

FORM 51-102F3

Material Change Report

Item 1. Name and Address of Company

Gaia Grow Corp (the “Company”)
303 – 750 West Pender Street
Vancouver, BC, V6C 2T7

Telephone: 604-681-0084

Item 2. Date of Material Change

News Release dated February 4, 2020.

Item 3. News Release

The Company disseminated a news release concerning the material change described herein on February 4, 2020 and subsequently filed a copy on SEDAR at www.sedar.com.

Item 4. Summary of Material Change

Gaia signs binding LOI with hemp milling company.

Item 5. Full Description of Material Change

Vancouver, British Columbia – February 4, 2020 - **Gaia Grow Corp.** (TSXV: GAIA) (the “**Company**” or “**Gaia**”) is pleased to announce that it has signed a binding letter of intent (“**LOI**”) with Enagon Inc. (“**Enagon**”) dated January 29, 2020.

Enagon is a privately held Alberta corporation which owns the “milling” technology referenced in the Company’s January 24, 2020 news release. “Milling” is not a new process—it is a mechanical method of separating “straw”, “hurd”, “shiv” and CBD rich flower from hemp bales. Enagon’s proprietary milling technology is high-capacity and consistently operates between 0.5 -1 tonne per hour and achieves a finished product with up to a 300% CBD increase. This method quickly and efficiently separates each revenue generating portion of the hemp bale and in doing so, maximizes the profitability of the entire crop.

Pursuant to the terms of the LOI, the parties intend for Enagon to mill industrial hemp to be sold exclusively by Gaia to fibre suppliers and licenced processors of cannabis in Canada pursuant to Gaia’s industrial hemp licence. For industrial hemp supplied to Enagon by Gaia, the revenue for the sale of the milled product will be split 30% to Enagon and 70% to Gaia. For industrial hemp supplied by Enagon pursuant to Gaia’s licence, the revenue for the milled product will be split 70% to Enagon and 30% to Gaia. Gaia will be responsible for all sales of milled hemp and the distribution of revenue from such sales. Any revenue generated by the sale of milled product produced from industrial hemp supplied by third

parties will be split 50% to Enagon and 50% to Gaia. Each party will cover its own expenses from its own resources and cash flow and the industrial hemp will be milled at Enagon’s milling facility located in Lacombe County, Alberta.

Once revenue is achieved from initial sales, Enagon intends to expand its milling operations by installing and operating two additional “Enagon Mills” for a total of three machines in a Gaia-supplied facility. This will increase Enagon’s milling capacity to 1.5 to 3 tonnes of hemp biomass per hour, allowing Gaia to keep up to anticipated demand.

The Company will provide additional information about the technology and new products on its website in the coming days.

“Enagon and Gaia have aligned with a mutual goal of results driven growth” said Frederick Pels, CEO of Gaia. “Having a quality hemp product at this capacity and distributing directly to every open revenue stream is simply the best business model possible. I anticipate the next steps we take together with Enagon will continue to advance this industry, elevate both our companies, and increase shareholder value. I look forward to keeping our shareholders updated with our progress over the coming quarters.”

Garry Evernden, President of Enagon, commented, “We’re doing what we believe in—applying technology in the real world to create economically and environmentally sustainable solutions. We are excited to be working with Gaia, and look forward to expanding together.”

Completion of the transaction with Enagon remains subject to the negotiation of a definitive milling agreement. The Company will provide additional information regarding the milling arrangement with Enagon as soon as it becomes available.

For further information, contact Frederick Pels by email at fp@gaiagrow.com or 403-991-7737.

On behalf of the Board,
Gaia Grow Corp.

Frederick Pels, Chief Executive Officer

.Item 6. Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

Not applicable

Item 7. Omitted Information

Not applicable

Item 8. Executive Officer

The following senior officer of the Company is knowledgeable about the material change disclosed in this report.

Frederick Pels
Chief Executive Officer
Telephone: 403-991-7737

Item 9.

Date of Report

February 4, 2020