

AUSTRALIS CAPITAL ACQUIRES HIGH PROFILE BRANDS AND RELATED ASSETS FROM GREEN THERAPEUTICS, A NEVADA BASED CANNABIS CULTIVATION AND PRODUCTION COMPANY
Creators of connoisseur brands Tsunami, Provisions and GT Flowers

LAS VEGAS, NV, May 21, 2019 – Australis Capital Inc. (CSE: AUSA OTC: AUSA) (“Australis” or the “Company”) announces today it has entered into an asset purchase agreement with Green Therapeutics, LLC (“GT”) and affiliated companies, to acquire its Tsunami™, Provisions™, and GT Flowers cannabis brands, certain operating assets, intellectual property and the right to assume, complete and expand the construction of a state-of-the-art 55,000 square foot cultivation and production facility in North Las Vegas, Nevada. The 8.9-acre parcel of land in North Las Vegas has the potential to support a 400,000 square foot cultivation and production facility which will be built to the industry recognized Aurora Cannabis standard. The acquisition will include GT’s experienced operating team.

Australis will issue up to \$8.0mm USD of its common stock to complete this acquisition. Australis issued 7,831,855 shares valued at \$6.4mm upon the signing of a definitive agreement. An additional \$800,000 will be issued when the new cultivation and production facility in North Las Vegas is fully licensed and operational and an additional \$800,000 in shares will be issued if certain performance goals are reached utilizing the acquired assets within specified timeframes per the definitive agreement. In a separate transaction, Australis acquired from Meridian Companies LLC an 8.9-acre parcel of land in North Las Vegas in exchange for \$2.93mm USD of its common stock or 3,585,521 Australis common shares where the new cultivation and production facility will be located (“**The Transaction**”).

The Transaction will also establish Australis’ flagship cultivation and manufacturing location in Nevada, a state chosen for its favorable cannabis regulations, tremendous tourism and accelerated growth. The new production and cultivation facility will feature indoor greenhouses, state-of-the-art control systems and, a modern manufacturing, production, and post-production facility. This industry-leading, precision level control will allow for superior cannabis flower to be produced utilizing the Mr. Natural methodology, setting a new standard for specialized organic horticulture and cultivation.

The Transaction will also provide Australis with six acres of improvable/vacant land in North Las Vegas which will be held for potential future expansion opportunities. Australis will fund the construction of the new facility which it expects will cost approximately \$12mm USD. Australis expects the Transaction to close in late 2019 upon the successful transfer of GT’s cultivation and manufacturing licenses to Australis and the new facility will be completed and operational in mid-2020. Australis expects the 55,000 square foot facility will generate approximately \$10-12mm USD in EBITDA in its first full year of operations, respectively, resulting in an adjusted purchase price multiple of approximately 2.0 – 2.3x including the cost of the buildout of the new facility.

“We are excited to be working with Australis' top tier management team and leveraging their strategic relationship with Aurora Cannabis,” said Dr. Duke Fu, CEO of Green Therapeutics, LLC. “This gives us a fantastic opportunity to scale our current brands inside and outside Nevada while maximizing Australis' portfolio assets and vast cultivation experience.”

Founded in 2014, Green Therapeutics has established three prominent in-house cannabis brands, each designed through a subtle and complex scientific process. Tsunami, a science-driven recreational extract brand, is the top brand for live resin extracts in Nevada, while Provisions is well-known for premium distillate cartridges and cutting-edge sublingual sprays. GT Flowers provides consumers selections from over 150 different strains, ranging from classics to the newest crosses, with many exclusive cuts. With a wide array of phenotypes and broad distribution through some of the largest dispensaries in Nevada, including Planet 13 and Essence, Green Therapeutics' brands have gained a swift and loyal following. The demand for GT's high-quality flower and concentrates exceeds the company's current ability to supply it. Australis intends to grow the brands throughout Nevada with the additional capacity and eventually expand to other US markets.

“Green Therapeutics and Australis' combined assets, expertise, and network positions our company for tremendous growth and is uniquely positioned with products spanning verticals where long term margins will be insulated,” said Scott Dowty, CEO of Australis. “Introducing Mr. Natural's Veteran Affairs registered premium organic strains and proprietary cultivation methodologies to Nevada through a purpose-built facility will serve as the launching ground for a nationally recognized cannabis brand.”

The cultivation and production of GT's brands will continue at its existing facilities while the new facility is completed. Once licensed and operational, the new and expandable facility will produce the GT brands and Australis' award-winning, organic brand, Mr. Natural, as well as third-party production of pre-rolls utilizing Wagner Dimas technology. This high-tech and diversified facility allows Australis to commercialize Mr. Natural, bringing a 30-year-old integrated organic cannabis brand to address an underserved vertical with the very best quality products.

For more information on Green Therapeutics, visit www.instagram.com/gt_lv or www.gtnevada.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

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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. This press release shall not constitute an offer to sell or the solicitation of an offer to buy securities.

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