

Sunniva Inc.

Bought Deal Public Offering of Units

Term Sheet

September 18, 2018

A preliminary short form prospectus containing important information relating to the securities described in this document has not yet been filed with the securities regulatory authorities in each of the Provinces of British Columbia, Alberta and Ontario. A copy of the preliminary short form prospectus is required to be delivered to any investor that received this document and expressed an interest in acquiring the securities. There will not be any sale or any acceptance of an offer to buy the securities until a receipt for the final short form prospectus has been issued.

This document does not provide full disclosure of all material facts relating to the securities offered. Investors should read the preliminary short form prospectus, final short form prospectus and any amendment for disclosure of those facts, especially risk factors relating to the securities offered, before making an investment decision.

- Issuer:** Sunniva Inc. (the “**Company**”).
- Offering:** 1,900,000 units (the “**Units**”) in the capital of the Company (the “**Offering**”). Each Unit shall consist of one common share in the capital of the Company (a “**Unit Share**”) and one half (1/2) of one common share purchase warrant (each, a “**Warrant**”) of the Company. Each full Warrant shall entitle the holder thereof to acquire one common share in the capital of the Company (a “**Warrant Share**”) at a price per Warrant Share of \$6.85 for a period of 24 months from the Closing Date (as defined below).
- Offering Price:** \$5.27 per Unit (the “**Issue Price**”).
- Gross Proceeds:** \$10,013,000.
- Over-Allotment Option:** The Company shall grant the Underwriters (as defined below) an option (the “**Over-Allotment Option**”), exercisable, in whole or in part, by Beacon (as defined below), on behalf of the Underwriters, at any time and from time to time up to 30 days following the Closing Date (as defined below), to purchase up to an additional number of Units (the “**Additional Unit**”) equal to 15% of the number of Units sold pursuant to the Offering at a price per Additional Unit equal to the Issue Price to cover over-allotments, if any, and for market stabilization purposes. The Over-Allotment Option shall be exercisable for Units, Warrants, or Common Shares (or any combination thereof).
- Use of Proceeds:** The net proceeds from the Offering will be used for working capital and general corporate purposes.
- Form of Offering:** Bought deal short form prospectus offering in each of the Provinces of British Columbia, Alberta and Ontario and by private placement to eligible purchasers resident in jurisdictions other than Canada that are mutually agreed to by the Company and Beacon, each acting reasonably, provided that no prospectus filing or comparable obligation arises and the Company does not thereafter become subject to continuous disclosure obligations in such jurisdictions.
- The Units may also be offered and sold in the United States only to a limited number of Qualified Institutional Buyers (as defined in Rule 144A under the United States *Securities Act of 1933*, as amended (the “**1933 Act**”) by way of private placement pursuant to an exemption from the registration requirements of the 1933 Act and pursuant to any applicable securities laws of any state of the United States. Any Units offered and sold in the United States shall be issued as “restricted securities” (as defined in Rule 144(a)(3) under the 1933 Act).
- Eligibility:** The Units will be eligible for investment under certain statutes as well as for RRSPs, RRIFs, RESPs, DPSPs and TFSAs.
- Listing:** The Company shall obtain the necessary approvals to list the Unit Shares, the Warrant Shares and the common shares underlying the Compensation Options (as defined below) under the Company’s trading symbol “SNN” on the Canadian Securities Exchange, which listing shall be conditionally approved prior to the Closing Date.

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Underwriters:	Beacon Securities Limited (" Beacon ") ⁽¹⁾⁽²⁾	47.5%
	Canaccord Genuity Corp. ⁽¹⁾⁽²⁾	47.5%
	Haywood Securities Inc.	5.0%

(collectively, the "**Underwriters**")

⁽¹⁾Co-lead underwriter.

⁽²⁾Co-bookrunner.

Underwriters' Compensation: 6% cash fee;
6% compensation options (the "**Compensation Options**") exercisable into common shares of the Company at the Issue Price for 24 months following the Closing Date.

Closing Date: On or about October 10, 2018 or such other date as mutually agreed to between Beacon and the Company, each acting reasonably.