



EARLY WARNING NEWS RELEASE OF AUSTRALIS CAPITAL INC.

LAS VEGAS, NV, May 26, 2020 – Australis Capital Inc. (“**Australis**”), with an address at Suite 190, 376 East Warm Springs Road, Las Vegas, Nevada, 89119, disposed (the “**Disposition**”) of 5,877,500 common shares (the “**Common Shares**”) of Body and Mind Inc. (the “**Company**”).

The head office of the Company is located at 750 – 1095 West Pender Street, Vancouver BC, V6E 2M6.

Transfer of Shares to RAPIDCASH ATM Ltd.

On December 24, 2019, Australis disposed of 5,000,000 Common Shares (the “**RapidCash Shares**”) pursuant to a vendor agreement (the “**Agreement**”) dated December 14, 2019 between Australis and RAPIDCASH ATM Ltd. (“**RapidCash**”). The RapidCash Shares formed part of the consideration payable for the purchase of self-service kiosks (the “**Kiosks**”) for the global cannabis dispensary market.

The Rapid Cash Shares were transferred by Australis in consideration for the Kiosks at a deemed price of \$0.550 per RapidCash Share for total consideration of \$2,750,000.

Sale of Shares

Through transactions (the “**Transactions**”) dated February 25, 2020, March 3, 2020, March 10, 2020, March 17, 2020, March 24, 2020, March 31, 2020 and April 1, 2020, Australis disposed an aggregate of 877,500 Common Shares for aggregate consideration of \$272,294.09 at an average price of \$0.31 per Common Share.

Prior to the Disposition, Australis held 24,873,628 Common Shares and unsecured convertible debentures (the “**Debentures**”) of the Issuer in the principal amount of \$1,600,000 convertible into 2,909,091 Common Shares at a price of \$0.55 per Common Share. Assuming conversion of all Debentures, Australis held approximately 26.6% of the issued and outstanding Common Shares on a partially diluted basis and approximately 24.5% of the issued and outstanding Common Shares on an undiluted basis.

After the Disposition, Australis holds 18,996,128 Common Shares and the Debentures in the principal amount of \$1,600,000. Assuming conversion of all Debentures, Australis holds approximately 20.9% of the issued and outstanding Common Shares on a partially diluted basis and approximately 18.7% of the issued and outstanding Common Shares on an undiluted basis.

Pursuant to a conversion agreement dated July 1, 2019 (the “**Conversion Agreement**”), Australis agreed to convert the Debentures into 2,909,091 Common Shares on July 1, 2020.

Australis acquired the Common Shares and Debentures 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 continues to evaluate numerous potential transactions and in connection therewith may exchange Common Shares for other assets or may sell Common Shares to increase its cash position. 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 and may be obtained by contacting Brent Reuter, Senior Vice President, Investor Relations & Strategy of Australis, at 705.538.8400 or ir@ausacap.com.