GAIA GROW ANNOUNCES $3 MILLION PLACEMENT

Not for release to US wire services or distribution in the United States

Vancouver, British Columbia – September 29, 2021 – Gaia Grow Corp. (the "**Company**" or "**Gaia**") (CSE:GAIA) (CNSX:GAIA.CN) (Frankfurt:GG0) announces that it has entered into an agreement to place up to $3 million of its common shares to New Life Sciences Capital, LLC (the "**Investor**"), a U.S.-based institutional investor.

Proceeds from the placement of common shares in the capital of the Company ("**Shares**") will be used for the expansion of existing operations and for general working capital purposes.

The placement will be way of a lumpsum prepayment of the subscription price of Shares ("**Placement Shares**"), in three tranches. The first tranche will raise $1,000,000 in proceeds for $1,090,000 worth of Placement Shares and is expected to occur in the next week. The second tranche will raise $1,000,000 in proceeds for $1,090,000 worth of Placement Shares and is expected to occur before the first anniversary of the first tranche. Additionally, the Company may elect to raise $1,000,000 in proceeds for Placement Shares worth the same amount in a third tranche, with the consent of the Investor. The Company will issue Placement Shares in relation to all or part of each of the above tranches upon the Investor's request, within 48 months of the date of the corresponding investment, at the Purchase Price set out below.

The Purchase Price for the issue of Placement Shares will be the greater of the fixed price (the "**Fixed Price**") of $0.05 (for the first tranche) or (for the second and third tranches) the closing price of the Shares immediately prior to the funding of that tranche and the market price of the Shares at the time of their issue, being the average of the five daily volume-weighted average prices selected by the Investor during the twenty consecutive trading days immediately prior to the date of the Investor's request to issue shares, less a 10% discount (rounded down to the next one tenth of a cent) (the "**Market Price**"). The Purchase Price will not be the subject of a cap. For clarity, the Purchase Price will be the Market Price only where the Market Price exceeds the Fixed Price.

The Investor will not be obligated to provide the second tranche, and/or may reduce the size of the second tranche, if the market price of the Company's Shares is below $0.02 and does not recover to above that level within two months after the Investor notifies the Company so. Separately, each party will have the right to postpone the second tranche by up to three months.

The Investor has agreed to certain, substantial, limitations on its ability to dispose of Placement Shares following their issue. The Investor is also contractually precluded from shorting the Shares.

The Investor will be entitled to receive a make-whole payment in relation to an issue of Placement Shares if the market price of the Shares (determined as set forth above) is less than the Fixed Price, which payment will be equal to the value of Shares foregone as a result of the Fixed Price being the Purchase Price rather than such market price. The Company may elect to make this payment in Shares in lieu of cash, in the Company's sole discretion.

The Company will have the right (but no obligation) to forego issuing shares in relation to a request for issuance and instead opt to repay the subscription by making a payment to the Investor equal to the market value of the shares that would have otherwise been issued.

The Company will make an initial issuance of 2,480,000 Placement Shares to the Investor at the time of the funding of first tranche (in satisfaction of a refundable fee to the Investor). This payment by the Company will be credited towards the ultimate number of Placement Shares to be issued. Alternatively, in lieu of applying these Shares towards the aggregate number of the Placement Shares issued by the Company, the Investor may make a further payment to the Company equal to the value of these Shares determined using the prevailing market price of the Shares (as set out above) at the time of the payment.

The proceeds of the second tranche will not exceed 8% of the Company's market capitalisation, without the Investor's consent.

The Company has agreed to pay a $120,000 fee to the Investor, which will be paid from the proceeds from the first tranche. The Company will issue 4,800,000 warrants with an exercise period of 48 months from the date of issue (the "**Warrants**") to Investor entitling the Investor (or any subsequent holder of the Warrants) to subscribe for one Share per Warrant at the exercise price equal to $0.05.

For further information please contact:

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