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Sunniva Inc. Receives Final Approval for Medical Cannabis Facility in California

‘Sunniva Campus’ brings advanced greenhouse technology to Cathedral City

CALGARY, Alberta, Oct. 10, 2017 (GLOBE NEWSWIRE) -- Sunniva Inc. ("Sunniva" or "the Company"), a North American provider of medical cannabis products and services, is bringing advanced greenhouse technology to Cathedral City, California, following unanimous approval of the project by the city's Planning Commission. The Sunniva Campus, a Good Manufacturing Practice designed facility, received a Conditional Use Permit clearing the path for what is expected to be a 489,000 square-foot medical cannabis cultivation and production facility to be constructed in two phases over the next three years. Plans are underway for the ground-breaking for Phase I of the facility which will take place before the end of the year.



Sunniva Campus recently received approval from Cathedral City, California to begin construction of what is expected to be a 489,000 square-foot medical cannabis cultivation and production facility. [Source: Sunniva Inc.]

A photo accompanying this announcement is available at <https://www.globenewswire.com/NewsRoom/AttachmentNg/87a371dd-5a22-430f-898b-2f47c7ec6cab>

“Sunniva Campus represents a substantial step forward for the cultivation, production, and distribution of cannabis products to meet the needs of patients in California,” said Dr. Anthony Holler, CEO, Sunniva. “This purpose-built production facility will make the most of advanced greenhouse technology and ensure that patients across the state have access to

trusted, consistent products free from the pesticides that are unfortunately all too common within the industry today.”

Working with Dutch engineers with decades-long experience in clean food production using agricultural greenhouse technologies, Phase I is designed to be a 325,000 square-foot facility that is anticipated to produce 80,000 kg (177,000 lbs.) per year of dry cannabis at capacity and approximately 50 per cent of initial production will be converted into oils and extracts. Phase II is anticipated to add 164,000 square-feet of production to the Campus, delivering an additional 45,000 kg (100,000 lbs.) of medical cannabis per year at capacity.

“We are excited to be chosen as the location for this world-class cannabis center that utilizes the latest sustainable technology for cultivation,” said Stan Henry, Mayor of Cathedral City. “The Sunniva Campus will have a tremendous, positive impact on our economic development through job creation and tax revenue for our public safety, roads and bridges, and community parks.”

About Sunniva Inc.

Headquartered in Western Canada, Sunniva Inc. (formerly Sunniva Holdings Corp.) is a vertically integrated medical cannabis company committed to improving the quality of human life through its planned delivery of low cost, high-quality medical cannabis and better access to physician-led therapies and delivery methods. Sunniva brings legitimacy to the nascent medical cannabis market through state-of-the-art technology, strict regulatory compliance, safety and education. Sunniva operates in Canada and California and plans to cultivate, produce and distribute a broad range of solutions focused on patients’ needs. Sunniva operates through its wholly owned subsidiaries - CP Logistics, Sunniva Medical, Natural Health Services and Full-Scale Distributors. For more information please visit:

www.sunniva.com.

Forward-Looking Statements:

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, 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 preliminary 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; Sunniva's requirements for additional financing, including to refinance or repay in promissory notes secured by Sunniva's ownership interest in CP Logistics, 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 Sunniva's preliminary prospectus. 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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Source: Sunniva Inc.