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Sunniva Reports Filing Of Class Action Lawsuit Regarding Privacy Breach At Natural Health Services Ltd.

VANCOUVER, British Columbia, March 27, 2019 /PRNewswire/ -- Sunniva Inc. ("Sunniva", the "Company", "we", "our" or "us") (**CSE: SNN**) (**OTCQB: SNNVF**), reports that it has been named in a class action lawsuit, along with its wholly owned subsidiary, Natural Health Services Ltd. ("NHS"), in connection with a privacy breach of the Electronic Medical Record ("EMR") system used by NHS.

Sunniva and NHS will defend this action.

NHS identified that there was a data breach in the EMR system between December 4, 2018 and January 7, 2019, during which period NHS records containing personal health information of approximately 34,000 patients were accessed without authorization. The breach did not involve any financial, credit card or social insurance number information as NHS does not collect that information from its patients.

NHS has been working with privacy protection and law enforcement authorities to investigate and respond to this breach.

NHS has notified the patients whose data was accessed, provided details about the breach and its investigation to date, and guidance for other steps that patients can take to protect themselves. NHS has established its own dedicated hotline to field patient inquiries at 1-888-297-0573.

NHS has taken the following steps to protect personal health information in its care from further harm or similar circumstances:

- initiated a privacy investigation, with an independent third-party consulting firm which specializes in cyber security forensic services; and
- addressed operational and technology updates triggered by the incident to improve the protection of patient personal health information.

"We value our patients and understand the importance of protecting personal information and apologize to the patients whose personal information has been improperly accessed and for any frustration or inconvenience that this may cause," said Dr. Mark Kimmins, President of NHS. "We are taking this situation very seriously and are taking the necessary steps to prevent a situation like this from happening again. In addition, we are working with law enforcement and the Office of the Information and Privacy Commissioner of Alberta to investigate this matter."

About Natural Health Services Ltd. ("NHS")

NHS owns and operates a network of seven clinics in Canada specializing in medical cannabis under the *Cannabis Act* (Canada). 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 currently has approximately 105,000 registered patients.

About Sunniva

Sunniva, through its subsidiaries, is a vertically integrated cannabis company operating in the world's two largest cannabis markets – California and Canada. Sunniva is focused on creating sustainable premium cannabis brands supported by our large-scale, purpose-built cGMP designed greenhouse and extraction facilities. We offer a steadfast commitment to safety and quality assurance providing cannabis products free from pesticides, which uniquely positions Sunniva in California as a leading provider of safe, high quality, reproducible products at scale. Through production from Phase One of our strategically positioned 325,000 square foot high technology greenhouse which is nearing completion and our fully operational extraction facility in California, we are launching Sunniva branded products in various product categories and price points including flower, pre-rolls, vape cartridges and premium concentrates. Sunniva branded products will be showcased within our flagship dispensary located at the greenhouse and our in-house marketing and distribution team will ensure the placement of Sunniva branded products at licensed dispensaries throughout the state. Sunniva's management and board of directors have a proven track record for creating significant shareholder value both in the healthcare and biotech industries.

This news release includes statements containing certain "forward-looking information" within the meaning of applicable securities law ("forward-looking statements"), including, but not limited to: statements relating to the Company's intention to file a statement of defence; taking steps to prevent against future data breaches; working with law enforcement and the Office of the Information and Privacy Commissioner of Alberta; the Company's focus on creating sustainable premium cannabis brands supported by the Company's large-scale, purpose-built cGMP designed greenhouse and extraction facilities; the launch of Sunniva-branded products; the showcase of these products within the Company's flagship dispensary; and the placement of Sunniva-branded products at licensed dispensaries throughout California. Forward-looking statements are frequently characterized by words such as "plan", "continue", "expect", "project", "intend", "believe", "anticipate", "estimate", "may", "will", "potential", "proposed" and other similar words, or statements that certain events or conditions "may" or "will" occur. These statements are only predictions. Various assumptions were used in drawing the conclusions or making the projections contained in the forward-looking statements throughout this news release. Forward-looking statements are based on the opinions and estimates of management at the date the statements are made and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. The Company is under no obligation, and expressly disclaims any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by applicable law.

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