



AUSTRALIS CAPITAL SIGNS LETTER OF INTENT TO ACQUIRE PAYTRON MERCHANT SERVICES

LAS VEGAS, NV, February 4, 2020 – Australis Capital Inc. (CSE: AUSA) (OTC: AUSA) (“AUSA” or the “Company”) is pleased to announce AUSA has entered into a non-binding letter of intent (the “LOI”) to acquire 100% of Paytron, LLC (“Paytron”), a privately held omnichannel payment services provider, which will continue its operations as a wholly-owned subsidiary as well as expand the existing service offering of the Cocoon Technology™ platform.

Founded in 2015, Paytron offers merchant services, including credit and debit card processing, secure gateway processing, point of sale hardware, card terminals and business loans. Partnered with some of the largest companies in the payment processing industry, Paytron’s team brings significant experience in merchant services and independent sales organizations (ISOs). Upon completion of the acquisition, Paytron will continue to operate as an ISO and become the payment branch for Cocoon Technology, an operating subsidiary of AUSA.

Marc Ruben will also join the AUSA team as Vice President, Payments. Marc is a respected payments executive, proven leader, and force behind multiple high-achieving U.S.-centric merchant sales organizations. He provides a wealth of experience in building strategic partnerships as well as large National and Regional Sales Teams. His experience and successful stints at Bank of America Merchant Services, Sun Trust Merchant Services and First Data Canada over the past 20 years will provide an excellent foundation in payments for the Cocoon Technology team.

“Through our acquisition of Paytron and the addition of Marc Ruben and his team, Cocoon Technology will be positioned to bundle self-service technology, payment processing technology and ISO referral networks across North America,” said Cleve Tzung, SVP, M&A at AUSA. “These existing relationships will aid in the growth of Cocoon Technology sales while providing dispensaries with an even more robust self-service solution.”

“I’m very excited to be bringing over 20 years of expertise in the payments space to AUSA,” said Marc Ruben, VP, Payments at AUSA. “I look forward to rapid growth as we bring our existing partnerships to the AUSA family.”

The LOI is non-binding and the completion of the acquisition is subject to customary closing conditions.

About Australis Capital Inc.

AUSA operates and builds transformative, differentiated cannabis companies predominantly in the United States, a highly-regulated, fragmented, and rapidly expanding industry. AUSA adheres to stringent evaluation and operating criteria focusing on high-quality opportunities while maintaining a steadfast commitment to governance and community. AUSA’s Board and management team have material experience with, and knowledge of, the cannabis space in the U.S., extensive backgrounds in highly-regulated industries and regulatory compliance. AUSA

operating and portfolio assets include Rthm Technologies Inc., Body and Mind Inc., Quality Green Inc., Folium Biosciences, Mr. Natural Inc., Green Therapeutics, LLC., and Cocoon Technology LLC.

The Company's Common shares trade on the CSE under the symbol "AUSA" and on the OTCQX under the symbol "AUSAF".

For further information about AUSA, please visit the website at ausa-corp.com or contact the Company by e-mail at ir@ausa-corp.com.

ON BEHALF OF THE BOARD OF DIRECTORS

"Scott Dowty"

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

The CSE 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) accept responsibility for the adequacy or accuracy of this release.

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