



GAIA SIGNS PURCHASE AGREEMENT WITH CANNGROUP

Vancouver, British Columbia – March 2, 2020 - Gaia Grow Corp. (TSXV: GAIA) (the “**Company**” or “**Gaia**”) is pleased to report that it has signed an agreement with CannGroup Development Corp. (“**CannGroup**”) for the sale of 15,000 kilograms of milled hemp powder to CannGroup for processing into CBD oil and distillate. Milled hemp powder is an ideal feedstock for the production of CBD oil and distillate and is produced by separating the CBD-rich elements of the hemp plant (such as flowers and leaves) from the low-CBD elements (such as stalks and branches) and grinding them into a powder. Gaia has agreed to sell 15,000 kilograms of milled hemp powder to CannGroup for \$110 per kilogram. Pursuant to the agreement, starting on or around March 4, 2020 Gaia will deliver 1,000 kilograms of milled hemp powder to CannGroup every week until the aggregate 15,000 kilograms has been delivered.

CannGroup operates a Health Canada licensed extraction facility and operates an ethanol extraction lab.

Gaia is a licenced hemp producer under the *Industrial Hemp Regulations* (Canada), with approximately 4.2 million lbs of hemp biomass from its 2019 harvest and the capacity to mill 1 tonne of hemp biomass into milled hemp powder per hour. Both Gaia and CannGroup expect to increase output over the coming months and the Company will provide additional information as it becomes available.

“The alignment we have with CannGroup is absolutely incredible” said Frederick Pels, CEO of Gaia. “Our mutual success, product quality and organic growth are the fundamental goals we share, and I look forward to a long standing and successful relationship with CannGroup. We are so excited with all opportunities to come in the near future as we continue to innovate and grow together. This is just the beginning.”

Neither the 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.

CAUTIONARY AND FORWARD-LOOKING STATEMENTS

This news release contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. These statements relate to future events or future performance and includes the expectation that the parties can increase output of hemp milling and processing in the future. All statements other than statements of historical fact may be forward-looking statements or information. Forward-looking statements and information are often, but not always, identified by the use of words such as “appear”, “seek”, “anticipate”, “plan”, “continue”, “estimate”, “approximate”, “expect”, “may”, “will”, “project”, “predict”, “potential”, “targeting”, “intend”, “could”, “might”, “should”, “believe”, “would” and similar expressions.

Forward-looking statements and information are provided for the purpose of providing information about the current expectations and plans of management of the Company relating to the future. Readers are cautioned that reliance on such statements and information may not be appropriate for other purposes, such as making investment decisions. Since forward-looking statements and information address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but



are not limited to, the risks associated with the hemp industry in general such as operational risks in growing; competition; incorrect assessment of the value and potential benefits of various transactions; ability to access sufficient capital from internal and external sources; failure to obtain required regulatory and other approvals and changes in legislation, including but not limited to tax laws and government regulations. Accordingly, readers should not place undue reliance on the forward-looking statements, timelines and information contained in this news release.