

SPIRIT BEAR CAPITAL CORP.
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NEWS RELEASE

SPIRIT BEAR CAPITAL TO ACQUIRE GAIA INVESTMENTS

December 19, 2018 – Vancouver, British Columbia – Spirit Bear Capital Corp. (the “**Company**”) (NEX: SGB.H) is pleased to announce that it has entered into a letter of intent (the “**Letter of Intent**”) on December 17, 2018, with Gaia Investments Inc. (“**Gaia Investments**”). Based in Calgary, Alberta, Gaia Investments is a privately held company in the business of developing a facility and infrastructure for the manufacturing and marketing of hemp-based products in Canada.

In accordance with the terms of the Letter of Intent, it is anticipated that the Company will establish a wholly-owned subsidiary which will amalgamate with Gaia Investments (the “**Transaction**”), following which the resulting amalgamated entity will continue as a wholly-owned subsidiary of the Company. In consideration for completion of the Transaction, the Company proposes to issue 120,000,000 common shares to the existing shareholders of Gaia Investments. In connection with the entering into of the Letter of Intent, the Company has paid a deposit of \$10,500 to Gaia Investments, which will be refundable to the Company in the event the Transaction is not completed within a certain timeframe.

In connection with completion of the Transaction, Gaia Investments intends to complete a private placement financing (the “**Financing**”) through the offering of up to 40,000,000 subscription receipts (each, a “**Receipt**”) at a price of \$0.10 per Receipt for gross proceeds of up to \$4,000,000. Proceeds of the Financing will be held in escrow pending completion of the Transaction. Immediately prior to completion of the Transaction, each Receipt will automatically be converted into one common share of Gaia Investments, which will then be exchanged for one common share of the Company.

The Transaction constitutes a “Qualifying Transaction” for the Company under TSX Venture Exchange (the “**Exchange**”) Policy 2.4 – *Capital Pool Companies*. Following completion of the Transaction, it is anticipated that the Company will be listed on the Exchange as a Tier 2 Industrial Issuer under the name “Gaia Investments Inc.” Closing of the Transaction is subject to a number of conditions including completion of satisfactory due diligence, entering into a definitive agreement, completion of the Financing, Gaia Investments having received a license to cultivate and sell hemp products in accordance with the *Cannabis Act* (Canada) and the *Industrial Hemp Regulations*, approval of the Exchange and satisfaction of other closing conditions as are customary in transactions of this nature. There can be no assurance that the Transaction will be completed as proposed or at all. Trading in the common shares of the Company will remain halted pending further filings with the Exchange.

The Transaction is not a “Non-Arms’ Length Transaction” as that term is defined in the policies of the Exchange, nor is the Transaction subject to approval of the shareholders of the Company. The Company does not intend to pay any finders’ fees or commissions in connection with completion of the Transaction, but Gaia Investments may pay finders’ fees or commissions to eligible parties have introduced subscribers to the Financing. Subject to the approval of the Exchange, the Company may advance funds to Gaia Investments for working capital purposes

prior to completion of the Transaction. The Company intends to seek a waiver of the sponsorship requirements prescribed by Exchange Policy 2.2 – *Sponsorship and Sponsorship Requirements* in connection with the Transaction.

Further information regarding the Transaction, including a detailed use of proceeds for the Financing, financial information of Gaia Investments, and details regarding the proposed board and management of the Company following completion of the Transaction will be made available in due course. Readers are encouraged to review the filing statement which will be prepared by the Company in connection with the Transaction and made available under the Company's profile on SEDAR.

For further information, contact Zula Kropivnitski at 604.681.0084.

On behalf of the Board,

Spirit Bear Capital Corp.

Zula Kropivnitski, Chief Executive Officer

Completion of the Transaction is subject to a number of conditions, including but not limited to, Exchange acceptance. The Transaction cannot close until the required approvals are obtained, and the outstanding conditions satisfied. There can be no assurance that the Transaction will be completed as proposed or at all.

Investors are cautioned that, except as disclosed in the filing statement to be prepared in connection with the Transaction, any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of the Company should be considered highly speculative.

The TSX Venture Exchange has in no way passed upon the merits of the proposed Transaction and has neither approved nor disapproved the contents of this press release. Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

This news release may contain certain "Forward-Looking Statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995 and applicable Canadian securities laws. When or if used in this news release, the words "anticipate", "believe", "estimate", "expect", "target", "plan", "forecast", "may", "schedule" and similar words or expressions identify forward-looking statements or information. These forward-looking statements or information may relate to proposed financing activity, regulatory or government requirements or approvals, the reliability of third party information and other factors or information. Such statements represent the Company's current views with respect to future events and are necessarily based upon a number of assumptions and estimates that, while considered reasonable by the Company, are inherently subject to significant business, economic, competitive, political and social risks, contingencies and uncertainties. Many factors, both known and unknown, could cause results, performance or achievements to be materially different from the results, performance or achievements that are or may be expressed or implied by such forward-looking statements. The Company does not intend, and does not assume any obligation, to update these forward-looking statements or information to reflect changes in assumptions or changes in circumstances or any other events affecting such statements and information other than as required by applicable laws, rules and regulations.