

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 July 7, 2021

Item 3. News Release

The Company disseminated a news release concerning the material change described herein on July 7, 2021 and subsequently filed a copy on SEDAR at www.sedar.com.

Item 4. Summary of Material Change

Gaia expands extraction laboratory Tru Extracts and closes acquisition of Canna Stream.

Item 5. Full Description of Material Change

Vancouver, British Columbia – July 7, 2021 - Gaia Grow Corp. (CSE: GAIA; Frankfurt: GG0) has begun expansion of its extraction laboratory - TruExtracts (Calgary) Inc. (“TRU”). The square footage will be expanded from 11,672 square feet to 28,526 square feet. The additional square footage will be used to add more processing rooms, extraction capacity and facilitate the deployment of the processing technology developed by Canna Stream Solutions Ltd. (“CSS”).

All processing rooms at the laboratory are currently occupied for product manufacturing. The expansion is expected to accommodate the expected volume and ensure capacity for both extraction and production for the near term.

“The expansion of TruExtracts is the first step in deploying CSS and processing all of Gaia’s milled CBD” said Frederick Pels, CEO of Gaia. “We are looking to take control of the cannabis extraction marketplace, and with this expansion, we will have the capacity to do so. I look forward to updating our shareholders as Canna Stream, TRU and Gaia work together to bring efficiency and sustainability to the cannabis industry.”

“With the current processing space at capacity, this expansion will allow for the launch of a multitude of new products that are currently under development” said Andre Sinclair, COO of TruExtracts. “The expansion also allows for the proper integration of Canna Stream and gives us the footprint for industrial scale extraction.”

Acquisition of Canna Stream Solutions Ltd.

The Company also confirms that it has completed its previously announced acquisition of all of the outstanding share capital of CSS. In consideration for the acquisition of CSS, the Company has issued 12,500,000 common shares (the "**Consideration Shares**") to the existing shareholders of CSS at a deemed price of \$0.10 per Consideration Share.

The Company is at arms-length from CSS and each of its shareholders. The acquisition of CSS does not constitute a fundamental change for the Company, nor did it result in a change of control of the Company, within the meaning of applicable securities laws and the policies of the Canadian Securities Exchange. The Consideration Shares are subject to restrictions on resale in accordance with applicable securities law until October 24, 2021.

For further information regarding CSS, readers are encouraged to review the news release issued by the Company on June 17, 2021.

Debt Settlement

The Company also announces that it has settled outstanding indebtedness of \$37,500, owing to an arms-length creditor, in consideration for the issuance of 750,000 common shares at a deemed price of \$0.05 per share. The shares are subject to a statutory hold period for four-months-and-one-day following issuance.

TruExtracts

TruExtracts laboratories was created for high-capacity extraction to meet global demand. TruExtracts is one of Western Canada's largest cannabis and hemp processors, this state of the art facility in Calgary features supercritical carbon dioxide CO₂, ethanol, butane, and pentane and solventless extraction. Health Canada licensed and operational. Expansion is underway to a footprint of 28,526 square feet. Services include toll processing, THC, CBD extractions and isolates, as well as white label service and cannabis THC and CBD products.

More information can be found at <https://truextractslabs.com/>

Canna Stream Solutions

CSS is developing critical technologies for storing, transportation and processing of cannabis waste (physical and chemical). Most notably, they have filed a US provisional patent application in the chemical extraction and fractionation of Cannabinoids and monoterpenes from cannabis flower and biomass utilizing their solvent system that is significantly more efficient than ethanol. This gives CSS the ability to significantly manage costs of high throughput processing and extraction of cannabis and Hemp biomass.

The company will be diligently posting updates through videos from the official company YouTube channel <https://www.youtube.com/channel/UC7tbvsY5gl2CrlsESYkbbgw>
Please join the conversation on our GAIA group supporter's telegram group at <https://t.me/gaiagrow> and visit us online at <https://www.gaiagrow.com/>

For further information please contact:

Frederick Pels, Chief Executive Officer

(403)-991-7737

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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

July 7, 2021