

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 June 19, 2020

Item 3. News Release

The Company disseminated a news release concerning the material change described herein on June 19, 2020 and subsequently filed a copy on SEDAR at www.sedar.com.

Item 4. Summary of Material Change

Gaia signs lease for hemp milling joint venture expansion.

Item 5. Full Description of Material Change

Vancouver, British Columbia – June 19, 2020 - Gaia Grow Corp. (CSE: GAIA) (“**Gaia**”) is pleased to announce that it has successfully sourced and leased an industrial facility to expand its existing joint venture with Enagon Inc. for post-harvest bale breaking and milling in order to increase its production capacity of saleable milled hemp flower product.

The lease of the industrially-zoned 4,500 square foot facility in Lacombe, Alberta started on June 18, 2020 and is for one year with rolls and extensions possible, providing flexibility to expand operations to another location if required after this first year.

After reviewing many options of purchasing, building or leasing facilities over the past year, Gaia’s management selected this new facility that had just recently come on the market as it offered the best mix of cost, location, size, upgraded power and utility access. The site was formerly the home of a pallet manufacturer that operated in the building for the past 24 years. It allows for large transportation vehicle access, has enough power for the foreseeable needs of the milling operation expansion, and also offers a large 1-acre lot which will allow for both unprocessed bale storage as well as rebaling of the fibre once separated from the flower and non-viable seed. Upon taking possession, Gaia and Enagon will begin outfitting the facility with equipment and completing some minor renovations in order to achieve the proper floorplan and dust-management systems required to optimize bale breaking, milling operations, rebaling of separated hemp fibre, material handling and storage of finished product.

Permitting applications have been verbally reviewed with the county and the intended use - Health Canada Licensed Hemp post-harvest milling and conditioning - fits well within the county bylaws for permitted use of cannabis industry facilities. Business license and permit applications have been submitted as of this release and are expected to be approved within the following days.

For further information, contact Frederick Pels, Chief Executive Officer of the Company, at fp@gaiagrow.com.

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

June 19, 2020