

SUNNIVA INC. ANNOUNCES CEASING OPERATIONS OF FULL-SCALE DISTRIBUTORS, LLC

VANCOUVER, BC – January 27, 2020 - Sunniva Inc. ("Sunniva" or the "Company") (**CSE:SNN**) (**OTCQB:SNNVF**), announces that as part of its previously stated cost saving measures through reducing its business activities in California it will be ceasing operations of its wholly owned subsidiary, Full-Scale Distributors, LLC ("FSD") by the end of February 2020.

"The closing of FSD is a necessary step that will eliminate the cash outlay required to operate that business," stated Dr. Anthony Holler, Chairman & CEO of Sunniva Inc. "We continue to focus on the preservation of our available funds to allow us to actively defend Sunniva's rights under the previously disclosed dispute related to the Build to Suit Lease of the Cathedral City Glasshouse."

While the Company believes that it has strong legal positions with respect to the announced dispute 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.

For more information about the Company please visit: www.sunniva.com.

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, the intention to close operations of FSD by the end of February 2020, the preservation of available funds to the Company and the dispute related to the Build to Suit Lease of the Cathedral City Glasshouse, 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. These factors should be considered carefully, and readers are cautioned not to place undue reliance on such forwardlooking 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.

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