>Note: All products must be shelf stable</p>	<ul style="list-style-type: none"> •Raw Flower •Pills •Oils •Edibles •Topical forms, including gel, creams or ointments. • Concentrates for administration by vaporization •Tinctures •Oral Sprays 	<p>Low-THC cannabis (less than 0.8% THC and no more than 10% cannabidiol) in the form of:</p> <ul style="list-style-type: none"> •Dried flowers •Resin <p>*Compounded manufacturing (Capsules)</p> <p>Note: Smokeable marijuana is prohibited, smoking does not include the use of a vaporizer.</p>

Program Comparison Cont.

	CALIFORNIA	ILLINOIS	COLORADO	FLORIDA
Unique Regulatory Features	<ul style="list-style-type: none"> •Extensive criminal background checks •Seed to sale tracking •Vertical Integration possible 	<ul style="list-style-type: none"> •Extensive criminal background checks and fingerprinting for all licenses including patient registration •Extensive security requirements •Seed to sale tracking •Vertical Integration possible 	<ul style="list-style-type: none"> •Extensive criminal background checks and fingerprinting for all licenses including patient registration •Seed to sale tracking 	<ul style="list-style-type: none"> •Extensive criminal background checks •Extensive security requirements •Seed to sale tracking •Each license is vertically integrated *24-hour delivery
Home Grows Permitted?	Yes	No	Yes	No
Size of Mature Market (~2% population)	785,000	256,000	110,820	412,200
Common Complaints	<ul style="list-style-type: none"> •Lax regulatory structure under Prop 215 •Banking 	<ul style="list-style-type: none"> •Not enough approved conditions •Not enough customers •Patient Fingerprinting •Patient fees •Banking 	<ul style="list-style-type: none"> •Public use rules vague •Homegrows creating additional local problems •Banking 	<ul style="list-style-type: none"> •Not enough approved conditions •Not enough customers •CBD Only •Banking
Tax Structure	<p>7.25% + local sales tax.</p> <p>Note: Dispensaries are expected to apply for a seller's permit with the Board of Equalization and pay sales tax</p>	7% privilege tax imposed on cultivation centers and dispensaries	<ul style="list-style-type: none"> •15% excise tax on cultivator; •10% special sales tax; •2.9% standard sales tax; •Additional local taxes can be levied 	No sales tax
Administering Agencies	Bureau of Medical Cannabis Regulation	Department of Public Health, Department of Agriculture, Illinois Department of Financial and Professional Regulation	Department of Revenue, Marijuana Enforcement Division (MED)	Department of Public Health
Means of Legal Change	Constitutional Amendment	Normal legislative action	Constitutional Amendment	Normal legislative action

All Programs are Different -- Gen. 2 Program Comparison

	ILLINOIS	PENNSYLVANIA	OHIO	NEW YORK
Legalization Vehicle(s)	(2nd Gen Medical 2013 - Public Act 98-0122)	(2nd Generation Medical 2016 - SB3)	(2nd Generation Medical 2016 - House Bill 523)	(2nd Generation Medical 2014 - SB7923)
Number of Licenses	<ul style="list-style-type: none"> •21 cultivators (active) •53 Licensed Dispensaries (active) 	<ul style="list-style-type: none"> •(12) Grower / Processor Permits •(27) Dispensary Permits 	<ul style="list-style-type: none"> •(24) Grower Permits (Divided into 2 categories) •(40) Processor Permits •(60) Dispensary Permits 	<ul style="list-style-type: none"> •10 Licensed Manufacturing Entities • Up to 40 total dispensaries
Conditions List	40 Conditions (DOES NOT include Chronic Pain)	19 Conditions (INCLUDES Chronic Pain)	20 Conditions (INCLUDES Chronic Pain)	11 Conditions (INCLUDES Chronic Pain)
Forms of Consumption	<ul style="list-style-type: none"> •Raw Flower •Pills •Oils •Concentrates (wax, rosin) •Edibles •Topical forms, including gel, creams or ointments. •Tinctures •Oral Sprays <p>Note: All products must be shelf stable</p>	<ul style="list-style-type: none"> •Pill. •Oil. •Topical forms, including gel, creams or ointments. •A form medically appropriate for administration by vaporization or nebulization. •Tincture. •Liquid. <p>Note: A grower/processor may not process medical marijuana to dispense in dry leaf or plant form.</p>	<ul style="list-style-type: none"> •Raw Flower •Pills •Oils •Concentrates (wax, rosin) •Edibles •Topical forms, including gel, creams or ointments. • Concentrates for administration by vaporization •Tinctures •Oral Sprays 	Approved forms include liquids and oil for vaporization or administration via inhaler as well as capsules to take orally. Under the law, smoking is not permitted and the regulations prohibit edibles.
License Type	Wholesale, Retail, Vertically Integrated Structuring	Wholesale, Retail, Vertically Integrated Structuring	Wholesale, Retail, Vertically Integrated Structuring, Trim / Trade	Total Vertical Integration
Unique Regulatory Features	Residual solvent testing limit is restrictive (10ppm)	Only (5) Entities will receive both Grower / Processor and Dispensary Permits	2 levels of growers. Tier 1 (25,000 sq feet canopy) Tier 2 (3,000 sq feet canopy)	Smoking is not permitted

COMPANY OVERVIEW



PEDIGREE

1

Experienced, professional, entrepreneurial management team and board of directors with corporate enterprise and public markets experience.

OPERATORS

2

19 current licenses, spread amongst **6** states operating as a cultivator, processor, distributor, and retailer.

CAPACITY

3

760,000 square feet of funded capacity under roof, **top 3** in the United States⁽¹⁾, with the ability to further expand.

FOOTPRINT

4

Over **88,000,000** residents (and over 700,000,000 annual tourists) between CA, AZ, NV, IL, PA and OH (#1 population footprint in the US⁽¹⁾).

DOMINANCE

5

#1 distribution market share positions in every operational market with **100%** retail penetration.

PERFORMANCE

6

Unmatched success in winning licenses through competitive merit-based state application processes.

BRANDS

7

Developed iconic product brand suite to address the largest consumer market segments.

COLLABORATIONS

8

Chef-driven line of edibles in collaboration with **James Beard Award Winning** Chef Mindy Segal and managing strategic relationships with 3 unique product device manufacturers.

PROFITABILITY

9

Established revenue & EBITDA. Projected 2020 revenue of **\$409M** and EBITDA of **\$175M** (or \$233M revenue & \$98M ownership adjusted).

MANAGEMENT TEAM

OUR MANAGEMENT TEAM is comprised of accomplished business professionals, leading medical researchers, and horticulture and consumer packaged goods experts, with years of successful experience in highly regulated industries.

FOUNDERS



Charles Bachtell

Co-Founder & CEO

Former General Counsel/EVP of Guaranteed Rate



Joe Caltabiano

Co-Founder & President

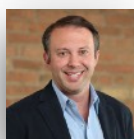
Former SVP Guaranteed Rate, \$2B+ in Secured Loans



Rob Sampson

Co-Founder

Former COO of Guaranteed Rate



Dominic Sergi

Co-Founder

Founder \$200M+ Commercial Real Estate Firm



Brian McCormack

Co-Founder & Vice Chairman

Founder InnerWorkings (NASDAQ: INWK)
Employing 1,800 employees with revenue of \$1.1B

EXECUTIVE TEAM



Ken Amann

CFO

Former Williams Lea CFO, \$2.6B Global BPO Business



Zach Marburger

CIO

Serial Tech Entrepreneur, \$4M funding, 2 Exits



David Ellis

COO

Founder G & G Aquaponic Farm - Exit 2014



John Schetz

General Counsel

Former partner at McDermott Will & Emery LLP, Former GC/EVP of Stericycle



Jennifer Clark

EVP Operations




Former Program Manager of 8 years with Abbott Laboratories and AbbVie

WHAT WE DO – WE EXECUTE

CRESCOlabs™




WE WIN COMPETITIVE LICENSES

Unmatched success in state license application processes, winning 10 licenses in the most competitive, highly-regulated cannabis markets.

-  Highest 3 Scores of 158 Applicants
-  2nd Highest Score of 177 Applicants
-  7th Highest Score of 180 Applicants





WE GET TO MARKET FASTER

From the first seed planted to the first retail sale, we have proven able to become operational faster than our competitors.

-  Simultaneous construction of 3 cultivation facilities, over 110,000 sq ft in aggregate, completed in less than 6 months
-  First operator to be approved and come to market as a cultivator and dispensary within 8 weeks
-  First cultivator to begin construction less than 2 weeks after acquiring license

WE ACQUIRE IN EXISTING MARKETS

We identify and acquire assets that add incremental value to company growth and brand footprint.

-  3 dispensaries
-  1 cultivation, 1 processing, 1 dispensary
-  3 cultivation, 1 processing, 1 distribution
-  1 cultivation, 1 processing, 1 dispensary

WE ESTABLISH DOMINANT MARKET POSITIONS

Using a holistic approach to marketing, branding, distribution, and best practices from alcohol/pharma, we strategically integrate at all levels of the supply chain.

-  100% Market Penetration
25% Market Share
-  100% Market Penetration
45%+ Market Share

WE DEVELOP MEMORABLE CONSUMER BRANDS

Our suite of brands have been carefully curated to communicate with and address the needs of all consumer segments.

- Everyday Cannabis
- Medicinally Focused
- Connoisseur Grade
- Chef-Driven Edibles

WE IMPACT THE DIRECTION OF THE INDUSTRY

Through our thought leadership and engagement in government affairs, public education and awareness efforts, we directly affect the design, regulatory structure and success of cannabis markets.

- Develop legislation
- Shape regulation
- Lead education

WE ARE THE SUPPLY CHAIN

CRESCOlabs™

1

APPLICATIONS & ACQUISITIONS

Cresco's ability to apply and win in highly competitive application processes is second to none. For existing markets where an application process is absent, we strategically acquire well positioned assets to scale our brand footprint.



2

CULTIVATE & MANUFACTURE

Our state-of-the-art cultivation and manufacturing facilities, designed to ISO standards, allow us to operate at high levels of efficiency, and consistency, and at a pace that is unmatched by any of our competitors.



3

PRODUCTS & BRANDS

We ideate, design, and develop first class brand experiences that cater to specific consumer personas. Our in-house technologies and processes allow for a precisely dosed, appropriate and focused cannabis consumer packaged good.



4

DISTRIBUTION & RETAIL

We create retail experiences that make our customers feel comfortable with unparalleled service rooted in the hospitality industry. Our sales and distribution strategies mimic those in big pharma and alcohol, with a keen focus on attaining maximum market share.



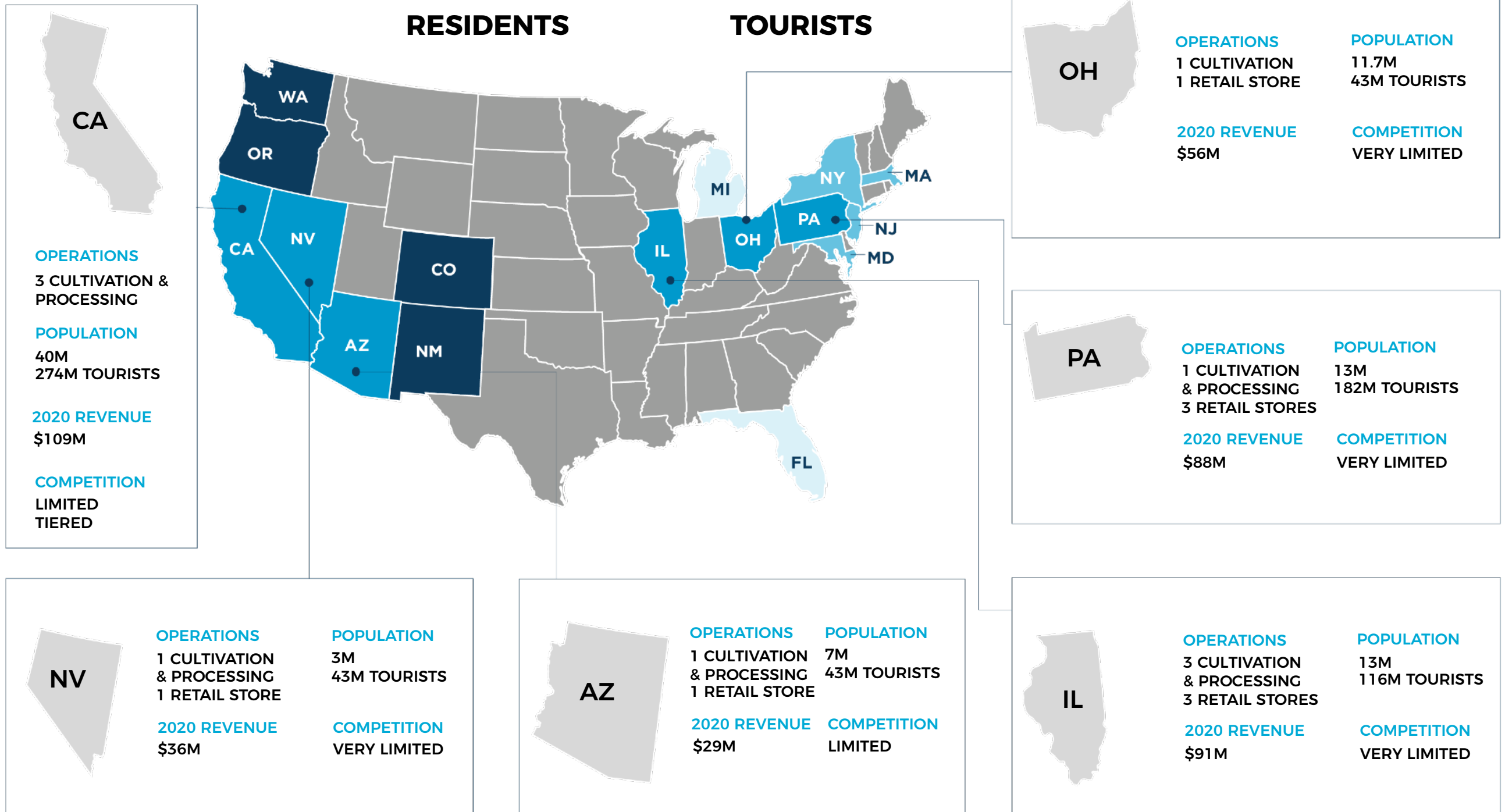
APPLICATIONS & ACQUISITIONS



ACTIVE FOOTPRINT

CRESCOlabs™

TOTAL ADDRESSABLE MARKET 88+ MILLION RESIDENTS 700+ MILLION TOURISTS



- Tourist data based on management estimates from publicly available data
- Population based on US Census Bureau figures
- Actual 2020 revenue figures may differ from these projections

Current operations/licenses in
IL, PA, OH, NV, CA and AZ

Targeting expansion in
NY, MA, MD & NJ

Pending license application
in FL & MI

Mindy's Edibles licensing opportunity
in OR, WA, CO, MD, & NM

CULTIVATE & MANUFACTURE



PRODUCTION

CRESCOlabs™

FACILITIES

Cresco has built and/or renovated eight separate cultivation facilities, totaling approximately 900,000 square feet, across six states, which includes other non-cultivation activities. We operate both indoor and technologically advanced hybrid green houses. Our multiple state-of-the-art cultivation, extraction, and processing facilities allow us to produce professional-grade, lab-tested cannabis products across several product categories.

CULTIVATION

Designed to provide consistency of product, increase yields and minimize the possibility of crop failure, each of our facilities is equipped with traditional commercial agriculture components, automated environmental control systems, and watering and feed fertigation systems. Developed over years of research, our proprietary nutritional regimen is utilized to ensure crop quality. Using organic and soluble-based plant nutritional supplements, secondary metabolites (cannabinoids/terpenes) are maximized resulting in superior flower quality, yield and consistency.

EXTRACTION

In an effort to create the purest form of manufactured cannabis products and concentrates, we've developed cannabinoid extraction laboratories designed to ISO standards, outfitted with pharma-grade supercritical Co2 extraction machines as well as hydrocarbon extraction machines (butane/propane extraction conducted in our custom "Class 1, Div 1" explosion-proof enclosure), high-pressure liquid chromatography instrumentation, a suite of Buchi fractional distillation instrumentation, and numerous other support systems.

MANUFACTURING

Our advanced laboratory instrumentation gives us the ability to formulate and develop a variety of products based on traditional pharmaceutical delivery systems – precisely dosed pills, tinctures, topical salves, transdermal patches and edible forms with a variety of cannabinoid profiles. Our kitchen is outfitted with commercial-grade equipment that allows us to produce shelf-stable quality confections with great consistency.



PRODUCTS & BRAND



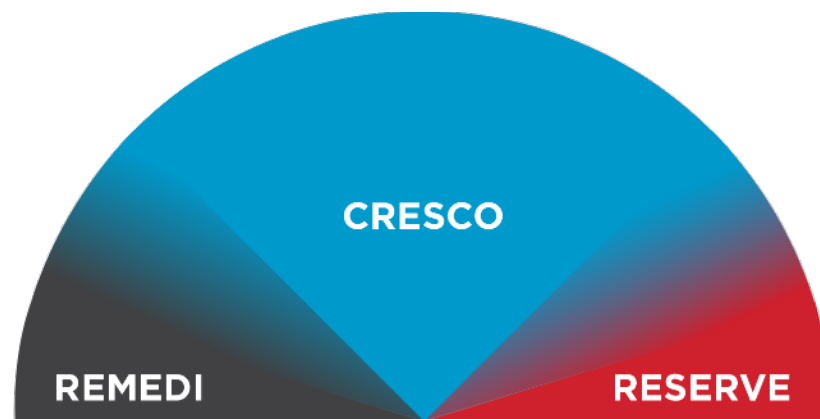
RULE #1: KNOW YOUR AUDIENCE..

WE DEVELOP BRANDS SPECIFICALLY TAILORED TO
THE LARGEST CONSUMER SEGMENTS

OVERALL



EDIBLES





Brand Ethos: Cresco elevates everyday cannabis. High quality. True consistency. Remarkable value. Cresco is cannabis you can count on. As regular consumers, Cresco customers are looking for a brand that delivers consistent cannabis products every time.

Audience: Cresco products are ideal for people who love traditional cannabis formats. This is the cannabis brand for the Starbucks customer — above average quality but still accessible to everyone.

Product Pillars

- THC focused, every day cannabis
- Proprietary color coded categorization for ease of use
- Always in stock, every time





Brand Ethos: With familiar formats and precise delivery systems, Remedi products provide a safe, consistent and trusted alternative to traditional medicines. This is the brand for patients who are new to cannabis as a medicine, uncomfortable with “smoking”, or are looking for an accessible, approachable product.

Audience: Remedi was designed to support the consumer base that needs it's cannabis to be discreet, easily identifiable, and precisely dosed. As a replacement option for traditional medications, Remedi was designed to look and feel like over-the-counter or prescription medications found at Walgreens and other traditional pharmacies.

Product Pillars

- CBD-forward, Non-combustible
- Traditional medicine formats
- Packaging is designed to look like traditional medicine





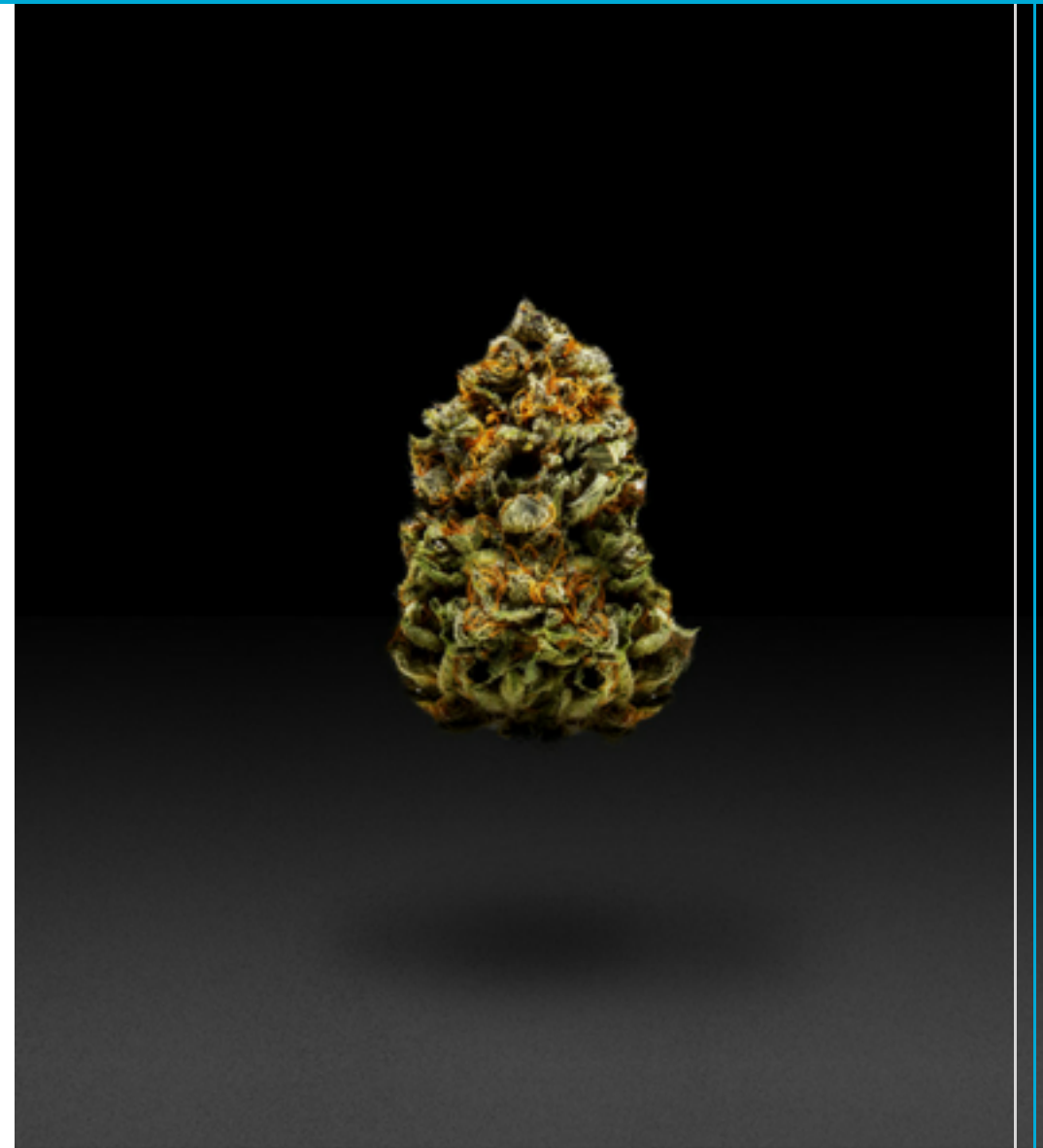
BY CRESO

Brand Ethos: Connoisseur-quality cannabis demands higher expectations from consumer and cultivator alike. Focused on exclusive genetics, cultivation technique, terroir, & attention to detail, RESERVE is more than cannabis - it's a lifestyle. Quietly superior, it doesn't boast or brag - it simply is.

Audience: Fans of RESERVE are highly selective and turn to RESERVE for a luxury experience in cannabis. They are knowledgeable about cultivation and lineage, extraction and hardware. RESERVE delivers a superior cannabis experience for those who are looking for truly top shelf cannabis.

Product Pillars

- Hand-selected strains & proprietary genetics
- Connoisseur concentrates & vape pens
- Terpene-rich, THC forward products





Brand Ethos: Chef Mindy flagship portfolio is built around TASTE and QUALITY ingredients. Her delicious desserts are in-fused with odorless, flavorless clear distillate for balanced effectiveness and no cannabis flavor allowing the best ingredients to shine true.

Audience: Mindy's Artisanal Edibles are crafted for consumers and patients who enjoy decadent, chocolate-forward, edible forms of cannabis and will pay a premium for a premium product.

Product Pillars

- Infused with odorless, flavorless distillate
- Decadent desserts inspired by Mindy's restaurants
- Excellent gift or replacement for wine at dinner parties



Brand Ethos: A collaboration between Chef Mindy and her talented kitchen chefs are fun, fruity confections for EVERYDAY ENJOYABILITY and EFFECTIVENESS. They are infused with RSO and winterized Sativa, Indica and Hybrid oils that complement the approachable flavor.

Audience: Mindy's Kitchen products are crafted for consumers who are looking for a fun and delicious treat from a trusted, high quality producer.

Product Pillars

- Fun, fruity flavors
- Great quality and consistency at a very accessible price point

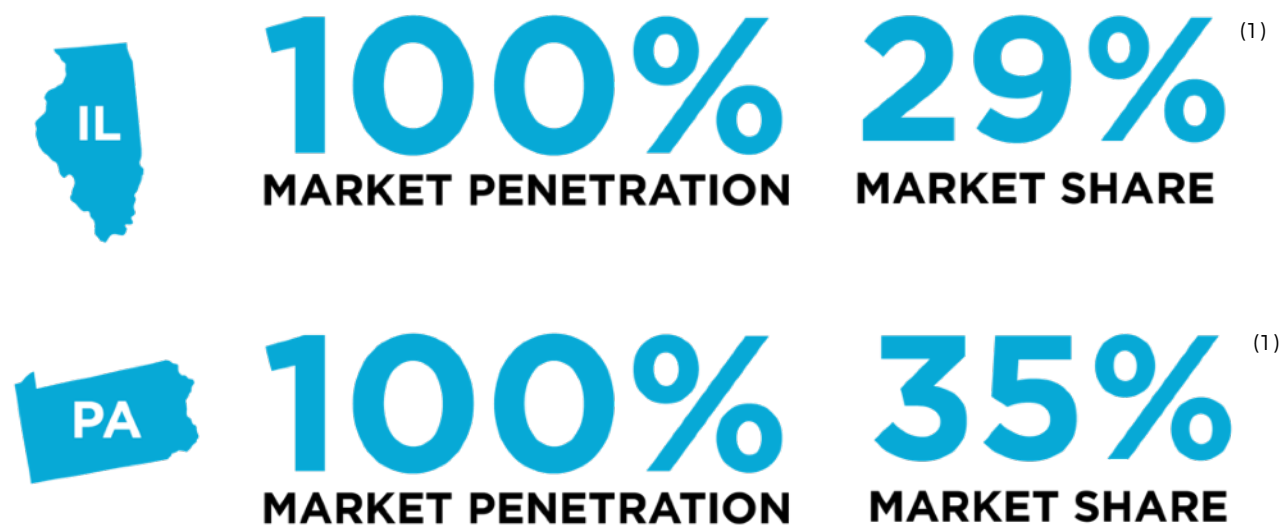


DISTRIBUTION & RETAIL



WHOLESALE DISTRIBUTION

CRESCOlabs™

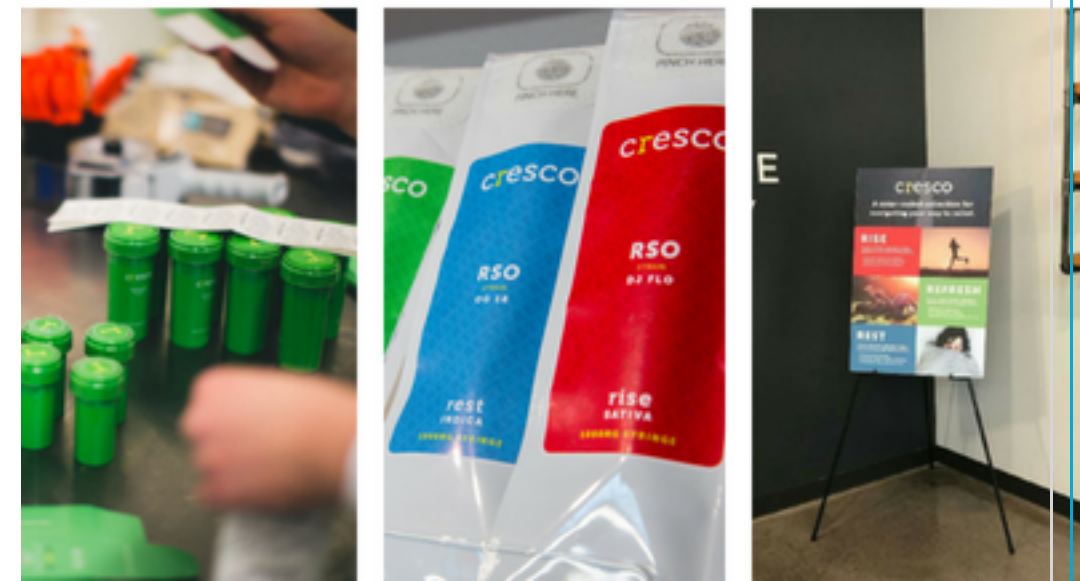


We approach wholesale sales in a similar fashion to the consumer packaged goods industry, with a fanatical dedication to reliability, a keen focus on top down selling and best in class merchandising — supplying our retailers with ornate product displays, rich media, and other tools to assist in the retail sales process.

Cresco collaborates with its retail partners on strategic in-store promotions, customer events, and shelf space tactics to ensure maximum sell throughput. We take a data-driven approach in our efforts to create the most optimized sale process.

This results in \$1 of every \$4 dollars spent in the state of IL on medical cannabis, and nearly \$1 of every \$3 dollars in PA, is being spent on **Cresco products**.

(1) Calculated using Cresco sales on State published data as of 5/31/2018





ILLINOIS

Acquired ownership in 3 existing operating dispensaries in 2018. Potential adult-use bill on horizon (2019) for further retail expansion.



PENNSYLVANIA

In February of 2018 our Butler, PA retail location made the first ever sale in the PA medical marijuana program.

Our flagship location, nestled in the Historic Strip District in Pittsburgh opened on June 26th. In May of 2018 we applied for 15 additional dispensary locations.



OHIO

In June 2018 we were awarded a dispensary license in Wintersville, OH, located less than an hour from our PA dispensary locations.

Additional conversations taking place for further OH market expansion.



NEVADA

In Q1 2018, we acquired ownership in one of the largest dispensaries in Las Vegas.

Located directly off the strip, it is a favorite store amongst the 40 million annual tourists and permits home delivery.



ARIZONA

We have executed an agreement to acquire ownership in a currently operating licensee that holds a fully integrated license which allows 1 dispensary, 1 processing, and 1 cultivation location. Additional conversations taking place for further AZ market expansion.



CALIFORNIA

Currently negotiating deal terms to acquire two operational retail locations.



CRESCO labs™

THANK YOU

APPENDIX A TEAM



FOUNDERS & BOARD MEMBERS



CHARLES BACHTELL CO-FOUNDER & CEO

Charles Bachtell is the CEO of Cresco Labs, LLC. Bachtell is an attorney and brings with him deep legal expertise in both corporate governance and complex regulatory compliance. Bachtell lead the efforts for Cresco to successfully win and acquire the nineteen (19) licenses that it currently holds and continues to work tirelessly to ensure that Cresco remains an industry leader, setting new standards for a progressive, transparent and reputable medical cannabis community, and operating at all times in a professional, secure and compliant manner. Bachtell is a founding member of the Illinois Cannabis Bar Association and industry trade associations in IL, PA, and OH. Prior to Cresco Labs, Bachtell served for 8 years as the Executive Vice President and General Counsel of Guaranteed Rate, the nation's seventh largest mortgage bank – a leading attorney during the reform of the US mortgage industry. Bachtell is an adjunct Professor at Northwestern University Pritzker School of Law teaching a course on the legal and regulatory issues in the emerging cannabis industry.



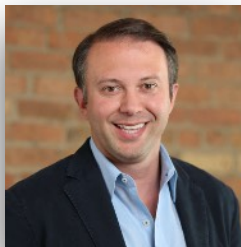
JOE CALTABIANO CO-FOUNDER & PRESIDENT

Joe Caltabiano is the President of Cresco Labs, LLC. Caltabiano brings more than a decade of finance experience as one of the top mortgage professionals in the country. He is also a leukemia survivor who is committed to supporting organizations and efforts that help patients in their fight against cancer. Caltabiano has significant expertise working in the highly regulated mortgage industry. He has closed more than \$2 billion in loan volume over the years as senior vice president at one of the nation's largest mortgage banks and received numerous awards for mortgage production, client experience and community involvement.



ROB SAMPSON CO-FOUNDER & ADVISOR

Prior to forming Cresco Labs, Robert Sampson had more than 20 years of operating experience in large business, including 12 years in the heavily regulated mortgage industry, having served as Chief Operating Officer at Guaranteed Rate, the nation's seventh largest retail mortgage bank. As the former COO of Cresco Labs, Sampson oversaw the construction of two 40,000 sqft cement precast structures and one 30,000 sqft hybrid greenhouse structure and was responsible for all facility operations and systems including the design and implementation of fertigation and irrigation systems, inventory control systems, compliance process procedures, audits, security, and IT. Sampson is currently the CEO of Bemortgage based in Chicago.



DOMINIC SERGI CO-FOUNDER & ADVISOR

Dominic Sergi is a highly successful real estate, business and financial expert who devotes much of his free time raising funds to help patients fighting leukemia and lymphoma. As president and chief executive officer of a Chicago-based investment real estate company, Sergi draws on his strategic and business acumen to deliver on the company's long-term vision and provide asset budgeting forecasts, which have exceeded \$120 million in value. Sergi's many other responsibilities as leader of a growing firm include oversight of all operations and personnel management. He is also very involved in his family's \$100 million dollar Union Electrical Contracting business and serves on the board of the 400-employee company. Sergi is active in a number of community and charitable organizations and is passionate about giving back to the community.

COMPANY LEADERSHIP

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KEN AMANN CFO

Ken Amann brings 20 years of financial management and consulting experience as the Chief Financial Officer of Cresco Labs. Ken has an outstanding record of building enterprise value at rapid growth oriented companies. Prior to joining Cresco Labs, Amann spent two years as the Chief Financial Officer for nSource, a BPO and consulting practice located in Chicago. Prior to that, he was the Chief Financial Officer for eight years at Williams Lea, a \$2+ billion dollar global BPO business based in London, that specialized in corporate information solutions that re-engineer end-to-end business processes. He was responsible for over 170 employees located in 7 different countries. He is a Certified Public Accountant and a member of the American Institute of Certified Public Accountants and the Illinois CPA Society.



RR DONNELLEY



ZACH MARBURGER CIO

Zach Marburger is the Chief Information Officer for Cresco Labs and has over 8 years experience in automated technologies and systems. In recent years Marburger created Whaxy, the fastest growing medical cannabis resource and compliant online ordering platform in the industry. He recently sold the technology platform to MassRoots, one of the largest technology companies serving the cannabis industry. Previously, he founded an anti-piracy software company with 4,000 copyright holders under management, that was acquired in 2014. Previous to Marburger's entrepreneurial efforts, he directly consulted United Health Care, Finish Line, and many other leading consumer brands on their digital marketing planning and execution.



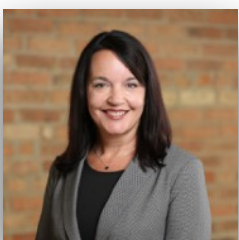
DAVID ELLIS COO

David Ellis is the Chief Operating Officer for Cresco Labs. Ellis brings a decade of executive level operations experience across several industries to the Cresco Labs team. Most recently, Ellis founded and served as the President and CEO of Greens & Gills, a 10,000 square foot, controlled environment, hydroponic and aquaponic farm on the South Side of Chicago. Through operational best practices and proprietary software, Ellis was able to build one of the only profitable urban farming businesses in the country.



JENNIFER CLARK EVP OPERATIONS

Jennifer Clark spent the last 8 years with Abbott Laboratories and AbbVie as a senior program manager overseeing multiple facets of business operations and new product development. Jennifer lead day-to-day activities supporting process development and improvements, logistics planning and execution, budget management, technology solutions, communications, outsourcing, client relationships and training. Jennifer not only has experience developing and supporting process development and improvements and logistics planning but also has developed compliance monitoring programs and led complex internal audits. She was responsible for implementing and maintaining >35 IT systems and technology tools to support growth of her related business channels, replacing manual processes. Jennifer has a B.S. in Biology as well as Lean Six Sigma, Green Belt.

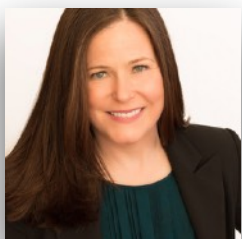


KELLI IMPOLA VP OPERATIONS & COMPLIANCE

Kelli Impola joined Cresco Labs very early, as the 4th employee. After a 12 year career as a science teacher in Naperville, IL, Kelli was drawn to the cannabis industry after learning more about the powerful effects of this plant as a natural, holistic medicine. Kelli had witnessed family members experience the medicinal and pain-fighting benefits of cannabis and brought a passion for the industry to her work at Cresco. Kelli began as a compliance manager and was instrumental in building out the three cultivation facilities in Lincoln, Kankakee, and Joliet, IL. Kelli has worked closely with state regulators to ensure that Cresco exceeds compliance standards and has helped these regulators grow and mature the cannabis program over time. She has also built out standards for operations in Illinois. Today, Kelli is the VP of Operations and is still heavily involved in shaping compliance standards in every market Cresco enters, including the build-out of our new facilities in Brookville, PA and Yellow Springs, OH. She maintains involvement in Midwest operations while offering compliance guidance nationwide. Kelli graduated from the University of Illinois with a degree in elementary education.

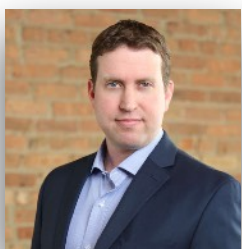
COMPANY LEADERSHIP

CRESCOlabs™



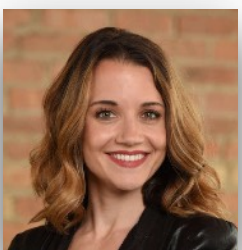
ERIN ALEXANDER ASSOCIATE GENERAL COUNSEL

After beginning her career at the law firm Holland and Knight, Erin Alexander worked in the Special Litigation Bureau in the Illinois Attorney General's Office, covering complex civil litigation and investigations. Thereafter, Erin became an attorney with the Illinois Gaming Board, counselling the Gaming Board and its staff regarding all legal and policy aspects of Gaming Board functions, including the investigation and licensing of individuals and financial transactions with multi-jurisdictional components. After leaving the Gaming Board, Erin was with a leading independent research and professional services firm for the gaming industry, focusing on projects for jurisdictions new to casino gaming. Erin received her JD from Northwestern University Pritzker School of Law in 1999.



JASON NELSON SVP PRODUCTION

After receiving a B.S. in Agronomy and completing a Master's Thesis in Horticultural Crop Nutrition and Production from Kansas State University, Jason Nelson served as the General Manager of The Green Solution (TGS), overseeing all operations and development of a 250,000 square foot multi-tiered, indoor production facility in Denver, Colorado. While in Denver he was tasked to design, construct and operate the R/D and breeding facility. Upon the successful launch of the research facility, he was named the General Manager at TGS's largest production facility. While there, he managed over 30,000 plants that included more than 80 different types of strains. His experience includes seasonal, temperature controlled greenhouses, plastic covered hoop houses and open-air outdoor production of cannabis and dozens of bedding plant species.



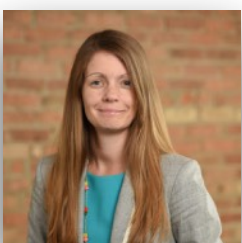
RAECHEL WHITE DIRECTOR MARKETING

Raechel is the Director of Marketing and Communications at Cresco Labs. Raechel brings with her a background in digital media marketing, corporate brand strategy and sales marketing. Prior to joining Cresco Labs, Raechel worked for Pandora Media as a Marketing Manager supporting vertical advertising business. Before Pandora, Raechel held multiple corporate marketing roles in a local Chicago digital media company. Raechel received her degree in Public Relations and Advertising from DePaul University in Chicago.



LISA KAMERAD EDIBLES GENERAL MANAGER

Lisa Kamerad is the General Manager for our Edibles division and is based at our Joliet facility. She brings 20 years of experience as a marketing professional in consumer packaged goods with expertise in brand strategy, product development, packaging, production, and digital initiatives. She has a proven track record for marketing and product launch strategies with the Specialty Food Association. Prior to Cresco Labs, Lisa spent 8 years as the Vice President of Marketing, Product Development, & Sales for Urban Accents which is a specialty food manufacturer carried in Wholefoods, Williams Sonoma, Crate & Barrel, and Sur la table.



EMILY FITZGERALD HR GENERALIST

Emily Fitzgerald leads our Human Resources team at Cresco Labs. Emily joined Cresco in October of 2017, from Pampered Chef. At Pampered Chef, Emily assisted in the HR department involving employee onboarding, success recognition, employee engagement, efficiency reporting and internal communications. Prior to Pampered Chef, Emily was on the Human Resources team for Starwood Retail Partners, where the company grew from 20 employees to 450 and a presence in 17 states over 2 years. During her tenure at Cresco, Emily has grown a full HR team and has overseen the onboarding of over 150 employees, including all of Pennsylvania staff.

APPENDIX B RESEARCH



MEDICAL ADVISORY BOARD

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In the interest of progressing a professional medical dialogue and educating as many physicians as possible on the use of medical cannabis as a therapeutic treatment for patients, Cresco Labs has organized a team of physicians - experts in their field - to educate, train, and inform medical professionals on all aspects of cannabis as medicine.



CHARLES BUSH-JOSEPH, MD

Dr. Bush-Joseph serves as the Medical Director for Cresco Labs Medical Board. He is regarded as a sports medicine and arthroscopic surgical specialist and he is currently a Professor at Rush University Medical Center and the Associate Director of the Rush Orthopedic Sports Medicine Fellowship Program. He is the head team physician for the Chicago White Sox and Associate Team Physician for the Chicago Bulls. He serves on the editorial board of several national orthopedic journals (including the prestigious American Journal of Sports Medicine) and holds committee responsibilities with several national orthopedic societies including the American Academy of Orthopedic Surgeons and the American Orthopedic Society Sports Medicine. Dr. Bush-Joseph has been a member of the American Board of Orthopedic Surgery Sports Medicine Examination Committee formulating the board exam for orthopedic surgeons and sports medicine physicians.



DAVID WALEGA, MD

Dr. Walega serves as a Medical Advisor for Cresco Labs Medical Board. He is currently the Medical Director of the Galter Pain Medicine Center at Northwestern, the Chief of the Division of Pain Medicine in the Department of Anesthesiology, the Ambulatory Medical Director at Northwestern Memorial Hospital, and an Associate Professor, Anesthesiology at Northwestern University. He is a pain medicine specialist with a strong interest in developing and applying interventional procedures and minimally invasive techniques for the reduction or control of chronic pain syndromes. He graduated from Wayne State University School of Medicine in 1993 and completed his residency at Northwestern University - The Feinberg School of Medicine.



SUE SISLEY, MD

Sue Sisley is a psychiatrist and advocate for the use of Medical Marijuana to alleviate the symptoms of PTSD. Sue specializes in internal medicine and psychiatry, and is the principal investigator for the only FDA-approved randomized controlled trial looking at use of whole-plant marijuana in combat veterans with treatment-resistant post-traumatic stress disorder. The study was based at the University of Arizona, where in 2001, Sisley won the UA's Leo B. Hart Humanitarian Award for "outstanding contributions made for social reform" by the University of Arizona College of Medicine.

Cresco Labs maintains a high focus on the need for more valid scientific research into the therapeutic benefits and risks associated with treating patients with medical cannabis and we are driving the following initiatives:

- We are engaged in research and development with a pharmaceutical manufacturing company to develop a solvent-less cannabinoid extraction process which will create water- soluble, 100% CBD or THC based compounds (powder form) that increase the bioavailability of the ingested cannabinoid.
- Cresco Labs is also spearheading clinical trials in collaboration with the Northwestern University Feinberg School of Medicine, the University of Illinois College of Pharmacy and the UIC/NIH Center for Botanical Dietary Supplements Research to formulate a Phase 1 trial related to the bioavailability of topical cannabinoid applications and the efficacy of such application for diabetic neuropathic pain.
- Cresco Labs is collaborating with biopharmaceutical scientists and the University of Illinois at Chicago College of Pharmacy to develop standards and methods for the accurate testing of cannabinoids and other molecular attendants contained in raw cannabis and cannabis derivative products.
- Cresco Labs is completing experimental trials with senior faculty at the University of Illinois School of Agriculture using two naturally occurring compounds, applied to the root zone of cannabis plants, with the goal of increasing potency and disease resistance.
- Cresco Labs retail locations will be participating in a University of Michigan Chronic Pain study with lead researcher, Dr. Sue Sisley, one of the largest studies of its type to date.



We have made it a priority to host a number of physician education events and initiatives focused on providing answers to their questions regarding the Illinois, Pennsylvania, and soon the Ohio Medical Cannabis programs.

In the 10 events we have hosted, over 300 physicians attended with 75% saying they were more likely to certify a patient after more education and 100% requesting additional information regarding the program.

Keeping aligned with our goals to make medical cannabis more transparent, we have given state approved tours of our cultivation centers and extraction labs to interested physicians.

We are working in conjunction with Arnstein & Lehr, one of the country's oldest and most respected law firms, to host a series of webinars aimed at educating physicians and medical professionals on medical cannabis. Arnstein & Lehr's Healthcare Practice is inviting their healthcare clients to attend live sessions with Q&A.



PUBLIC EDUCATION & AWARENESS

CRESCOlabs™

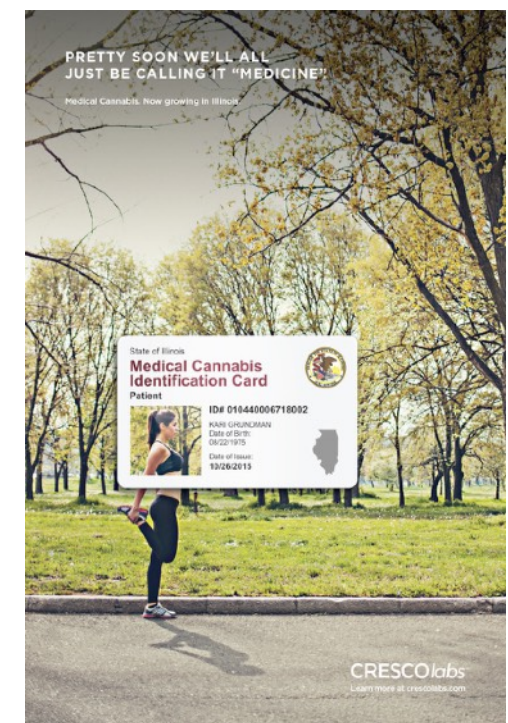
The use of cannabis as a medicine is a foreign concept for many people. For this reason, we created a public education campaign spanning across social media, billboards, and even Chicago Marathon participant's bag inserts spreading awareness of the Illinois, Pennsylvania, and soon to be Ohio medical cannabis program.

This effort was recently recognized with a Silver Award by the prestigious Health Market Report, the first cannabis ad campaign ever awarded.

For our ongoing marketing and education efforts, our approach is similar to other mainstream consumer packaged goods brands. Our packaging clearly communicates flavors and potency with an appealing aesthetic. We also enhance the “in-store” experience with traditional point of sale/point of purchase displays and collateral.

In true partnership with the retailer, we help to draw a clear path to purchase with social media campaigns that educate, data-driven sales that promote and informative environmental pieces that drive purchase decisions.

As a result, we have been able to connect our brand with the patient population in multiple states which translates into hard sales and a dominate market penetration.



PRESS COVERAGE

CRESCOlabs™

**The
New York
Times**

“Better Than Pot Brownies,
by a James Beard Award-
Winning Chef”

HIGH TIMES

“Cannabis Cultivator
Makes Historic Debut at
Chicago Marathon”

NEW
CANNABIS
VENTURES

“How Cresco Labs is
Winning in Highly
Regulated Cannabis
Markets”

**Marijuana
Business Daily™**

“From airplane banners to
‘adopting’ highways, cannabis
companies are getting their
names out in creative ways”

NEW
CANNABIS
VENTURES

“Cresco Labs is First Cannabis
Company to Win National
Award in Healthcare
Advertising Competition”

Chicago Tribune

“A Chicago lawyer's
journey from mortgages
to medical marijuana”

The Inquirer
DAILY NEWS philly.com

“Coming soon to a
billboard near you:
Marijuana ads”

VICE

“This Award-Winning
Chef Is Serious About
Marijuana Edibles”

Leafly

FOOD & WINE

SALON

ZAGAT

**Los
Angeles
Times**

.Mic

npr

EATER

Pittsburgh Post-Gazette

msn