



January 25, 2019

AURA ANNOUNCES BINDING LOI TO ACQUIRE LICENCED MEDICAL CANNABIS DISTRIBUTOR IN GERMANY

Toronto, Ontario – Aura Health Inc. (the “**Company**” or “**Aura**”) (**CSE:BUZZ**) is pleased to announce that the Company has entered into a binding letter of intent (the “**LOI**”) to acquire 80% of Pharmadrug Production GmbH (“**Pharmadrug**”) for EUR5,000,000.

Pharmadrug is a cash flow positive German pharmaceutical distribution company with over 20 years of operating history. Pharmadrug has a Schedule I European Union narcotics licence that allows the business to distribute medical cannabis to pharmacies in Germany and the rest of the Eurozone as markets become legalized. Pharmadrug has a supply agreement with Bedrocan International B.V. and is expecting its first cannabis shipment next week. Pharmadrug also has a supply agreement with a Western Canadian LP and is currently assisting them in achieving Euro GMP certification.

The seller, Anquor Pharmaceuticals Ug, will retain a 20% interest in Pharmadrug and will continue to participate in the strategy of the company from its Berlin office.

As per the terms of the LOI, the Company will pay for the shares of Pharmadrug as follows:

- An advance of EUR1,000,000 as at January 31, 2019;
- An advance of EUR1,000,000 as at February 28, 2019; and
- An advance of EUR3,000,000 as at May 31, 2019.

Daniel Cohen, CEO of Aura, commented, “We are very excited about this transformative transaction and believe that this is a major building block to establishing Aura as a leading medical cannabis supplier to the European markets. Pharmadrug fits well strategically with our Israel business. With the imminent opening of the Israeli export law and Israeli GMP complying with European GMP, we will have a strategic avenue to export cannabis from Israel into the European Union.”

The LOI is subject to customary conditions precedent, including but not limited to, satisfactory due diligence, no material adverse change and the entering into of a definitive agreement.

About Aura Health Inc.

Aura Health is building an international network of vertically integrated cannabis assets. Through an established product line of cannabis-infused edible products and oil extracts, Aura is dedicated to building a high margin downstream business in the medical marijuana sector. The company holds convertible debt that converts to 54% equity of HolyCanna, a cultivation and nursery license holder in Israel. The company also owns a 30% interest in four medical marijuana clinics in the U.S. Sun Belt.

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The Company's securities have not been registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or applicable state securities laws, and may not be offered or sold to, or for the account or benefit of, persons in the United States or "U.S. Persons", as such term is defined in Regulation S under the U.S. Securities Act, absent registration or an applicable exemption from such registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in the United States or any jurisdiction in which such offer, solicitation or sale would be unlawful.

Additionally, there are known and unknown risk factors which could cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information contained herein. All forward-looking information herein is qualified in its entirety by this cautionary statement, and the Company disclaims any obligation to revise or update any such forward-looking information or to publicly announce the result of any revisions to any of the forward-looking information contained herein to reflect future results, events or developments, except as required by law.

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