

SPIRIT BEAR CAPITAL CORP.
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NEWS RELEASE

SPIRIT BEAR CAPITAL RECEIVES CONDITIONAL APPROVAL OF TSX VENTURE EXCHANGE FOR ACQUISITION OF GAIA AND FILES FILING STATEMENT

July 5, 2019 – Vancouver, British Columbia – Spirit Bear Capital Corp. (the “**Company**”), a capital pool company pursuant to Policy 2.4 of the TSX Venture Exchange (the “**Exchange**”) (NEX: SGB.H), announces that it has received the conditional acceptance of the Exchange for its proposed acquisition (the “**Transaction**”) of Gaia Grow Corp. (“**Gaia**”). In accordance with the terms of the Transaction, Gaia and the Company will combine their respective businesses by way of a “three-cornered” amalgamation in which a wholly-owned subsidiary of the Company will amalgamate with Gaia, following which the resulting amalgamated entity will continue as a wholly-owned subsidiary of the Company. Following completion of the Transaction, it is anticipated that the Company will change its name to “Gaia Grow Crop.” and it is the intention of the parties that the Company (the Company after the Transaction being referred to herein as the “**Resulting Issuer**”) will continue to carry on the business of Gaia.

In connection with completion of the Transaction, Gaia has completed a private placement financing (the “**Financing**”) through the offering of 45,076,969 subscription receipts (each, a “**Receipt**”) at a price of \$0.10 per Receipt, for gross proceeds of \$4,507,696. Proceeds of the Financing are being held in escrow pending completion of the Transaction. Immediately prior to completion of the Transaction, each Receipt will automatically be converted into one Gaia Share (each, a “**Receipt Share**”).

Pursuant to the terms of the Transaction, the holders of Gaia Shares (including the holders of Receipt Shares held by investors in the Financing) will receive one (1) Resulting Issuer Share in exchange for each outstanding Gaia Share. Prior to the closing of the Transaction, it is expected that Gaia will have approximately 120,000,000 Gaia Shares outstanding (not including the Receipt Shares issuable on conversion of the Receipts).

The Transaction constitutes a “Qualifying Transaction” for the Company under Exchange Policy 2.4 – *Capital Pool Companies*. The Company has filed a filing statement on SEDAR (www.sedar.com), dated June 28, 2019, relating to the Transaction (the “**Filing Statement**”). Readers are encouraged to review the Filing Statement, which provides detailed information about the Transaction and the business of Gaia. The Company will issue a further news release announcing the closing of the Transaction and the date on which trading in the common shares of the Company will resume on the Exchange. Trading in the common shares of the Company will remain halted pending completion of the Transaction and issuance of the final Exchange approval bulletin.

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 Grow Corp.” and the ticker symbol “GAIA”. Closing of the Transaction remains subject to the satisfaction of customary closing conditions. There can be no assurance that the Transaction will be completed as proposed or at all. Issuance of the final Exchange approval bulletin, and the resumption of trading on the Exchange, remains subject to the completing of customary filings required by the policies of the Exchange.

About Gaia

Gaia is a privately held arm's length company continued under the laws of the *Business Corporations Act* (British Columbia) and is in the business of developing a facility and infrastructure for the manufacturing and marketing of hemp-based products in Canada. The operations of Gaia are carried out through its' wholly-owned subsidiary, Gaia Bio-Pharmaceuticals Inc. ("**Gaia Bio**"), a privately held company incorporated under the laws of the *Business Corporations Act* (Alberta). Gaia Bio holds a license to cultivate and sell industrial hemp under the *Cannabis Act* (Canada) and the *Industrial Hemp Regulations*. Gaia Bio is also an applicant for a license to cultivate cannabis for medical purposes under the *Cannabis Act* (Canada). While Gaia Bio has applied for a license to cultivate cannabis, the primary focus of Gaia Bio is the cultivation and sale of hemp. Gaia Bio does not anticipate receiving a license to cultivate cannabis prior to completion of the Transaction, nor does it expect to engage in the cultivation of cannabis in the near term.

For further information, contact Zula Kropivnitski at 604.681.0084.

On behalf of the Board,

Spirit Bear Capital Corp.

Zula Kropivnitski, Chief Executive Officer

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.

Completion of the Transaction is subject to a number of conditions, including but not limited to, final 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 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.

*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 regulatory or government requirements or approvals, the reliability of third party information, completion of the Transaction, anticipated information related to the Resulting Issuer in connection therewith, the resumption of trading in the common shares of the Company, 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, including, but not limited to, assumptions that all conditions to the closing of the Transaction will be satisfied and that the Transaction will be completed on the terms set forth in the definitive agreement entered into among the parties to the Transaction (the "**Definitive Agreement**"). 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. Such risk factors may include, among others, the risk that required approvals and the satisfaction of material conditions are not obtained in connection with the Transaction, the risk that the Transaction is not approved or completed on the terms set out in the Definitive Agreement or at all and risks related to the hemp market, including restrictions imposed by Health Canada or such other regulatory approvals. 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.*