

FORM 7

MONTHLY PROGRESS REPORT

Name of Listed Issuer: Sunniva Inc. (the "Issuer").

Trading Symbol: SNN

Number of Outstanding Listed Securities: 39,935,298 (as of October 31, 2020)

Date: November 17, 2020

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

1. 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 Annual Information Form dated April 29, 2019 for the year ended December 31, 2018 (the "AIF") and the Issuer's press release dated December 13, 2019 for a general description of the Issuer's business.

As part of the revised strategy to focus on solely on the Issuer's business operations in California, the Issuer has elected to dispose of its Canadian assets. In December 2019, the Issuer sold its medical cannabis clinic business, Natural Health Services Inc. On August 11, 2020, the Issuer's wholly owned subsidiary 1167025 B.C. Ltd. ("1167025") completed the sale of the approximately 114-acre property in Okanagan Falls, British Columbia (the "OK Falls Property").

On November 25, 2019, the Issuer received a 30-day notice of termination and a notice of default from the Sunniva Production Campus, LLC ("SPC", subsequently renamed Ramon Road Production Campus, LLC "RRPC"), the owner of the glasshouse facility under construction Cathedral City, California, for items related to payment of outstanding balances and failure to meet certain conditions of the Build to Suit Lease with SPC dated October 20, 2017 (the "Lease"). In addition, the Issuer received a notice of default from a promissory note holder for not applying a certain portion of the note proceeds to agreed upon outstanding amounts.

The Issuer continues to assert its rights under the Lease for the construction of the Sunniva California Campus in Cathedral City, California. On December 23, 2019, the Issuer submitted a Demand for Arbitration and Notice of Claims with JAMS, the world's largest private alternative dispute resolution provider. The Issuer and SPC have agreed to submit the dispute to binding arbitration with JAMS.

As part of its ongoing efforts to manage current liquidity issues and to fund the legal challenges in Canada and California in addition to other expenses, the Issuer is taking additional steps to preserve cash and has implemented certain cost saving measures. These steps include the ceasing of operations of its wholly owned subsidiary, Full-Scale Distributors, LLC in February 2020, the ceasing of operations of its extraction facility in Cathedral City (the "Extraction Facility") and the distribution facility in Coachella in June 2020, and the elimination of certain management and other employee positions in California and Canada.

On May 14, 2020, the Issuer was named in an action (the "Action") commenced by Matrix Venture Capital Management Inc. ("Matrix") whereby Matrix has filed a Notice of Motion with the Supreme Court of British Columbia seeking a Bankruptcy Order under the Bankruptcy and Insolvency Act (Canada) in respect to the property of the Issuer in connection with a promissory note issued by the Issuer to Matrix on October 11, 2019 (the "Note"). On July 28, 2020, Matrix and the Issuer agreed to adjourn any hearing of the Action generally for a period of no less than 60 days (September 26, 2020). In connection with this adjournment of the Action, the Issuer has acknowledged that the Note will become due and payable as of September 16, 2020. Matrix has subsequently agreed to extend the adjournment of any hearing of the Action to occur not before October 31, 2020.

On June 23, 2020, Issuer announced that, after the close of markets on June 22, 2020, the Issuer received a cease trade order issued by the British Columbia and Ontario Securities Commissions as a result of the Issuer's failure to file certain periodic disclosure required by British Columbia and Ontario securities legislation, including:

- the Issuer's audited annual financial statements for the year ended December 31, 2019;
- management's discussion and analysis relating to the Issuer's audited annual financial statements for the year ended December 31, 2019;
- certification of the foregoing filings by the Issuer as required by National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings.

Copies of individual press releases containing additional information are available on SEDAR at www.sedar.com and the Issuer website at www.sunniva.com.

On October 13, 2020, Issuer announced that it has obtained an initial order (the "Initial Order") from the Supreme Court of British Columbia (the "Court") commencing proceedings under the Companies' Creditors Arrangement Act (the "CCAA"). Pursuant to the Initial Order, among other things, a stay of proceedings has been granted for an initial 10-day period. The Initial Order also extends protection to Sunniva Medical Inc. ("SMI"), 1167025 B.C. Ltd. ("116") and 11111035 Canada Inc. ("111"), wholly-owned subsidiaries of the Company (collectively with Sunniva, the "Sunniva Group"). Alvarez & Marsal Canada Inc. was appointed as monitor (the "Monitor") in the CCAA proceedings.

On October 20, 2020, the Issuer announced it has obtained an amended and restated initial order (the "Amended and Restated Initial Order") under the Companies Creditors Arrangement Act (Canada) (the "CCAA") and an order implementing a claim process (the "Claims Process") to identify and determine all claims against the Sunniva Group.

The Amended and Restated Initial Order authorizes an extension to the initial stay period to and including November 27, 2020 (the "First Stay Extension"). The First Stay Extension is intended to allow the Sunniva Group to continue to operate as it implements the Claim Process, while pursuing restructuring options.

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

On October 13, 2020, the Issuer announced it had obtained the Initial Order from the Court commencing proceedings under the CCAA. Pursuant to the Initial Order, among other things, a stay of proceedings has been granted for an initial 10-day period. The Initial Order also extends protection to the Sunniva Group. Alvarez & Marsal Canada Inc. has been appointed as the Monitor in the CCAA proceedings.

A comeback hearing in respect of the relief granted pursuant to the Initial Order has been scheduled for October 19, 2020 (the “Comeback Hearing”). At the Comeback Hearing, the Company intends to seek (among other things) a further order from the Court extending the stay of proceedings and commencing a claim process.

Sunniva intends to continue to pay its employees and board for services rendered during the CCAA proceedings and intends to pay its suppliers for goods and services provided to the Company following the commencement of the CCAA proceedings.

The Company will continue to consider strategic alternatives in order to maximize value for its stakeholders.

Borden Ladner Gervais LLP is acting as legal counsel to Sunniva in connection with the CCAA proceedings.

In accordance with the policies of the Canadian Securities Exchange (the “CSE”), in connection with the CCAA proceedings, the CSE will be reviewing the continued listing of the common shares of the Company. The common shares of the Company have been subject to a cease trade order since June 22, 2020 for failure to file certain financial documents. Trading of the shares will continue to be suspended until the CCAA process has been completed and the cease trade order has been revoked.

On October 20, 2020, the Issuer, announced it had obtained an amended and restated initial order (the “Amended and Restated Initial Order”) under the CCAA and an order implementing a claim process (the “Claims Process”) to identify and determine all claims against the Sunniva Group. As previously reported, Alvarez & Marsal Canada Inc. has been appointed as monitor in the CCAA proceedings.

The Amended and Restated Initial Order authorizes an extension to the initial stay period to and including November 27, 2020 (the “First Stay Extension”). The First Stay Extension is intended to allow the Sunniva Group to continue to operate as it implements the Claim Process, while pursuing restructuring options.

The Company will continue to consider strategic alternatives in order to maximize value for its stakeholders. CP Logistics, LLC, a wholly-owned US based subsidiary of the Company, has engaged Deer Pond Capital, Ltd. (“Deer Pond”) as financial advisor to assist in this process. The Court has approved the Company to pay certain consulting fees to Deer Pond on behalf of CP Logistics, LLC.

In accordance with the policies of the CSE, in connection with the CCAA proceedings, the CSE will be reviewing the continued listing of the common shares of the Company. The common shares of the Company have been subject to a cease trade order since June 22, 2020 for failure to file certain financial documents. Trading of the shares will continue to be suspended until the CCAA process has been completed and the cease trade order has been revoked.

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.

CPL engaged Deer Pond as financial advisor to assist with evaluating strategic alternatives for the California operations.

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.

None to report.

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.
Issuer commenced proceedings under the CCAA (see Section 2).
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.
None to report.
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 AIF for general impacts and trends.

The impacts from the COVID-19 pandemic and resulting slowdown in the Canadian and United States economy have not altered the Issuer's strategy. The Issuer remains focused on developing its assets in California, USA. The Issuer continues to assess the financial impacts resulting from the COVID-19 pandemic including the Issuer's ability to access the capital markets for any required funding needs and the current and future outlook on the California cannabis industry. There continues to be significant uncertainty due to the COVID-19 pandemic and we will continue to closely monitor developments and will provide updates if material changes to the Issuer's business, operations or capital are reasonably likely to arise.

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 November 17, 2020.

Anthony Holler
Name of Director or Senior Officer

[Signed] Anthony Holler
Signature

Chairman and Chief Executive Officer
Official Capacity

<i>Issuer Details</i> Name of Issuer Sunniva Inc.	For Month End October 2020	Date of Report YY/MM/D 20/10/16
Issuer Address 1200 Waterfront Centre 200 Burrard Street, PO Box 48600 Vancouver, British Columbia V7X 1T2		
City/Province/Postal Code Vancouver, British Columbia, V7X 1T2	Issuer Fax No. N/A	Issuer Telephone No. (866) 786-6482
Contact Name Dr. Anthony Holler	Contact Position Chairman and Chief Executive Officer	Contact Telephone No. (866) 786-6482
Contact Email Address info@sunniva.com	Web Site Address www.sunniva.com	