



EARLY WARNING NEWS RELEASE OF AUSTRALIS CAPITAL INC.

LAS VEGAS, NV, MAY 29, 2019 – Australis Capital Inc. (CSE: AUSA OTC: AUSA) (“**Australis**”), with an address at Suite 900, 510 Seymour Street, Vancouver, British Columbia, V6B 1V5 has acquired (the “**Acquisition**”), through the exercise of 12,793,840 warrants (the “**Warrants**”) of Body and Mind Inc. (the “**Company**”), ownership of 12,793,840 common shares (the “**Common Shares**”) in the capital of the Company. The Common Shares were acquired pursuant to the exercise of the Warrants acquired on a private placement basis on November 5, 2018. The head office of the Company is located at 750 – 1095 West Pender Street, Vancouver BC V6E 2M6.

Prior to the Acquisition, Australis held 22,079,788 Common Shares, 12,793,840 Warrants and debentures in the principal amount of \$1,600,000 (the “**Debentures**”) convertible into Common Shares at \$0.55 per common share.

After the Acquisition, Australis holds 34,873,628 Common Shares and Debentures in the principal amount of \$1,600,000. Assuming the conversion of all Debentures, Australis would hold 37,782,719 common shares, which on a partially diluted basis is equal to approximately 37.7% of the issued and outstanding common shares of the Company.

Australis paid CAD \$6,396,920 to exercise the Warrants at a price of \$0.50 per share resulting in 12,793,840 Common Shares.

Australis acquired the Common Shares for investment purposes. In pursuing such purposes, Australis takes a long-term view of its investment. It reserves the right to formulate other plans or make other proposals, and take such actions with respect to its investment in the Company. Depending on market conditions and other factors, Australis may acquire additional securities of the Company as Australis may deem appropriate, whether in open market purchases, privately negotiated transactions or otherwise. Australis may dispose of some or all of such securities. Australis may also reconsider and change its plans or proposals relating to the foregoing.

This press release is issued pursuant to early warning requirements of National Instrument 62-104 and National Instrument 62-103, which also requires a report to be filed with regulatory authorities in each of the jurisdictions containing additional information with respect to the foregoing matters (the “**Early Warning Report**”). A copy of the Early Warning Report will be available under the Company’s SEDAR profile at www.sedar.com.

About Australis Capital Inc.

A spin-out of Aurora Cannabis (NYSE: ACB TSX: ACB) in September 2018, Australis identifies and invests in the cannabis industry predominantly in the United States, a highly-regulated, fragmented, rapidly-expanding and evolving industry. Investments may include but are not limited to equity, debt or other securities of both public and private companies, financings in exchange for

royalties or other distribution streams, and control stake acquisitions. Australis adheres to stringent investment criteria and focuses on significant near and mid-term high-quality opportunities with strong return potentials while maintaining a steadfast commitment to governance and community. Australis' Board and management team have material experience with, and knowledge of, the cannabis space in the U.S., extensive backgrounds in highly-regulated industries, adherence to stringent regulatory compliance, public company, and operational expertise. In addition to the Company's expertise and strong execution on strategic M&A, which to date includes Rthm Technologies Inc., Body and Mind Inc., Quality Green Inc., Folium Biosciences, Mr. Natural Inc., and Green Therapeutics, LLC, Australis has developed strategic partnerships with companies such as Wagner Dimas.

Australis' Common shares trade on the CSE under the symbol "AUSA" and on the OTCQB under the symbol "AUSAF".

For further information about Australis, please visit the website at ausacap.com or contact the Company by e-mail at ir@ausacap.com.

ON BEHALF OF THE BOARD OF DIRECTORS

"Scott Dowty"

Scott Dowty
Chief Executive Officer

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