



SUNNIVA INC. PROVIDES UPDATE ON ANNUAL FILINGS, STAFF REDUCTIONS AND STATUS OF PREVIOUSLY ANNOUNCED SALE OF SUNNIVA MEDICAL INC.

VANCOUVER, BC – April 28, 2020 - Sunniva Inc. (“Sunniva”, the “Company”, “we”, “our” or “us”) (**CSE:SNN**) (**OTCQB:SNNVF**), is providing an update on the status of the filing of its annual financial statements and accompanying management’s discussion and analysis, and related CEO and CFO certifications for the financial year ended December 31, 2019 (the “Annual Filings”). In addition, the Company is announcing that in an ongoing effort to manage its current significant liquidity issues, it will be initiating staff reductions in California and Canada effective May 1, 2020, including Duncan Gordon, Chief Operating Officer of the Company.

Annual Filing Update

The British Columbia Securities Commission has enacted BC Instrument 51-515 - *Temporary Exemption from Certain Corporate Finance Requirements* (“BCI 51-515”) which allows for a 45-day extension for certain periodic filings required to be made on or prior to June 1, 2020. The Company will be relying on this extension and on the temporary exemption of its Group A filings pursuant to BCI 51-515 in respect to the following provisions:

- the requirement to file audited financial statements for the year ended December 31, 2019 (the “Financial Statements”) within 120 days of the Company’s financial year end as required by section 4.2(b) of NI 51-102 – *Continuous Disclosure Requirements* (“NI 51-102”);
- the requirement to file management discussion and analysis for the period covered by the Financial Statements within 120 days of the Company’s financial year end as required by section 5.1(2) of NI 51-102; and
- the requirement to file certifications of the Financial Statements pursuant to section 4.1 of National Instrument 52-109 – *Certification of Disclosure in Issuers’ Annual and Interim Filings*.

The Company intends to file the Annual Filings as soon as practicable. Prior to completion of the Annual Filings, management and other insiders of the Company are subject to a trading black-out policy as described, in principle, in section 9 of National Policy 11-207 – *Failure to File Cease Trade Orders and Revocations in Multiple Jurisdictions*.

Staff Reductions

Sunniva continues to pursue its legal rights under the current dispute with respect to the lease for the Cathedral City Glasshouse which is currently in arbitration with JAMS court system in California. To fund this pursuit and its other expenses, the Company is taking additional steps to preserve cash through further reduction of current operating activities and the elimination of certain management and other employee positions in California and Canada.

Included in the staff reductions is Mr. Duncan Gordon, who is the Chief Operating Officer of the Company. The Company has not announced a replacement for Mr. Gordon at this time.

“Duncan has been in integral part of Sunniva since the early stages and was instrumental in the development of the operations in California,” stated Dr. Anthony Holler, Chairman and CEO. “We wish him all the best in his future endeavors.”



The Company intends to operate the existing extraction and distribution facilities in California with reduced capacity to continue to serve its existing clients and will consider future expansion of operations as needed.

“We are in survival mode,” said Dr. Holler, CEO of the Company. “We are a company with minimal business operations; a core staff; a board of three individuals; limited capital resources and significant debt due and coming due. The steps we are announcing will extend our runway while we defend our core asset, our legal rights under the lease in respect of the Cathedral City Glasshouse, pursue the monetization of our Canadian assets and explore refinancing options”.

Sunniva Medical Inc. Sale Transaction Update

Sunniva announced that, while the previously announced outside date for closing of the sale of the shares of Sunniva Medical Inc. (“SMI”) to CannaPharmaRx Canada Corp. (“CannaPharmaRx”)(the “SMI Transaction”) has passed, the parties continue to work to restructure and finalize the SMI Transaction. Given current market and other conditions, there can be no certainty that this transaction will ultimately be finalized.

SMI owns the Sunniva Canada Campus, which includes construction assets for a planned 759,000 square-foot greenhouse located on an approximately 114-acre property in Okanagan Falls, British Columbia.

On November 26, 2019, the Company filed its interim consolidated financial statements and management’s discussion and analysis for the period ended September 30, 2019. The Company confirms that since the filing there have been no material business developments other than disclosed through prior news releases, or as disclosed herein. Since November 26, 2019, the Company has issued the following press releases with respect to material business developments:

- November 28, 2019 - *Sunniva Updates Expected Closing Date for SMI Transaction;*
- December 4, 2019 - *Sunniva Responds to Notice of Claim With Respect to Promissory Notes;*
- December 13, 2019 - *Sunniva Provides Update On California Operations As A Result Of Current Legal Disputes;*
- December 16, 2019 - *Sunniva Responds to Ex Parte Application Against CP Logistics With Respect to Promissory Notes;*
- December 18, 2019 - *Sunniva Reports The Ex Parte Application Filed in California was Denied;*
- December 19, 2019 - *Sunniva Announces Amended Terms and Closing of NHS;*
- December 23, 2019 - *Sunniva Provides Update on SMI Transaction;*
- December 24, 2019 - *CP Logistics Files for Temporary Restraining Order and Initiates Arbitration Process;*
- December 26, 2019 - *CP Logistics Reports the Application For A Temporary Restraining Order was Denied;*
- January 2, 2020 - *Sunniva Responds to Notice of Claim With Respect to Finders Fee;*
- January 14, 2020 - *CP Logistics, LLC Files Motion to Compel Arbitration;*
- January 27, 2020 - *Sunniva Announces Shut Down of Full Scale Distributors;*
- February 20, 2020 - *Sunniva Provides Update on Current Liquidity Position;*
- February 24, 2020 - *Sunniva Responds To Filing of Claim with Respect to Sale of NHS; and*
- March 3, 2020 - *Sunniva and CannaPharmaRx Update Terms of Sunniva Medical Transaction.*

Copies of the press releases listed above are available on SEDAR at www.sedar.com.

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, Sunniva's efforts to manage its significant liquidity issues, including the initiation of certain staff reduction initiatives, Sunniva's intention to rely on the extension and temporary exemptions pursuant to BCI 51-515, including the intention to file the Annual Filings as soon as practicable, the pursuit of Sunniva's legal rights under the lease for the Cathedral City Glasshouse, Sunniva's intention to operate its existing extraction facilities and distribution facilities in California with reduced capacity, and statements regarding the closing of the SMI Transaction 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 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

Sunniva Investor Relations

Rob Knowles
VP Corporate Development
Phone: (587) 316-4319
Email: ir@Sunniva.com