SUNNIVA INC. ANNOUNCES FISCAL 2017 FINANCIAL RESULTS

VANCOUVER, BC – April 30, 2018 - Sunniva Inc. ("Sunniva" or "the Company") (**CSE:SNN**) (**OTCQX:SNNVF**), a North American provider of cannabis products and services, today released its financial results and management's discussion and analysis for the three months and year ended December 31, 2017. All figures are reported in Canadian dollars ($). Sunniva's financial statements are prepared in accordance with International Financial Reporting Standards.

Message from the CEO

"2017 was a transformative year for Sunniva establishing the necessary infrastructure to become one of the largest vertically integrated cannabis companies operating in the world's two largest cannabis markets – Canada and California. It has taken us many years to navigate strict federal and state legislative frameworks in California and the recent US presidential support of the legislative rights of individual states affirms our vision of becoming the leading provider of clean, medical grade cannabis within the Golden State," said Tony Holler, CEO of Sunniva.

"Our vision is to become one of the lowest cost, highest quality cannabis producers in these markets by building large scale purpose-built current good manufacturing practices ("cGMP") designed greenhouses and establishing sophisticated distribution channels, including our ownership of Natural Health Services ("NHS") cannabis clinics in Canada which has surpassed 95,000 active patients as of today, to purchase the significant quantities of high quality Sunniva branded and Sunniva private label cannabis products. Our focus moving forward is to execute and de-risk our business model by forward selling a large portion of our production in both markets, supplementing the previously announced 90,000 KG take or pay contract with Canopy Growth in Canada, with an emphasis on creating long term shareholder value."

"2017 was a year of building and 2018 will be the year of execution for our team to drive significant revenue in the near future. The major focus and milestones for the Company over the next year will be:

- Completing construction and commencing operations in our large-scale cGMP greenhouse facilities in both Canada and California.
- Finalizing debt financing for the estimated $120 million construction costs of the Sunniva Canada Campus.
- Securing additional long-term supply contracts in both markets.
- Leveraging the NHS doctor and software platform to capture a significant percentage of the Canadian medical cannabis market.
- Establishing a global Sunniva brand - a trusted source of high quality cannabis flower and extracted products and services."

Financial Highlights – Year ended December 31, 2017

Consolidated Financial Highlights Expressed in 000's of CDN$, except per share amounts

	Three Months Ended December 31,			Twelve Months Ended December 31,		
	2017	**2016**	**Change**	**2017**	**2016**	**Change**
Revenue	5,857	-	5,857	16,072	38	16,034
Cost of Goods Sold	3,353	12	3,341	9,389	12	9,377
Expenses	5,280	864	4,416	20,897	6,059	14,838
Loss from Operations	(2,776)	(876)	(1,900)	(14,214)	(6,033)	(8,181)
Net Income (Loss)	159	(1,561)	1,402	(18,472)	(6,887)	(11,585)
Basic Earnings (Loss) Per Share	\$0.01	\$(0.11)	\$0.12	\$(0.74)	\$(0.41)	\$(0.33)
Weighted Average Number of Shares	26,630,146	14,499,043	12,131,103	25,128,623	16,782,306	8,346,317

Operating Highlights - Year ended December 31, 2017

Key operating highlights for the Company for the year included:

- In Cathedral City, California the Company acquired 20 acres of land and 18 licenses to produce and distribute cannabis in California. The Company subsequently received its Conditional Use Permit from the City of Cathedral City which permitted construction to commence on the Company's 489,000 square foot purpose-built cGMP designed greenhouse facility. The facility is being financed by a related party of the Barker Pacific Group, Inc. as part of the sale and lease back of its greenhouse facility.
- The Company acquired NHS, one of the largest aggregators of medical cannabis patients in Canada.
- The Company acquired Full-Scale Distributors, LLC operating through the brand Vapor Connoisseur, a provider of custom private label vaporizers and cartridges to over 80 brands in North America.
- The Company acquired two leases and extraction licenses in Cathedral City for volatile and non-volatile extraction.
- The Company raised approximately $25.7 million in private placement financings of common shares, special warrants and convertible debentures.

Results of Operations – Year Ended December 31, 2017

During Fiscal 2017, the Company completed its first year of revenue generation with a total of $16.1 million in revenue for the year ended December 31, 2017. Revenue was generated from its two acquisitions during the period, NHS and FSD, which contributed $11.3 million and $4.8 million in revenue, respectively. Net loss for the year ended December 31, 2017 was $18.5 million as compared to $6.9 million during the year ended December 31, 2016.

The primary factors affecting the magnitude and variations of the Company's losses are as follows:

In the year ended December 31, 2017 the Company incurred $14.3 million in selling, general and administrative expenses. The Company also incurred costs of goods sold of $9.4 million on a consolidated basis consisting primarily of contract physician compensation in NHS and product manufacturing costs in FSD.

During the year ended December 31, 2017, the Company incurred non-cash expenses of $6.3 million resulting from a fair value increase in its convertible promissory notes and warrants; an expense of $2.5 million resulting from the amortization of intangible assets acquired with NHS and FSD; and share-based compensation expense of $4.0 million. The expenses were applied to the Consolidated Statements of Comprehensive Loss for the year.

The Company incurred a net loss of $18.5 million for the year ended December 31, 2017. On a comparative basis, the net loss increased from the year ended December 31, 2016 by $11.6 million.

The key components contributing to the change in net loss from the year ended December 31, 2017 compared to the year ended December 31, 2016 was comprised of the following:

- Expense due to the revaluation of secured convertible promissory notes and warrants of $6.3 million that occurred in the year ended December 31, 2017.
- Costs of goods sold increased from $nil to $9.4 million resulting from the revenue generating activities of NHS and FSD.
- An increase in costs related to selling, general and administration expenses from $3.6 million to $14.3 million due to the acquisition of two operating companies NHS and FSD and the Company's overall growth.
- Expenses for the period resulting from the amortization of acquired intangible assets in the amount of $2.5 million for the year ended December 31, 2017.
- Expenses were offset by an increase in revenue from $nil to $16.1 million the year ended December 31, 2017. In addition, deferred revenue increased from $nil as at December 31, 2016 to $0.7 million as at December 31, 2017, resulting from customer deposits on sales of merchandise.

Results of Operations – Three Months Ended December 31, 2017

During the fourth quarter of Fiscal 2017, the Company generated $5.9 million in revenue compared to $nil revenue in the fourth quarter of Fiscal 2016. Revenue was generated from its two acquisitions during Fiscal 2017, NHS and FSD, which contributed $3.9 million and $2.0 million in revenue respectively. Net income for the fourth quarter of Fiscal 2017 was $0.2 million as compared to a net loss of $1.4 million during the fourth quarter of Fiscal 2016.

The primary factors affecting the magnitude and variations of the Company's losses are as follows:

In the fourth quarter of Fiscal 2017 the Company incurred $5.2 million in selling, general and administrative expenses. The Company also incurred costs of goods sold of $3.4 million on a consolidated basis consisting primarily of contract physician compensation in NHS and product manufacturing costs in FSD.

During the fourth quarter of Fiscal 2017, the Company realized a non-cash recovery of $2.4 million resulting from a fair value decrease in its convertible promissory notes and warrant liability; a recovery of $1.4 million resulting from the finalization of the NHS purchase price allocation and the resulting impact on amortization of the intangible software assets; and share-based compensation expense of $0.7 million. The expenses were applied to the Consolidated Statements of Loss and Comprehensive Loss for the period.

The Company earned net income of $0.2 million for the fourth quarter of Fiscal 2017 compared to a net loss of $1.4 million in the fourth quarter of Fiscal 2016. The key components contributing to the change in net loss from the fourth quarter of Fiscal 2017 compared to the fourth quarter of Fiscal 2016 was primarily related to:

- Recovery due to the revaluation of secured convertible promissory notes and warrants of $2.4 million that occurred in the fourth quarter of Fiscal 2017.

- Costs of goods sold increased from $nil to $3.4 million resulting from the revenue generating activities of NHS and FSD.

- An increase in costs related to selling, general and administration expenses from $0.9 million to $5.2 million due to the acquisition of two operating companies NHS and FSD, share-based compensation and the Company's overall growth. This was offset by an increase in revenue from $nil to $5.9 million in the period.

- Recovery for the period resulting from the amortization of acquired NHS software in the amount of $1.9 million for the fourth quarter of Fiscal 2017.

Recent Operating Developments Subsequent to December 31, 2017

For a comprehensive overview of Sunniva's Recent Developments, please refer to the Company's Management's Discussion and Analysis of the Financial Condition and Results of Operations for the Three and Twelve Months Ended December 31, 2017.

- On January 10, 2018, the Company began trading its common shares on the Canadian Securities Exchange under the symbol "SNN". On February 15, 2018 the Company began trading its common shares on the OTCQX Market, operated by OTC Markets Group, under the symbol "SNNVF".

- On February 15, 2018, the Company repaid the FSD note in cash of $2.8 million (US$2.2 million), plus accrued interest, and the remaining portion through the issuance of common shares at the conversion price of US$2.55 per share.

- On February 21, 2018 Sunniva and Canopy Growth Corporation ("Canopy Growth") entered into a take or pay supply agreement. Under the terms of the agreement, Canopy Growth will purchase up to 45,000 kilograms of dried cannabis annually which includes Canopy Growth purchasing and distributing Sunniva branded products. Canopy Growth and Sunniva will share in the revenues as product is sold through Canopy Growth's distribution network including its online marketplace, Tweed Main Street and via provincial distribution channels. The revenue share will be based on the strain, sales channel and other relevant factors.

- On March 27, 2018 the Company completed a bought deal public offering for aggregate gross proceeds of $27.8 million. A total of 2,850,900 units ("Units") and 50,000 Warrants (as defined below) were sold at a price of $9.75 per Unit and $0.02 per Warrant. Each Unit consists of one Common Share in the capital of the Company and one-half of one common share purchase warrant (each whole warrant, a "Warrant") of the Company. Each whole Warrant shall entitle the holder thereof to acquire one common share at an exercise price per share of $12.50 for a period of 24 months.

- On April 12, 2018, Sunniva announced that its US subsidiaries received all the necessary State of California temporary licenses for phase one and two for its purpose built state-of-the-art greenhouse cultivation facilities in Cathedral City, California.

Copies of our audited annual financial statements and related management's discussion and analysis of financial results are available on SEDAR at www.sedar.com.

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**") – SMI is a late stage *Access to 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 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 can be used for drug delivery formats such as capsules, dissolvable strips, vaporization cartridges, tinctures and creams. Sunniva anticipates breaking ground in the next two weeks. 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 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.

Contact Information:
Dr. Anthony Holler
Chairman and Chief Executive Officer

Investor Relations Contact:
George Jurcic
Manager, Investor Relations
587-430-0680
ir@sunniva.com