



## SUNNIVA ANNOUNCES COMPLETION OF \$15 MILLION CONVERTIBLE DEBENTURE FINANCING

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**VANCOUVER, BC – February 13, 2019** - Sunniva Inc. (“Sunniva”, the “Company”, “we”, “our” or “us”) (**CSE:SNN**) (**OTCQB:SNNVF**), a North American provider of cannabis products and services, is pleased to announce the completion of the previously announced non-brokered offering (the “Financing”) of convertible debentures (“Convertible Debentures”). The originally announced \$10 million Financing was over-subscribed with gross proceeds received of CAD \$15,042,055. This Financing provides additional working capital to enable Sunniva to meet the higher than anticipated near term sales demand for Sunniva branded cannabis products in California and for general corporate purposes. The Financing included two insiders of the Company subscribing, directly or indirectly, for a total of CAD \$2.3 million which demonstrates management and insiders’ commitment to the Company.

The Convertible Debentures under the Financing were issued under the following terms:

- Term: 24 months; maturity date of February 15, 2021
- Interest Rate: 10% (paid annually)
- Conversion Rights: Convertible into common shares of Sunniva at any time within the Term at the Conversion Price at the sole discretion of the holder
- Conversion Price: CAD \$5.27 per common share

Beacon Securities Limited provided advisory services in conjunction with the Financing. In addition, a finder’s fee of 5% was paid to certain investment advisors for introducing certain purchasers of Convertible Debentures to the Company.

The Company anticipates holding a secondary closing of the Financing whereby employees of the Company and its affiliates may participate.

The Convertible Debentures offered have not been registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Convertible Debentures in the United States or in any other jurisdiction in which such offer, solicitation or sale would be unlawful. 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.

### About Sunniva Inc.

Sunniva, through its subsidiaries, is a vertically integrated cannabis company operating in the world’s two largest cannabis markets – California and Canada. Our ability to leverage our large-scale, purpose-built cGMP designed greenhouse, offering better quality assurance with cannabis products free from pesticides, uniquely positions

Sunniva as a leading supplier of safe, high quality products at scale. Through our strategically positioned cultivation and extraction facilities in California, we are launching Sunniva branded products in various product categories including flower, pre-rolls, vape cartridges, and premium concentrates. Our compliant distribution in California will ensure the placement of Sunniva branded products at licenced dispensaries throughout the state. We continue to pursue other upstream vertical opportunities. 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 use of proceeds from the Financing, the pursuit of upstream vertical opportunities, the timing of completion of the Company's cannabis purchase contracts, and the preparation for large-scale production at the Company's greenhouse in Cathedral City, 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. 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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