

FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

Sunniva Inc. (“Sunniva” or the “Company”)
1200 Waterfront Centre
200 Burrard Street, PO Box 48600
Vancouver, British Columbia
V7X 1T2

Item 2 Date of Material Change

February 20, 2018.

Item 3 News Release

The news release attached as Schedule “A” was disseminated through the services of CISION (Canada News Wire) on February 21, 2018. A copy of the news release was filed on the Company’s profile on SEDAR at www.sedar.com.

Item 4 Summary of Material Change

Sunniva and Canopy Growth Corporation (“Canopy Growth”) signed a definitive supply agreement whereby Sunniva, through its wholly-owned subsidiary in Canada, Sunniva Medical Inc. (“SMI”), has committed to sell Canopy Growth 45,000 kilograms of premium quality cannabis annually over an initial two-year period commencing in calendar Q1 2019.

Item 5 Full Description of Material Change

Please see the news release attached as Schedule “A”.

Item 6 Reliance on subsection 7.1(2) of National Instrument 51-102

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Executive Officer

David Negus
Chief Financial Officer
(866) 786-6482

Item 9 Date of Report

March 1, 2018.

Schedule "A"
News Release

(attached)



CANOPY GROWTH CORPORATION AND SUNNIVA INC. SIGN CANNABIS SUPPLY AGREEMENT

VANCOUVER, BC – Feb. 21, 2018 – Canopy Growth Corporation (“**Canopy Growth**”) (TSX:WEED) and Sunniva Inc. (“**Sunniva**”) (CSE:SNN) (OTCQX:SNNVF), a North American provider of medical cannabis products and services, are pleased to announce they have signed a definitive supply agreement (the “**Agreement**”) whereby Sunniva, through its wholly-owned subsidiary in Canada, Sunniva Medical Inc. (“**SMI**”), has committed to sell Canopy 45,000 kilograms of premium quality cannabis annually over an initial two year period commencing in calendar Q1 2019.

Under the terms of the Agreement, Canopy Growth will purchase up to 45,000 kilograms of dried cannabis annually. Canopy Growth and Sunniva will share in the revenues as product is sold through Canopy Growth’s distribution network including its online marketplace, Tweed Main Street and via provincial distribution channels. The revenue share will be based on the strain, sales channel and other relevant factors. The Agreement is subject to SMI receiving its licence from Health Canada, which is currently in the final review stage, and completing the Sunniva Canada Campus- a 700,000 square foot GMP greenhouse facility in British Columbia, Canada.

“This Agreement represents a significant milestone for Sunniva,” said Leith Pedersen, President, Sunniva. “Providing the supply of premium cannabis products under this Agreement allows Sunniva to accelerate the execution of our business plan and distribution strategy.”

“Our focus in the near-term is to build a sustainable and profitable business as we develop the Sunniva brand. We expect to accomplish this by becoming a low-cost, high-quality producer of medicinal cannabis via large-scale purpose-built production facilities which are compliant with good manufacturing practices. By establishing a strategic partnership with Canopy Growth and allocating a significant portion of our production, we de-risk our business model. This Agreement evidences the significant potential of our business strategy.”

Mark Zekulin, President of Canopy Growth commented, “We are very excited to announce this Agreement with Sunniva and welcome such a successful and impressive partner to the CraftGrow line. This Agreement further establishes our commitment to providing high-quality cannabis products to Canadian consumers. We look forward to working with Sunniva and their management team and anticipate a successful relationship that will be beneficial for both companies.”

About Sunniva Inc.

Sunniva, through its subsidiaries, is a vertically integrated medical cannabis company operating in the world’s two largest cannabis markets – Canada and California – where we are committed to delivering safe, high-quality products and services at scale. Our business vision is to become the lowest cost, highest quality cannabis producer in the markets we serve. We will accomplish this by building large scale purpose-built cGMP greenhouses, offering better quality assurance with cannabis products free from pesticides, providing better patient and doctor access to cannabis education, and sourcing better therapeutic delivery devices. Sunniva management and board of directors have a proven track record for creating significant shareholder value both in the healthcare and biotech space.

Sunniva operates through its wholly owned subsidiaries:

Sunniva Medical Inc. (“SMI”) - SMI is a late stage ACMPR applicant in final review and is building the Sunniva Canada Campus, 700,000 square feet of purpose-built cGMP complaint greenhouse facilities to be located in British Columbia. The total Campus is expected to produce over 100,000 kg of premium medical cannabis a year and over 25,000 kg of trim used for extraction. The facility will produce pesticide free products and will convert trim to extracted products such as cannabis oil. The oil will be used for drug delivery formats such as capsules, dissolvable strips, vaporization cartridges, tinctures and creams. Sunniva anticipates to break ground in early 2018.

CP Logistics, LLC (“CPL”) – Through CPL, Sunniva has commenced construction of the Sunniva California Campus, state-of-the-art, purpose-built greenhouse facilities in Cathedral City, California. The Sunniva California Campus is planned in two phases and has been designed to comply with current good manufacturing practices (“**cGMP**”). Phase 1 is designed to be 325,000-square feet producing in excess of 60,000 kg of premium cannabis a year. The total campus is expected to produce over 100,000 kg of premium medical cannabis a year after Phases 1 and 2 are complete. At this facility, it is estimated 30% of all product will be used for higher margin extracted products and will be produced free from the pesticides commonly used within today’s industry.

Natural Health Services Ltd. (“NHS”) - NHS owns and operates a network of 8 medical clinics in Canada specializing in medical cannabis under Access to Cannabis for Medical Purposes Regulations. NHS connects patients with safe and effective medical cannabis products through Licensed Producers (“**LPs**”). NHS has in-house physicians and nurse practitioners specializing in the endocannabinoid system providing expert consultation, education, and recommendations for patients. NHS’ proprietary technology infrastructure assists physicians, patients and LPs to comply with the rules of Health Canada. NHS has more than 129,000 active medical documents outstanding and 93,000 active patients.

Full-Scale Distributors, LLC (“FSD”) - FSD, through its brand, Vapor Connoisseur, is a provider of custom, private-label vaporizers and accessories. FSD currently serves the needs of over 80 brands in the North American marketplace. Vapor Connoisseur is recognized for its high quality and innovative vaporization devices. Products are tailored to client needs, ensuring both safety and reliability and FSD will continue to provide these services in coordination with the large supply from both Sunniva Campuses.

For more information please visit: www.sunniva.com

About Canopy Growth Corporation

Canopy Growth is a world-leading diversified cannabis and hemp company, offering distinct brands and curated cannabis varieties in dried, oil and Softgel capsule forms. From product and process innovation to market execution, Canopy Growth is driven by a passion for leadership and a commitment to building a world-class cannabis company one product, site and country at a time.

Canopy Growth has established partnerships with leading sector names including cannabis icon Snoop Dogg, breeding legends DNA Genetics and Green House seeds, and Fortune 500 alcohol leader Constellation Brands, to name but a few. Canopy Growth operates seven cannabis production sites with over 1 million square feet of production capacity, including over 500,000 square feet of GMP-certified production space. The Company has operations in seven countries across four continents. The Company is proudly dedicated to educating healthcare practitioners, conducting robust clinical research, and furthering the public’s understanding of cannabis, and through its partly owned subsidiary, Canopy Health Innovations, has devoted millions of dollars toward cutting edge, commercializable research and IP development. Through partly owned subsidiary Canopy Rivers Corporation, the Company is providing resources and investment to new market entrants and building a portfolio of stable investments in the sector. From our historic public listing to our continued international expansion, pride in advancing shareholder value through leadership is engrained in all we do at Canopy Growth.

For more information please visit www.canopygrowth.com

Neither the Canadian Securities Exchange nor its Regulation Services Provider (as that term is defined in the policies of the Canadian Securities Exchange) accepts responsibility for the adequacy or accuracy of this release.

This press release contains forward-looking statements within the meaning of applicable securities laws. All statements that are not historical facts, including without limitation, statements regarding future estimates, plans, programs, forecasts, projections, objectives, assumptions, expectations or beliefs of future performance, statements regarding Sunniva’s plan to cultivate, produce and distribute a broad range of solutions focused on patients’ needs and Sunniva’s plans, timing and estimates of production for its facilities, are "forward-looking

statements." Forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "estimates", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results, events or developments to be materially different from any future results, events or developments expressed or implied by such forward looking statements. Such risks and uncertainties include, among others, the risk factors included in Sunniva's final prospectus dated November 16, 2017 (the "Prospectus"), including without limitation, dependence on obtaining and maintaining regulatory approvals, including acquiring and renewing state, local or other licenses and any inability to obtain all necessary governmental approvals, licenses and permits to complete construction of its proposed facilities in a timely manner; engaging in activities which currently are illegal under US federal law and the uncertainty of existing protection from U.S. federal or other prosecution; regulatory or political change such as changes in applicable laws and regulations, including U.S. state-law legalization, particularly in California, due to inconsistent public opinion, perception of the medical-use and adult use marijuana industry, bureaucratic delays or inefficiencies or any other reasons; any other factors or developments which may hinder market growth; Sunniva's limited operating history and lack of historical profits; reliance on management; and the effect of capital market conditions and other factors on capital availability; competition, including from more established or better financed competitors; and the need to secure and maintain corporate alliances and partnerships, including with customers and suppliers. Readers are encouraged to review the section titled "Risk Factors" in the Prospectus and other disclosure documents on www.sedar.com. These factors should be considered carefully and readers are cautioned not to place undue reliance on such forward-looking statements. Although Sunniva has attempted to identify important risk factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other risk factors that cause actions, events or results to differ from those anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in forward-looking statements. Sunniva assumes no obligation to update any forward-looking statement, even if new information becomes available as a result of future events, new information or for any other reason except as required by law.

Contact information:

Dr. Anthony Holler
Chairman and Chief Executive Officer

Investor Relations Contact:

George Jurcic
Manager, Investor Relations
587-430-0680
ir@sunniva.com