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Sunniva Inc. Selects Okanagan Falls Site for Canadian Facility

VANCOUVER, B.C., May 03, 2018 (GLOBE NEWSWIRE) -- via NetworkWire -- Sunniva Inc. ("**Sunniva**" or the "**Company**") (CSE:SNN) (OTCQX:SNNVF) is pleased to announce that it has selected the 126-acre Okanagan Falls, British Columbia site to build its Sunniva Canada Campus. The Company's wholly-owned subsidiary, Sunniva Medical Inc. ("**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.

As part of the site selection process, the Company reviewed several options, including leasing land from the Osoyoos Indian Band in Senkulmen Business Park, Oliver, British Columbia. After consideration of a number of factors, including the ability to purchase and own the land and future expansion opportunities, the Company determined that the Okanagan Falls site provides superior benefits and flexibility.

Sunniva is also pleased to announce that it has selected the following vendors in respect of the project:

- Certhon Projects B.V. – supplier of the greenhouse superstructure, electrical, irrigation systems, lighting system and heating, cooling and CO² systems.
- EllisDon Corporation – construction manager and general contractor.
- MQN Architects – architect consultant.
- Urban Systems Ltd. – civil and landscape engineers.

The Company's preliminary due diligence review of the property has been completed; however, the acquisition remains conditional upon finalization of certain due diligence items and other closing conditions customary in transactions of this nature. Closing is expected to occur on or about June 15, 2018. Pursuant to the terms of the agreement, grading work has commenced on the property and the Company has submitted its development applications in advance of the closing date.

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 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 is a late stage *Access Cannabis for Medical Purposes Regulations* (“**ACMPR**”) applicant in final review and is building the Sunniva Canada Campus, 700,000 square feet of purpose-built cGMP compliant greenhouse facilities 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 can be used for drug delivery formats such as capsules, dissolvable strips, vaporization cartridges, tinctures and creams. As the facility is not yet under construction, revenue and costs are not known, therefore, profitability cannot be assured.

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 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 all products will be produced free from the pesticides commonly used within today’s industry. As the facility is not complete, revenue and costs are not known, therefore, profitability cannot be assured.

Natural Health Services Ltd. (“NHS”) – NHS owns and operates a network of 7 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 150,000 active medical documents outstanding and 95,000 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 closing conditions of the property purchase, 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 Sunniva's continuous disclosure documents available 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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