



SUNNIVA INC. CLOSES \$27.8 MILLION BOUGHT DEAL PUBLIC OFFERING

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VANCOUVER, BC - March 27, 2018 - Sunniva Inc. ("**Sunniva**" or the "**Company**") (CSE:SNN) (OTCQX:SNNVF) is pleased to announce that it has completed its bought deal public offering for aggregate gross proceeds of \$27,797,275 (the "**Offering**"). A total of 2,850,900 units (the "**Units**") and 50,000 Warrants (as defined below) of the Company were sold pursuant to the Offering, including 284,900 Units and 50,000 Warrants issued as a result of the partial exercise of the Underwriters' over-allotment option, at a price of \$9.75 per Unit and \$0.02 per Warrant. The Offering was conducted by a syndicate of underwriters co-led by Beacon Securities Limited and Canaccord Genuity Corp. and including Bloom Burton Securities Inc. (collectively, the "**Underwriters**"). (All figures are in Canadian dollars unless otherwise stated).

Each Unit consists of one common share (a "**Common Share**") in the capital of the Company and one-half (1/2) of one Common Share purchase warrant (each whole warrant, a "**Warrant**") of the Company. Each whole Warrant entitles the holder thereof to acquire one Common Share at an exercise price of \$12.50 per Common Share for a period of 24 months from the closing of the Offering.

The net proceeds from the Offering will be used to fund deposits for commencing development at the Sunniva Canada Campus, a 700,000 square foot greenhouse facility in British Columbia, purchasing additional equipment for the extraction facility in California owned by A1 Perez, LLC, a wholly-owned subsidiary of the Company, the additional development of the Company's SPARK enterprise platform to support continued Natural Health Services Ltd. patient expansion and for working capital purposes.

The Units issued under the Offering were offered by way of a short form prospectus dated March 20, 2018 (the "**Prospectus**") filed in the provinces of British Columbia, Alberta and Ontario and were offered in the United States to Qualified Institutional Buyers pursuant to exemptions from the registration requirements under rule 144A of the United States *Securities Act of 1933*, as amended, in a manner that does not require the Units to be registered in the United States. This press release does not constitute an offer to sell or the solicitation of an offer to buy securities in the United States, nor in any other jurisdiction.

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 vision is to become the lowest cost, highest quality cannabis producer in the markets we serve by building large scale purpose-built current good manufacturing practices ("**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's management and board of directors have a proven track record for creating significant shareholder value both in the healthcare and biotech industries.

Sunniva operates through its wholly owned subsidiaries:

Sunniva Medical Inc. (“**SMI**”) – SMI is a late stage *Access to Cannabis for Medical Purposes Regulations* (“**ACMPR**”) applicant in final review and is building the Sunniva Canada Campus, a 700,000 square foot of purpose-built cGMP compliant greenhouse facility 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 breaking 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 cGMP designed. 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 ACMPR. 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

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 relating to the use of proceeds of the Offering, 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 the Prospectus. 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.

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