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## **NEWS RELEASE**

### **AUSTRALIS ANNOUNCES PRIVATE PLACEMENT OF UNITS**

**LAS VEGAS, NV, October 1, 2018** – Australis Capital Inc. (“**Australis**” or the “**Company**”) is pleased to announce a non-brokered private placement of up to 14,778,325 units (the “**Units**”) at a price of \$2.03 per Unit for gross proceeds of up to \$30,000,000 (the “**Offering**”).

Each Unit will consist of one common share in the capital of the Company (each, a “**Share**”) and one-half of one common share purchase warrant (each whole warrant, a “**Warrant**”). Each Warrant will entitle the holder to purchase one additional Share at a price of \$2.64 per Share for a period of two years from closing of the Offering. The Company may accelerate the expiry of the Warrants in the event that for any ten consecutive trading days the daily volume weighted average trading price of the Shares is greater than \$3.43.

The Company has engaged Canaccord Genuity Corp. to act as its exclusive financial advisor in connection with the Offering.

“Prior to our recent IPO, Australis completed its first successful private placement this past summer which was significantly over-subscribed. This Offering represents an opportunity to further expand our shareholder base and meet incremental demand from our initial shareholders,” said Michael Carlotti, Chief Financial Officer of Australis. “The Australis team remains excited about the prospects of our current and future deal flow, potential transformative events in the United States and executing upon a disciplined, aggressive and opportunistic mandate. This new capital will expedite our ability to capitalize on several exciting potential investment opportunities,” he continued.

All securities issued in connection with the Offering will be subject to a statutory hold period of four months from the date of issuance in accordance with applicable securities legislation. The Company may pay finder’s fees in connection with the Offering.

Closing of the Offering is subject to a number of conditions, including receipt of all necessary corporate and regulatory approvals, including the Canadian Securities Exchange (the “**Exchange**”). The net proceeds from the Offering will be used by the Company for investments that adhere to the Company’s Investment Policy as described in its Prospectus dated August 14, 2018.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities described in this news release in the United States. Such securities have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”), or any state securities laws, and, accordingly, may not be offered or sold within the United States, or 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 promulgated under the U.S. Securities Act, unless registered under the U.S. Securities Act and applicable state securities laws or pursuant to an exemption from such registration requirements.

### **About Australis Capital Inc.**

Australis Capital identifies and invests in the cannabis industry predominately in the United States, a highly regulated, fragmented, rapidly expanding and evolving industry. Investments may include and 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 Capital adheres to stringent investment criteria and will focus on significant near and mid-term high-quality opportunities with strong return potentials while maintaining a steadfast commitment to governance and community. Australis Capital’s Board, Management and Advisory Committee members 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.

Australis’ Common shares trade on the CSE under the symbol “AUSA”.

For further information about Australis, please visit the website at [ausacap.com](http://ausacap.com) or contact the Company by e-mail at [ir@ausacap.com](mailto:ir@ausacap.com).

### **ON BEHALF OF THE BOARD OF DIRECTORS**

“*Scott Dowty*”

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Scott Dowty  
Chief Executive Officer

### **Contact**

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### **Forward-Looking Information Statement**

*This news release contains statements and information that, to the extent that they are not historical fact, constitute "forward-looking information" within the meaning of applicable securities legislation, including statements in respect of receipt of all necessary corporate and regulatory approvals and the completion of the Offering. Forward-looking information is based on the reasonable assumptions, estimates, analysis and opinions of management made in light of*

*its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made, but which may prove to be incorrect.*

*Forward-looking information involves known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Company to differ materially from any future results, performance or achievements expressed or implied by the forward-looking information. Accordingly, readers should not place undue reliance on any such forward-looking information. Further, any forward-looking statement speaks only as of the date on which such statement is made. New factors emerge from time to time, and it is not possible for the Company's management to predict all of such factors and to assess in advance the impact of each such factor on the Company's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. The Company does not undertake any obligation to update any forward-looking information to reflect information, events, results, circumstances or otherwise after the date hereof or to reflect the occurrence of unanticipated events, except as required by law including securities laws.*

*The CSE has in no way passed upon the merits of the Transaction and has neither approved nor disapproved the contents of this news release. Neither the CSE nor its Regulation Services Provider (as that term is defined in the policies of the CSE) accepts responsibility for the adequacy or accuracy of this release.*

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