



## SUNNIVA ANNOUNCES FIRST CANNABIS PRODUCT SALES IN CALIFORNIA

**VANCOUVER, BC – January 4, 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 it has secured more than USD \$2.4 million in future sales of Sunniva branded cannabis products through one of the Company’s existing retail relationships to be completed in the first four months of 2019. This marks Sunniva’s first cannabis product sales in the state of California. The Company anticipates securing additional sales contracts in the near term.

Sunniva’s current product inventory consists of ultrapure cannabis distillate, premium concentrates and flower, which, based on current wholesale market prices in California, has a current estimated value in excess of USD \$5 million. The Company anticipates launching additional Sunniva branded product lines during the first quarter of 2019 which will include:

- **Ultra-pure distillate:** vape cartridges, live resin vape cartridges and disposable pens in 0.33 mL, 0.5 mL and 1.0 mL sizes;
- **Premium concentrates:** live resin extracts, shatters, and waxes; and
- **Flower:** various sized packages (initial delivery and first sales commenced this week)

“We look forward to demonstrating our ability to manufacture and sell premium cannabis products in California as we build our Sunniva house of brands,” stated Dr. Anthony Holler, Chief Executive Officer of Sunniva. “The recent LTYR Logistics acquisition has provided us with the final vertical business segment required to sell our branded products. Their existing relationships throughout California provide the key component for us to recognize the full value of our licensed and operational extraction facility, our device and hardware business, Vapor Connoisseur, and ultimately the purpose-built, high technology 325,000 square foot greenhouse in Cathedral City.”

Sunniva will leverage its strategic relationships for the purchase of clean biomass for extracted products and clean flower until the large-scale greenhouse is operational. Purchased flower will be packaged utilizing Sunniva’s large-scale automated sorting, batching and packaging machines, branded, and then sold, allowing Sunniva to capture significant margin in the flower category prior to processing its own premium flower.

The Company will continue to manufacture products at the extraction facility, adding to the current inventory daily. At full capacity, monthly output from the extraction facility is estimated at 180,000 grams of distillate and 125,000 grams of live resin extracts, which will supply all Sunniva branded product categories. Expansion plans beyond the current manufacturing capacity are underway to accommodate future sales growth.

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 greenhouses, 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. We have secured compliant distribution in California via our 100% ownership of LTYR Logistics that will ensure the placement of Sunniva branded products at licenced dispensaries throughout the state and we continue to aggressively 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 sale of products from Sunniva's extraction facility, the launch of Sunniva's house of brands, the potential expansion and anticipated production from the extraction facility. 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. Estimated value of inventory based on current wholesale market price for vape cartridges, disposable pens, concentrates and flower. Forward-looking statements are based on the opinions and estimates of management at the date the statements are made and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. 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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