

CONCERNED SHAREHOLDERS OF AUSTRALIS REMIND SHAREHOLDERS TO VOTE THE YELLOW PROXY TO DELIVER POSITIVE AND MUCH NEEDED CHANGE

- *The Concerned Shareholders wish to thank shareholders for the overwhelming support to date*
- *The deadline to submit your YELLOW proxy is 6:00 p.m. (Mountain Time) on November 12, 2020*
- *Need help voting? Contact Laurel Hill Advisory Group for assistance at 1-877-452-7184 or by e-mail at assistance@laurelhill.com*

TORONTO, November 12, 2020 /CNW/ - Roger Sykes, 1703469 Alberta Ltd., Duke Fu, Green Therapeutics LLC, Jason Dyck, Terry Booth and Lola Ventures Inc. (the "**Concerned Shareholders**"), each of whom is a shareholder of Australis Capital Inc. ("**Australis**" or the "**Company**") (CSE: AUSA), would like to thank shareholders for the overwhelming support they have received to date. For those shareholders who have yet to vote and who support our efforts for positive change, the deadline to submit YELLOW proxies is November 12, 2020 at 6:00 pm (Mountain Time).

Australis shareholders have tolerated ineffective and misguided leadership for long enough. The current board of directors and management team (the "**Incumbents**") have had opportunity after opportunity to prove themselves as worthy stewards of shareholder resources and at every turn, they have failed to deliver. Do not be fooled by the Incumbents' selective disclosure to purposely mislead shareholders. Let the facts speak for themselves. The Incumbents' track record of deal-making and corporate stewardship is fraught with failures and can be summarized as follows:

- **Catastrophic Acquisitions.** The Incumbents approved the nearly catastrophic acquisitions of Passport Technology Inc. and Folium Biosciences in addition to a litany of other failures. They oversaw a massive decline in shareholder value as well as the erosion of the Company's resources, all while completely failing to establish any material revenue generating operations. **This is not a track record that warrants another opportunity to lead the Company.**
- **Abysmal Governance and Self-Interested Behaviour.** The abysmal corporate governance and self-interested behaviour exhibited by the Incumbents, examples of which we have repeatedly cited throughout this campaign, have recently been demonstrated by the issuance of 4.25 million shares to Scott Dowty in connection with his resignation as Executive Chairman of Australis shortly following Passport's termination of the Passport transaction, and the issuance of 7.65 million options to Harry DeMott, all at a time when shareholders have incurred massive losses in the value of their investment in Australis.

DeMott continues to mislead shareholders on multiple fronts. The most recent example was his disingenuous assertion on an investor update call held on November 10, 2020 that he waived his previous options as a director for his 7.65 million new options as CEO. What he neglected to mention was that all of the options that were waived were out of the money and he was simply granting himself options that were better-suited to enrich himself. Additionally, DeMott failed to disclose on the call that the exercise price of his new options is \$0.13, while the exercise price of the cancelled options ranged between \$0.18 to \$0.98. The Concerned Shareholders question the assertion that DeMott has in fact even cancelled his previously granted options, as there is no evidence in his insider filings or filings with the Canadian Securities Exchange of such a cancellation. If such a cancellation did in fact take place, Australis would have been precluded from issuing new options to DeMott for 30 days from the date of the cancellation. DeMott has either misled shareholders regarding the status of his current holdings, or he and Australis are in breach of securities laws and CSE filing requirements. Either way, this is further evidence of continued governance failures at Australis.

Additionally, on the same November 10 investor update call, DeMott spoke of honouring the non-disclosure agreement ("NDA") that was entered into between Australis and the Concerned Shareholders in advance of settlement discussions; however, after the Concerned Shareholders presented their plan, DeMott in fact breached the NDA and reached out to the CEO of one of the companies that the Concerned Shareholders disclosed.

- **Lack of Strategic Direction.** The Incumbents have shown a complete lack of strategic direction, demonstrated by knee-jerk reactions to the pressure exerted by the Concerned Shareholders. Over the last 6 months, Australis has changed CEOs three times, seen two board members leave and quickly appointed two new members with no public company experience. What is needed going forward is relevant public cannabis company experience, a concrete strategy to move Australis forward and a competent board of directors to oversee the implementation of that strategy. This is what the Concerned Shareholders' nominees provide and that the Incumbents lack.
- **Misleading Representation of ISS and Glass Lewis Recommendations.** DeMott promotes his pride in being transparent; however, he neglected to inform shareholders that both ISS and Glass Lewis have governance concerns with the Incumbents' equity plans and recommended that shareholders vote AGAINST the SOP and RSU. Additionally, ISS recommended that shareholders WITHHOLD votes from Roger Swainson.

The Concerned Shareholders stand by our strong belief that the Incumbents lack the execution ability and governance integrity needed to create shareholder value going forward. This belief is based on the abysmal track record of value destruction that has plagued the Incumbents' tenure at the helm of Australis. We urge all shareholders to read our information circular and go-forward strategy for the Company objectively and compare it against the Incumbents' continued empty promises. We are eager and optimistic to revive Australis and deliver a restoration of value to shareholders.

Australis is at a Critical Juncture - Vote YELLOW to Support Change

The resoundingly strong indications of support we have received from fellow shareholders reinforces our conviction that change is necessary and underscores the crucial need for all shareholders to take a stand now and vote.

Regardless of how many shares you own, all Australis shareholders are urged to read the information circular prepared by the Concerned Shareholders and to seize this opportunity – vote the YELLOW proxy to ensure change for a better future.

Shareholders who have voted the management proxy and wish to support the Concerned Shareholders have the right to change their vote by simply executing a YELLOW proxy, as a later-dated YELLOW proxy replaces a previously recorded vote.

**TIME IS OF THE ESSENCE, YELLOW PROXIES MUST BE RETURNED NO LATER THAN
NOVEMBER 12, 2020 AT 6:00 P.M. (MOUNTAIN TIME).**

If you have any questions or need assistance voting, please contact the Concerned Shareholders' shareholder communications advisor and proxy solicitation agent:

Laurel Hill Advisory Group

North American Toll-Free: 1-877-452-7184

Calls Outside North America: +1 416-304-0211

Email: assistance@laurelhill.com.

Please also visit www.fixaustralis.com and follow us on Twitter @fixaustralis.

Forward Looking Statement

This news release contains forward-looking statements and forward-looking information within the meaning of applicable securities laws, including, without limitation, The Concerned Shareholders' and Australis' respective priorities, plans and strategies. All statements and information, other than statements of historical fact, included herein are forward-looking statements, including, without limitation, statements regarding activities, events or developments that the Concerned Shareholders expect or anticipate may occur in the future. These forward-looking statements can be identified by the use of forward-looking words such as "may", "will", "expect", "intend", "plan", "estimate", "anticipate", "believe" or "continue" or similar words and expressions or the negative thereof. Such statements reflect the Concerned Shareholders' or the Concerned Shareholder nominees' current views and intentions with respect to future events and are subject to certain risks, uncertainties and assumptions. There can be no assurance that the plans, intentions or expectations upon which these forward-looking statements are based will occur or, even if they do occur, will result in the performance, events or results expected. We caution readers not to place undue reliance on forward-looking statements contained herein, which are not a guarantee of performance, events or results and are subject to a number of risks, uncertainties and other factors that could cause actual performance, events or results to differ materially from those expressed or implied by such forward-looking statements. These factors include: changes in Australis' and the Concerned Shareholders' strategies, plans or prospects; general economic, industry, business, regulatory and market conditions; actions of Australis and its competitors; conditions in the cannabis industry; risks relating to government regulation and changes thereto; the state of the economy including general economic conditions globally and economic conditions in the jurisdictions in which Australis operates; the unpredictability and volatility of Australis' share price. These factors should not be construed as exhaustive. Readers are cautioned that all forward-looking statements involve known and unknown risks and uncertainties, including those risks and uncertainties detailed in the continuous disclosure and other filings of Australis, copies of which are available on the System for Electronic Document Analysis ("SEDAR") at www.sedar.com. We urge you to carefully consider those risks and uncertainties. The forward-looking statements contained herein are expressly qualified in their entirety by this cautionary statement. Unless expressly stated otherwise, the forward-looking statements included herein are made as of the date of this news release and the Concerned Shareholders disclaim any obligation to publicly update such forward-looking statements, except as required by applicable law.