

October 13, 2020



## Sunniva Announces A Court-Supervised Restructuring Proceeding

VANCOUVER, B.C., Oct. 13, 2020 /CNW/ -- Sunniva Inc. ("Sunniva", the "Company") (**CSE:SNN**) (**OTC Pink Sheets:SNNVF**), announces 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., 1167025 B.C. Ltd. and 11111035 Canada Inc., wholly-owned subsidiaries of the Company. Alvarez & Marsal Canada Inc. has been appointed as monitor (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of the shares will continue to be suspended until the CCAA process has been completed and the cease trade order has been revoked.

For more information about the Company please visit:[www.sunniva.com](http://www.sunniva.com).

To be added to the Sunniva email distribution list please register at[www.sunniva.com/email-alerts](http://www.sunniva.com/email-alerts).

The Canadian Securities Exchange does not accept responsibility for the adequacy or accuracy of this release.

### **Cautionary Note Regarding Forward-Looking Information or Statements**

*This press release contains forward-looking information or statements. All statements that are, or information which is, 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 operations and growth opportunities, the Company's intention to seek a further order from the Court at the Comeback Hearing to extend the stay of proceedings and commencing a claim process, and the Company's intention to continue to pay its employees and board for services rendered during the CCAA proceedings and to pay its suppliers for goods and services provided to the Company following the commencement of the CCAA proceedings are "forward-looking information or statements". Forward-looking information or 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. With respect to forward-looking information and statements contained herein, Sunniva has made numerous assumptions including, among other things, assumptions about general business and economic conditions and that the trading of the Company's common shares will continue to be suspended until the CCAA process has completed and the cease trade order has been revoked. Such forward-looking statements are based on assumptions and 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 information or statements. Such risks and uncertainties include, among others, the risk factors included in Sunniva's continuous disclosure documents available on [www.sedar.com](http://www.sedar.com). These factors should be considered carefully, and readers are cautioned not to place undue reliance on such forward-looking information or 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 information or 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 information or statements. Sunniva assumes no obligation to update any forward-looking information or statements, 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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