



Aura Announces Strategic Entry Into the European Market With the Closing of the Acquisition of Pharmadrug

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TORONTO, May 17, 2019 -- Aura Health Inc. (the “**Company**” or “**Aura**”) (**CSE:BUZZ**) is pleased to announce that it has closed the previously announced (May 8, 2019) acquisition of an 80% equity interest in Pharmadrug Production GmbH (“**Pharmadrug**”) for total consideration of €5.0 million. Pharmadrug is a cash flow positive German pharmaceutical distribution company with over 20 years of operating history and a Schedule I European Union narcotics license allowing for the distribution of medical cannabis to pharmacies in Germany and throughout the Eurozone as markets become legalized. Pharmadrug has supply agreements in place with Bedrocan International B.V., Canadian Licensed Producers, and is currently supplying medical cannabis to pharmacies in Germany.

Daniel Cohen, CEO of Aura, commented, “This is a historic day in the early life of Aura, having closed on our first flagship transaction. This acquisition establishes Aura in the European market as a medical cannabis supplier in Germany and opens doors to opportunities throughout the rest of the continent. Pharmadrug is a strong strategic fit with our Israel cultivation project and the opening of the Israeli export law. We now have a strategic avenue to export our own medical cannabis from Israel into the European Union. In addition, we plan to significantly grow the Pharmadrug business through additional supply agreements with other Canadian, Israeli, and European LPs.”

The Company has satisfied the escrow release conditions pursuant to its previously announced private placement of a cumulative amount of 21,545,454 subscription receipts (each, a “**Subscription Receipt**”) at a price of \$0.22 per Subscription Receipt for gross proceeds of approximately \$4.74 million and has successfully drawn \$3 million from its previously announced bridge facility (see the press release issued by Aura on May 8, 2019).

Resignation of Mr. Freudman

Aura also announces that Joel Freudman has resigned as a director in order to focus on his other business ventures. Aura thanks Mr. Freudman for his corporate governance advice while also helping the Company through its first audit as a publicly-traded company. The Company is in discussions with other qualified candidates to replace Mr. Freudman and will be making an announcement once such replacement has been confirmed.

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 owns 80% of Pharmadrug, a German medical cannabis and pharmaceutical distributor, as well as debt that converts to 54% equity of HolyCanna, a cultivation and nursery license holder in Israel. Aura also has a binding letter of intent to purchase CannabiSendak, the builder of a network of high-profile dispensaries in Israel.

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materially different from those implied by such statements. Such statements include reference to Aura's expansion through Europe, and the entering into of additional supply agreements, among others. There is no certainty that any of these events will occur. Although such statements are based on management's reasonable assumptions, there can be no assurance that such assumptions will prove to be correct. We assume no responsibility to update or revise them to reflect new events or circumstances.

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