### FORM 7

# **MONTHLY PROGRESS REPORT**

Name of Listed Issuer: <u>Sunniva Inc.</u>	_(the "Issuer").
Trading Symbol: <u>SNN</u>	
Number of Outstanding Listed Securities: 31,805,747 (as of May 31	, 2018)
Date: June 6, 2018	•

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**

 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.

Please see the Issuer's Form 2A – Filing Statement dated January 8, 2018 and the Issuer's short form prospectus dated March 20, 2018 for a description of the Issuer's business.

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

On May 3, 2018, the Issuer announced that its Canadian subsidiary, Sunniva Medical Inc. ("SMI") selected the location to build its Sunniva Canada Campus in Okanagan Falls, British Columbia. SMI has entered into a purchase and sale agreement to acquire the entire 126-acre industrial zoned property for a purchase price of \$7 million. Closing is expected to occur on or about June 15, 2018. SMI has also received development approval from the Regional District of Okanagan-Similkameen for construction of the Sunniva Canada Campus. For further details, please see the Issuer's Form 10 filed on May 3, 2018.

On May 29, 2018, the Issuer announced that SMI received the Confirmation of Readiness for a license under the Access to Cannabis for Medical Purposes Regulations from Health Canada This represents acceptance of the detailed application with the next step being an inspection upon site readiness in order to commence cultivation.

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.

None to report.

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.

None to report.

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.

The Issuer's wholly-owned subsidiary in the US, CP Logistics, LLC, has entered into an extraction services agreement with an arm's length California based cannabis branding company to produce distilled oil cannabis products from its California extraction facility.

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.

None to report.

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.

None to report.

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

The Issuer's wholly owned subsidiary, Natural Health Services Ltd., continues to acquire patients to support its business model.

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.

None to report.

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

None to report.

- 11. Report on any labour disputes and resolutions of those disputes if applicable.

  None to report.
- 12. 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.

  None to report.
- 13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.

None to report.

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

Security	Number Issued	Details of Issuance	Use of Proceeds <sup>(1)</sup>
Common Shares	893	Issued in connection with warrant exercise.	\$3,036 for general corporate purposes.
Common Shares	22,569	Issued in connection with exercise of convertible debentures.	N/A
Common Shares	46,875	Issued in connection with exercise of stock options.	\$159,375 for general corporate purposes.

(1) State aggregate proceeds and intended allocation of proceeds.

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

None to report.

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

None to report.

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

Please see the Issuer's Form 2A – Filing Statement dated January 8, 2018.

## **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 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 <u>June 6, 2018</u>	<del>.</del>
	<u>David Negus</u> Name of Director or Senior Officer
	(Signed) "David Negus" Signature
	Chief Financial Officer Official Capacity

Issuer Details Name of Issuer	For Month End	Date of Report YY/MM/D
Sunniva Inc.	May 2018	18/06/6
Issuer Address		
1200 Waterfront Centre 200 Burrard Street, PO Box 48600 Vancouver, British Columbia V7X 1T2		
City/Province/Postal Code	Issuer Fax No.	Issuer Telephone No.
Vancouver, British Columbia, V7X 1T2	N/A	(866) 786-6482
Contact Name	Contact Position	Contact Telephone No.
David Negus	Chief Financial Officer	(866) 786-6482
Contact Email Address info@sunniva.com	Web Site Address www.sunniva.com	