

/C O R R E C T I O N from Source -- Australis Capital Inc./

In the news release, Australis Capital Issues Letter to Shareholders, issued 22-Oct-2020 by Australis Capital Inc. over CNW, we are advised by the company that the 7th paragraph has been amended. The complete, corrected release follows:

AUSTRALIS CAPITAL ISSUES LETTER TO SHAREHOLDERS

- Highlights 10 critical shareholder questions Terry Booth and the Dissidents are refusing to answer
- Shareholders urged to support compelling and attainable strategic value creation plan by voting for Australis' Director Nominees using only the **BLUE** proxy card well in advance of the November 13, 2020 11:30 a.m. Mountain Time deadline
- Contact the Company's proxy solicitor, Gryphon Advisors Inc. at 1-833-490-0586 or by email at inquiries@gryphonadvisors.ca for more information or assistance voting the **BLUE** proxy

LAS VEGAS, NV, October 22, 2020 – Australis Capital Inc. (CSE: AUSA) (OTC: AUSA) (“AUSA” or the “Company”) today issued the following letter to shareholders.

Dear Fellow Australis Shareholders,

Terry Booth (“**Terry**”) does not want you to read this letter in the hope that you don’t realize that your investment in Australis Capital Inc. (“**AUSA**” or the “**Company**”) is at risk.

AUSA is on a path to becoming a leading US cannabis company, with a strategic plan that will deliver sustainable and growing value to all shareholders. Unfortunately, a group of dissident shareholders led by Terry and his cronies and others with deep connections to Aurora Cannabis and/or each other (collectively, the “**Dissidents**”) are attempting to hand control of AUSA to a cadre of hand-picked “yes” men directors to implement a strategic plan that is thin on detail but thick on conflict. After many months, they continue to avoid answering critical questions that we have been demanding answers to on behalf of all shareholders.

It’s up to you to ensure your investment in AUSA is protected from these opportunistic Dissidents by voting only on the **BLUE** proxy **FOR** AUSA’s slate of director nominees well in advance of the proxy cut-off of Friday, November 13, 2020 at 11:30 a.m. Mountain Time.

SUPPORT A REFRESHED BOARD WITH AN ACHIEVABLE VALUE CREATION PLAN

Your Board has been refreshed and is comprised of independent, experienced directors who, among other important attributes, have no history with Terry Booth or Aurora Cannabis Inc. (“**Aurora**”) (more on that later).

The Board has developed a focused and disciplined value creation plan, which can be found under *“A Thoughtful Value Creation Plan”* in the *“Reasons to Vote FOR the AUSA Director Nominees”* section of AUSA’s proxy circular.

To briefly summarize, AUSA intends to buy or build cannabis brands with good distribution, self-manufacturing and in-house sales, starting in the Western United States. Our belief is that looser recreational rules as well as the wide social acceptance of cannabis in these locations will allow the Company to enter these new markets on a cost-effective basis and build out profitable assets state by state. This is a disciplined and thoughtful growth strategy, with a focus on the stewardship of your capital and operational excellence. Acquisitions will need to meet strict criteria.

This strategic plan is achievable, and well within our grasp. Driving the successful execution of this plan will be our new CEO Harry DeMott, who will leverage his deep knowledge of US cannabis and the public markets.

We understand that change was needed at AUSA and that credibility with shareholders and other stakeholders needs to be restored. That’s why our investor relations approach will be to explain what we are planning on doing, to do what we say, explain what we did, and then repeat – building trust and confidence at the same time as we create value.

We know there is significant upside for your investment in Australis, but you need to vote only the **BLUE** proxy **FOR** AUSA’s slate of director nominees to make it happen. Alternatively, you could roll the dice on the Dissidents, with their history of spectacular value destruction, deep and abiding interpersonal relationships and dealings, rampant self-interest, secretive plans and tarnished reputations.

But before doing so there are some critical questions for which you deserve answers...

THE DISSIDENTS ARE AVOIDING ANSWERING CRITICAL QUESTIONS FROM AUSA SHAREHOLDERS

The Dissident plan and those associated with it leave shareholders with far more questions and material concerns than answers. The three pillars of their strategy all crumble under the weight of further analysis and thoughtful questioning:

- **“Refreshing the board”** sounds nice until you realize that the board has already been refreshed and that the proposed Dissident nominees are merely Terry Booth’s puppets, motivated by their self-interest and conflicting loyalties, rather than the best interests of AUSA shareholders;
- **“Replacing the C-suite”** suggests sunnier days for AUSA under new management, but camouflages the fact that the Dissidents have not identified a single individual with the

requisite vision, experience and network to join that C-suite. They cannot execute even the vague and questionable plan they proffered. The vacuum left behind by the departure of the existing AUSA team would leave your company stalled and floundering; and

- **“Capitalizing on AUSA’s existing assets”** simply reinforces that the existing AUSA board and management have already assembled the core elements for a successful US cannabis company – and are already moving to optimize these assets. The Dissidents want to turn that success to their advantage and leverage AUSA’s significant cash resources to undertake a number of acquisitions for which virtually no information has been disclosed and all of which could involve self-dealing. Shareholders are asked to trust that these transactions “in late stage negotiations” have been negotiated in your best interests, at arms’ length and are prudent uses of AUSA’s cash reserves. Given the history of overpaying and value destruction associated with Terry Booth and his minions, we have no such belief and neither should shareholders.

Is it any wonder then that the Dissidents have been so unwilling to answer the critical questions that AUSA has asked about their strategy and their nominees? Shareholders should rightly ask why the Dissidents are even pursuing a proxy fight for AUSA when it is clear that their board nominees are unsuitable, they have no management team and their strategic plan consists largely of deploying AUSA’s remaining capital on a number of transactions for which they refuse to provide any detail. It is clear that the Dissidents have no concrete plans other than to complain about a history that Terry Booth and his team, in large part, wrote, to complain about the steps that management is now taking to fix that history and to offer a strategy that begs shareholders to ask a lot of extremely pointed and justifiable questions. Chief among those questions are the following:

1. Why is Terry Booth (the man behind the curtain) hiding from shareholders of the Company he’s attempting to seize control of?

With much fanfare, on August 17 the Dissidents announced that Terry had “joined the Concerned Shareholders” and “will serve as a board nominee”. Then, suddenly and without explanation and any fanfare at all, Terry was pulled as a Dissident board nominee. The obvious explanation for this about-face is that Terry and his Dissidents realized that Terry is not viewed positively by AUSA shareholders. And who can blame them when you recall that:

- **It was Terry** who was the architect of many of the early challenges at AUSA, having baked the AUSA cake with a challenging collection of assets and a difficult legal position;
- **It was Terry** who was at the center of nearly unimaginable shareholder wealth destruction at Aurora, with a write-down of C\$1.6 Billion for the year ended June 30, 2020 and a full year net loss of C\$3.3 Billion;
- **It was Terry** who (together with Dissident nominee Jason Dyck) oversaw massive share price declines during his tenure on the board at Binovi Technologies Corp. (“**Binovi**”) and whose share price continues to languish near its lowest price ever; and

- **It was Terry** who oversaw during his brief tenure as a director of Alcanna Inc. the single largest share price drop in its corporate history and standing at over 50% down by the end of his tenure.

Add to that Terry's well-earned reputation for bullying and unprofessional behavior with employees, partners and others, and the rationale for hiding Terry from view becomes clear. The AUSA negotiating team can certainly attest to the accuracy of his reputation, as Terry has lead all negotiations between the Dissidents and AUSA, subjecting them to a number of aggressive, bullying and sometimes incoherent and abusive tirades at all hours of the day and night.

It is our considered belief that Terry, a known bully, has acted exactly as most bullies do when challenged – they retreat and reconsider. Management has made it clear that AUSA and its shareholders face significant risk from him and his sycophants. His record does not allow him to stand publicly, and he knows this, so he hides in the shadows, waiting for his proxies to anoint him and potentially put him on the Board without the legitimacy of shareholder support.

Make no mistake – it continues to be Terry behind the curtain pulling the strings as he seeks control of your Company. And it is Terry who, in a continuing insult to AUSA shareholders, refuses to admit any of this while hiding behind his Dissident nominees and advisors and the thin veil of independence they afford.

2. Why haven't the Dissidents named the CEO or even one member of their proposed C-suite?

No CEO

The Dissidents have expended shockingly little effort in either considering or explaining who they would propose as their CEO. Strange - given the considerable responsibility of executing on their aggressive corporate strategy. Their simplistic proposition is that they will select one of their newly elected directors to act as interim CEO while a fulsome search is undertaken. Curious then that they don't show enough respect to AUSA shareholders to deign to indicate who that individual would be, for how long they would anticipate that interim status applying and whether that individual might be eligible for consideration as the non-interim CEO. Either they gave negligible consideration to who would lead AUSA during the most critical time in its corporate history or they just don't want to tell you. This refusal to identify the planned CEO suggests the Dissidents claim they are "looking forward to rolling up our sleeves" is mere puffery.

Shareholders will apparently only find out as a November surprise and once the votes have been tallied and the board elected. And even then, shareholders won't know who the permanent CEO will be and whether that suitable permanent candidate with "demonstrated experience and success running a cannabis company" might be none other than the puppet-master himself, Terry Booth. Shareholders ignore the man behind the curtain at their own peril.

No Management Team

And what of the rest of the C-suite, recognizing that the entire current senior management team of AUSA has indicated an intention to resign should the Dissident nominees be elected? The Dissidents have failed to identify a single person to assume principal roles such as COO, CFO, CLO, CMO or IR. How exactly is AUSA going to function in the unlikely event that the Dissidents are successful? Can someone with Terry Booth's abysmal track record attract and retain a qualified C-Suite?

Perhaps this lack of foresight speaks to something more troubling about their strategic plan, however, in that their real agenda is to just transfer out the Company's assets and/or deploy the Company's capital into the hands of friends, in which case it is understandable that a credible management team is indeed not needed.

3. How do the Dissidents plan to address material conflicts of interest between Dissident nominees and AUSA and other reputational and professional shortcomings?

There are enough significant concerns in this area to fill an entire letter by itself. However, for the sake of brevity, here are just some of the key conflicts of interest and other disqualifying attributes of the Dissident nominees:

Duke Fu – Untenable Conflicting Fiduciary Duties and Competing Loyalties

Duke Fu is the current CEO of Green Therapeutics LLC (“**Green Therapeutics**”), which is embroiled in an ongoing lawsuit with AUSA. This means it would be impossible for Duke to exercise both his fiduciary duty to act in the best interests of AUSA and a similar but competing fiduciary duty to Green Therapeutics as he seeks to rescind a deal that would cost AUSA and its shareholders between 20 – 40% of its asset base depending on the structure of any settlement. Surely a basic qualification for an AUSA director must be that they aren't already actively trying to destroy value at the Company for their own gain?

Further, if Green Therapeutics' lawsuit is successful and their preferred remedy awarded, the very AUSA shares that Duke is using to drive this activist campaign and his potential as a nominee director would be cancelled.

So how should shareholders feel about a director nominee using shares they don't want to radically reshape AUSA's board of directors, executive team and corporate strategy to achieve their personal objectives?

One word: Used.

Jason Dyck – Terry Booth Loyalist with Disqualifying Conflicts

Jason Dyck has been by Terry's side through multiple vehicles, from their days destroying shareholder value at Aurora...to their days destroying shareholder value at Binovi. As we've noted previously, Terry and Jason's tenures at both organizations are memorable for

shareholders, if only due to the massive share price declines experienced over those periods. The damage goes beyond the headline numbers though and into the operational aspects of the businesses as well. For instance, while Dyck was credited (in the Dissidents' own circular no less) with the success of creating a partnership with Ultimate Fighting Championship in 2019 to among other things advance clinical research on the relationship between CBD products and athlete wellness and recovery, the deal was ultimately terminated at a cost of \$30M to the Aurora shareholders just 14 months into a decade long deal.

Dyck is also massively conflicted as he is also a director of Nutritional High International Inc. ("**Nutritional High**"), a corporation that has been under contract to acquire a 75% interest in Green Therapeutics since October 2018 – and a company that look suspiciously like one of the potential acquisitions mentioned in the Dissidents' circular. Any settlement between AUSA and Green Therapeutics will benefit Nutritional High and yet this conflict is not even identified by the Dissidents. On whose behalf would Dyck negotiate a resolution with Green Therapeutics?

John Esteireiro – Disconcerting Business History

John Esteireiro was the COO of Canadian Cannabis Corp. ("**CCC**"), an early stage cannabis cultivation and distribution company, from shortly after its formation until he resigned in August of 2015. According to a Statement of Allegations from the Ontario Securities Commission (the "**OSC**") during this period of time, CCC and John's partners in the venture raised over \$12 million from the public on the back of misleading statements that was ostensibly to be used to develop and operate the business.

Instead, the OSC has alleged that among other things, more than \$3 million was siphoned off and loaned to a company owned by one of the partners, without even an attempt to be repaid, ultimately leaving behind a company depleted of all investor funds without ever having engaged in the cultivation or distribution of cannabis.

While John has not been implicated to this point, given his role at CCC during the relevant period one has to wonder whether he was aware of these matters, or simply naïve. Given that the proceedings are ongoing, one might reasonably expect that John will be called to participate at some point and the potential also remains for the OSC to amend its allegations to the extent facts surface which so warrant.

Is this the experience shareholders are looking for in a director? To answer our own question, it is surely not a good look for a potential director of AUSA to be mentioned in the same breath as securities regulatory investigations for alleged fraud.

Avi Geller – Failed Leadership and No Relevant Experience

Avi Geller has no discernable cannabis experience but does have a disastrous run as a director and ultimately the interim CEO of small cap company Parkit Enterprise Inc. ("**Parkit**"), whose stock has been in free fall. Having indirectly accumulated an increasingly large position in Parkit through 2017 and 2018, Avi and another director were appointed to the Parkit board in

May 2018. Within 3 months of Avi's arrival on the board the existing CEO had resigned and Avi and a third person assumed an interim role to lead Parkit until a new CEO could be identified.

Three years later and Parkit remains a perennial underperformer under Avi's ongoing guidance and no new CEO has been identified.

Hanoz Kapadia – No US Cannabis Experience

Hanoz Kapadia has some limited cannabis experience insofar as he is a member of the board of directors of the Ontario Cannabis Store, the crown agency solely owned by the Province of Ontario and mandated to provide safe, responsible access to recreational cannabis in Ontario and the only online retailer in Ontario. Regrettably, that Canadian cannabis experience is unlikely to translate meaningfully into the United States market.

4. Where is the transparency regarding the transactions the Dissidents propose in their plan?

The Dissidents have presented plans that are long on hype and short on detail.

Key among those plans are the proposed acquisitions of, or partnerships with, four lightly described cannabis businesses intended to complement AUSA's existing business. Shareholders are advised that these transactions have been identified after extensive research and advanced negotiations, yet the Dissidents have offered shareholders no window into the relative economics of the proposed transactions, the counterparties that might be involved, the state of those businesses and the risks that might accrue to AUSA by virtue of the transactions. Instead, shareholders are provided sunshine and lollipops descriptions that read like they were pulled from an investor deck and intended to dazzle shareholders with the unrealized potential just waiting for the right board of directors to at some future point hire a CEO and C-Suite and entrust that group to implement. The lack of detail raises a number of concerning questions that need to be addressed, including:

- a. Are any of the targets owned in whole or in part by any of the Dissidents or their nominees or their respective affiliates? If so, to what extent and what benefits will accrue to the Dissidents as a result of the transaction?
- b. Are any of the targets indebted to any of the Dissidents or their nominees or their respective affiliates? If so, to what extent and what benefits will accrue to them as a result of the transaction?
- c. Are any of the Dissidents or their nominees or their respective affiliates a director, officer or advisor to any of the targets? If so, in what capacity? How are you or will you be compensated by that entity or in connection with the transaction?
- d. What are the material terms and conditions of the transactions that have been negotiated, including most significantly the price and form of consideration?

We note with some significant skepticism that the Dissidents have trumpeted a five point plan that includes a commitment not to undertake "*related-party transactions*" nor engage in "*self-*

servicing behavior”. We say: prove it. In light of the numerous conflicts and competing self-interests already identified, it is simply impossible for them to fulfill such a commitment. Given that we anticipate that one or more of the proposed targets would garner a “yes” response to a number of the queries set forth above, and could realistically include either or both of Green Therapeutics and Nutritional High, the conflicts are likely to be numerous. While the Dissidents are likely relying on an overly legalistic interpretation of what constitutes a “related party transaction” at law to make their commitment, there can be little doubt that the foundational precepts of good governance and fiduciary duties of directors require a more holistic assessment. One that they cannot pass.

Finally, shareholders should be very concerned in light of the lack of any disclosure on the economic implications of such transactions and the Dissident’s stated intention of taking a “capital light approach”, that shareholders will face massive dilution of their equity positions, leaving existing shareholders as bit players in any future success, sidelined to the interests of the owners of the targets themselves. All the more reason to ask very important questions about the relationship of those transactions to the Dissidents and their affiliates.

5. Why do Terry and the Dissidents expect shareholders to pay them hundreds of thousands of dollars?

Buried in small print on pg. 26 of their proxy circular, the Dissidents disclose that *“The Concerned Shareholders will pay to Laurel Hill estimated fees of up to \$275,000, plus disbursements. The costs incurred in the preparation and mailing of this Circular and the solicitation will be borne solely by the Concerned Shareholders. However, the Concerned Shareholders may seek reimbursement from Australis of its out-of-pocket expenses, including proxy solicitation expenses and legal fees...”*

In plain English, this means that Terry and his Dissidents, if able to gain control of your Board and Company, will then seek to cover their fees with shareholders’ cash. Historically, the shareholder value destruction associated with Terry and his Dissident Nominees has taken some time. At AUSA, it would be immediate, material and come directly out of your pocket.

Contrast this approach with that of new CEO Harry DeMott, who has taken a contract that is heavy on options and low on cash. He’s betting that he and his team will drive share price appreciation and that when all his fellow shareholders are rewarded, he will be as well. Harry and the Board have also committed to implementing a minimum share ownership policy, should they form the next Board of Directors.

6. Why are the Dissidents ignoring Cocoon Technology?

The Dissidents have all sorts of acquisition plans, yet they have no plans for Cocoon?

In fact, it’s worse than that. The Dissidents actually go out of their way to disparage Cocoon, contending that it is responsible for negligible revenue while deliberately ignoring the fact that dispensaries have largely been closed during the COVID-19 pandemic and are only now slowly reopening, with an obvious impact on the speed of execution of AUSA’s strategy for Cocoon.

Further, the Dissidents conveniently ignore that AUSA has in fact recently installed its first kiosks at one location of THRIVE Cannabis Marketplace, with numerous installations at seven further locations anticipated over the coming months.

AUSA has a significant asset in Cocoon and expects to shortly be able to provide customized loyalty and rewards programs. There are also plans to add a mobile app and a recommendation engine tied to a dispensary's customers, which will create a valuable knowledge base for dispensary owners to base their promotions and inventory ordering on. The potential to use Cocoon as a cash-generating beachhead in targeted sales prior to AUSA brand entry is very exciting and completely tangible.

The fact that the Dissidents fail to appreciate the significant upside of Cocoon only reflects their lack of understanding of AUSA and the complementary aspects of our business. It also reflects the fact that not a single member of their proposed board, nor any of the players behind the curtain know a thing about software development, nor the state of the software business as it relates to US cannabis. It is hard to opine about facts you know nothing about.

7. Why are Dissidents lying about the amount of shareholder support that they (wish) they have?

The Concerned Shareholders and dissidents continue to speak about having 8.45% ownership in the Company and many more shareholders who support them (keeping in mind that excluding one member of the Dissident group, Duke Fu, the Dissidents have less than \$200K on the line). However, other than Terry, who quickly disappeared under a cloud of shareholder concern, no other large shareholder has come forward in support of the Dissidents. This certainly appears like a transparent ruse to try and fool shareholders into thinking Terry and the Dissidents have support where they do not and thus throwing their support behind the Dissidents? But where are the voting agreements that support the hollow Dissident assertions? Where are the stern articulations of genuine concern and support from shareholders interested in AUSA's best interests and not their own?

As AUSA shareholders are aware, by virtue of AUSA's spin-out from Aurora, we initially inherited the large and diverse retail shareholder base of Aurora. While the shareholder base has evolved over time, the broad retail ownership remains, with currently over 37,000 shareholder accounts. Few of these shareholders have more than several hundred shares. As a result, in order to have assembled anything approaching the level of support that the Dissidents contend, they would have needed to have garnered the support of thousands of small shareholders, all while being legally prohibited from directly soliciting more than 15 shareholders.

Sound realistic? We don't think so either. It's just more of the outright deception we've come to expect from Terry and the Dissidents.

8. Why are the Dissidents lying about their attempts to "settle"?

Putting aside that a dissident group that had any real or significant support from shareholders wouldn't attempt to settle, let's get to the truth about the Dissident's attempts to "settle". The

Concerned Shareholders first demanded that the whole Board resign, then offered up an alternative with their candidates taking the majority control of the board of directors and the Company, with the installation of the aforementioned conflicted and concerning friends and associates of Terry as directors. At no time did the Dissidents ever express a willingness to consider anything short of control of the board of directors.

As previously noted, AUSA made numerous good faith attempts to accommodate Dissident nominee participation on the board of directors, but only to the extent warranted by the Dissident's relatively small shareholdings and recognizing the interests of the much larger group of other shareholders and the best interests of AUSA.

These were never seriously entertained by the Dissidents as they pursued their "all or nothing" strategy to steal AUSA away from the majority of shareholders. Do these sound like reasonable attempts to settle that have your interests top-of-mind?

9. Why are the Dissidents making faulty comparisons if their arguments actually have merit?

The Dissidents discuss share price underperformance at Australis, but in doing so they make a transparently faulty comparison. It is misleading to compare AUSA, a CSE-listed cannabis investment company, to Horizons US Marijuana Index ETF, which is composed of giant US MSOs, such as Curaleaf and Trulieve. The Dissidents are comparing apples with oranges in the hope that AUSA shareholders can't tell the difference.

In their critique of AUSA's share price performance, the Dissidents also ignore the meaningful change at the board of directors and management levels. The board of directors has been refreshed and Scott Dowty has moved on. Recent share price underperformance at AUSA can be blamed as much on the Dissidents' stubborn and disruptive proxy contest attempt, resulting in the new management team not being able to immediately execute its revamped strategy and vision, and the risk that Terry and his friends will gain control of the Company, as anything else. The street knows who Terry is and understands that the Dissidents could immediately jeopardize AUSA's strong cash position through imprudent acquisitions, partnerships and their own proxy contest charges should they be successful in seizing control of the board of directors.

Finally, in a classic case of the emperor having no clothes, keep in mind that any critique of AUSA is coming from those who will be forever tainted by their destruction of Aurora – which peak to trough is down about 98% - and their yes men who are equally capable of destroying shareholder value wherever they land, from Nutritional High to Parkit to Binovi and everything in between.

10. What are the Dissidents *really* after and do they really expect shareholders to support them given their alarming history and lack of transparency?

It just doesn't look good. Terry was introduced and then disappeared. His director nominees are *his* handpicked choices, rife with conflicts, concerning history or both. There is a ploy for

control of your Board, but silence regarding who the CEO and management team would be. Terry and his friends purport to have grand acquisition plans but don't think shareholders need to know the details. Does this really sound like it is in your interest as a shareholder?

PROTECT THE FUTURE OF YOUR INVESTMENT IN AUSA BY VOTING ONLY THE BLUE PROXY TODAY

As the clock ticks, we're getting to the point where you must make a decision. I've tried to be as succinct as possible but it is a challenge when there are so many questions left unanswered and so much concerning history. After looking dispassionately at the facts, shareholders are right to wonder what the dissidents are really after. The only plausible explanation is that Terry wants your Company, and doesn't want to (or cannot) pay a premium for it. He sees an opportunity to leverage AUSA's challenges to his and his friend's benefit and assumes that shareholders are just frustrated enough to hand him the keys, without getting answers to the tough questions. Is this why you invested in AUSA?

I would tell you to keep asking these hard questions of the Dissidents, but it's been many months and they still refuse to come clean and respect shareholders. At the same time, I've endeavored to be as straight as possible with shareholders and detail our "Land and Expand" value creation strategy, how we're going to do it, and how we'll ensure that you know that your directors' interests are aligned with yours.

The time has come for you to protect the value of your investment by voting only the **BLUE** proxy **FOR** the AUSA slate of director nominees. In order to ensure your **BLUE** proxy is counted at the Annual & Special Meeting of Shareholders, please ensure your **BLUE** proxy is received well in advance of the proxy cut-off of Friday, November 13, 2020 at 11:30 a.m. Mountain Time. For more information or assistance voting your proxy, please contact the Company's proxy solicitor, Gryphon Advisors Inc. at 1-833-490-0586 or by email at inquiries@gryphonadvisors.ca. Additionally, for up to date information and ease of voting shareholders are encouraged to visit www.ausa-corp.com and click on the "Vote Now" button to cast your vote.

It's your Company. Protect it and ensure it stays on the right path.

Respectfully and on behalf of the Board of Directors,

"Harry DeMott"

Harry DeMott,
Chief Executive Officer

About Australis Capital Inc.

AUSA invests in, operates and builds differentiated companies primarily in the cannabis industry. AUSA focuses on significant near and mid-term opportunities with strong return potentials. AUSA's assets include Cocoon Technology, a cloud-based, self-service point of sale kiosk

designed for cannabis dispensaries and other highly-regulated industries. The purpose-built platform features data analytics, privacy, security and regulatory compliance to drive enhanced consumer experience and generate incremental revenue for dispensary owners. AUSA's assets also include Body and Mind Inc., Quality Green, and Folium Biosciences.

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

Contact:

Gryphon Advisors Inc., 1-833-490-0586 or inquiries@gryphonadvisors.ca;

Brent Reuter
Senior Vice President, Investor Relations & Strategy
IR@ausa-corp.com

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.

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