



## **SUNNIVA PROVIDES UPDATE OF CALIFORNIA OPERATIONS AS A RESULT OF THE CURRENT LEGAL DISPUTES**

**VANCOUVER, BC – December 13, 2019** – Sunniva Inc. (“Sunniva”, the “Company”, “we”, “our” or “us”) (CSE:SNN, OTCQB:SNNVF) announced today it is taking steps to preserve its available funds to allow it to actively pursue its rights under the previously disclosed dispute related to the Build to Suit Lease of the Cathedral City Glasshouse and to deal with disputes with certain of its debt holders for due, and claimed due, debt.

As part of these cost saving measures, the Company is reducing its business activities in California relating to both the extraction facility in Cathedral City and the distribution facility in Coachella while seeking opportunities to monetize both, and is actively pursuing the sale of the Long Beach warehouse. In addition, the Company continues to work towards the closing of the sales of its Canadian assets under the Natural Health Services Ltd. and Sunniva Medical Inc. transactions.

While the Company believes that it has strong legal positions with respect to the announced disputes and is taking steps to exert its position, there can be no certainty that the Company will ultimately prevail or that it will be able to deal with all of its debt as it becomes due.

“The lease on the Cathedral City Glasshouse is Sunniva’s primary asset and we intend to pursue all available options to resolve these disputes. To cover construction cost overruns, Sunniva has invested \$23 million into the Glasshouse, much of it under protest, as it was the only way we could envision the facility being completed,” stated Dr. Anthony Holler, CEO of Sunniva. “Despite this contribution, the owner and landlord has elected to seek to terminate our rights to lease the facility, a lease that has not yet begun, on a facility that is not yet completed, and we will look to the courts to enforce Sunniva’s rights to operate.”

For more information about the Company please visit: [www.sunniva.com](http://www.sunniva.com).

To be added to the Sunniva email distribution list please register at [www.sunniva.com/email-alerts](http://www.sunniva.com/email-alerts).

The Canadian Securities Exchange does not accept responsibility for the adequacy or accuracy of this release.

### **Cautionary Note Regarding Forward-Looking Information or Statements**

This press release contains forward-looking information or statements. All statements that are or information which is 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 operations and growth opportunities, Sunniva’s intention to reduce its business activities in California while seeking opportunities to monetize the extraction facility in Cathedral City and the distribution facility in Coachella, the intention to sell the Long Beach warehouse, and Sunniva’s belief that it has a strong legal position regarding the disputes related to the Build to Suit Lease of the Cathedral City Glasshouse and with certain of its debt holders and its intention to pursue all available options regarding such disputes are “forward-looking information or statements”. Forward-looking information or 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. With respect to forward-looking information and statements contained herein, Sunniva has made numerous assumptions including, among other things, assumptions about general business and economic conditions. Such forward-looking statements are based on assumptions and 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 information or statements. Such risks and uncertainties include, among others, the risk factors included in the Sunniva’s continuous disclosure documents available on [www.sedar.com](http://www.sedar.com). These factors should be considered carefully, and readers are cautioned not to place undue reliance on such forward-looking information or 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 information or 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 information or statements. Sunniva assumes no obligation to update any forward-looking information or statements, even if new information becomes available as a result of future events, new information or for any other reason except as required by law.

**Company Contacts:**

**Sunniva Inc.**

Dr. Anthony Holler  
Chairman and Chief Executive Officer  
Phone: (866) 786-6482

**Investor Relations Contact:**

Rob Knowles  
VP Corporate Development  
Phone: (587) 430-0680  
Email: [rknowles@Sunniva.com](mailto:rknowles@Sunniva.com)