



ALPS and Copperstate Farms Enter into Significant Facility Agreement

Collaboration will Result in Expanded Capacity and Expanded Product lines at Copperstate Farms' Facilities to Service Rapidly Growing Arizona Adult Usage Demand

LAS VEGAS, April 19, 2021 /CNW/ - Australis Capital Inc. (CSE: AUSA) (OTC: AUSAF) ("AUSA" or the "Company") today announced that the Company, through its majority owned subsidiary ALPS, has entered into an agreement with Copperstate Farms Management, LLC ("Copperstate Farms"), Arizona's largest cannabis wholesaler.

The Project

Copperstate Farms currently operates a 40-acre, ~1.7 million square-foot greenhouse in Snowflake, Arizona, cultivating medical and adult usage cannabis. The contract with ALPS will have an initial term of two years and is expected to consist of two phases. Total contract value over two years is anticipated to be up to \$6.0 million.



Copperstate Farms Facility in Snowflake, AZ (CNW Group/Australis Capital Inc.)

Phase 1 of the planned expansion has Copperstate Farms contract ALPS to implement a full technology and workflow upgrade of its existing facility with industrial greenhouse management solutions, enhanced cultivation practices, compliance upgrades and computerized maintenance management services through ALPS' APIS offering. Deploying ALPS' IP and know-how, the anticipated outcome is significantly increased yield and enhanced product quality, enabling Copperstate to continue to meet and lead the rapidly growing demand in the Arizona market for high-quality products in full compliance with state requirements.

Also part of the Phase 1 project will be the engineering support for the construction of a world class processing and manufacturing facility operated by Copperstate Farms in Tempe, Arizona. This manufacturing facility is in the same building as the Sol Flower dispensary. As part of the contract, ALPS will also support Copperstate Farms to achieve GMP compliance for this facility. Furthermore, the facility will benefit from ALPS' compliance and maintenance solution: APIS. Through APIS, an Internet of Things style solution, key performance indicators, used to optimize quality and economic output of a facility, as well as other data are monitored to facilitate compliance audits and streamline maintenance. APIS offers highly sophisticated preventative maintenance capabilities, generating a substantial return on investment through increased facility yields, higher product quality and significantly reduced facility downtime.

In Phase 2 of the project, Copperstate intends to utilize ALPS for the design, construction management and (post) commissioning services in relation to the planned expansion of its greenhouse facility by an additional 40 acres, as first announced by Copperstate Farms on March 4, 2021 (see full release here: <https://bit.ly/3x3YwJV>). The new facility will benefit from the latest in IP and know-how developed by ALPS and its technology partners to deliver high-quality cannabis produced at exceptionally low operating costs.

Management Commentary

Terry Booth, AUSA CEO, stated, "Copperstate Farms is Arizona's largest wholesaler of cannabis, the existing facility upgrade and the new cultivation facility in Snowflake, will position Copperstate Farms as one of the largest producers in all of the United States. Add to that the new manufacturing facility in Tempe, these projects solidify Copperstate Farms' lead in the Arizona market and position them for potential interstate and international sales once regulations will permit this. We are excited about this relationship for near and long-term AUSA shareholder value."

Mr. Booth added, "The agreement between ALPS and Copperstate Farms further accelerates our revenue growth, providing funds to fuel the expansion of our cannabis operations across the U.S. and beyond. We are proud to have been selected by the visionary operators at Copperstate Farms, and we look forward to working with their team to help maintain their lead and set a new benchmark for cannabis production and product manufacturing in Arizona."

Fife Symington, co-founder and managing director of Copperstate Farms, added, "Following a thorough due diligence period in which we assessed the various offerings available globally, we are delighted to have signed with industry leader ALPS. Their technologies will drive our vision of bringing together best practices from large-scale agriculture, consumer packaged goods, and pharmaceutical industries to create one of the top cannabis companies in North America. The current project will include control systems that eliminate crop risk and deliver high quality cannabis for our medical and adult use customers in Arizona."

In addition to its 40-acre greenhouse facility in Snowflake, Copperstate Farms operates four dispensaries in the state under the Sol Flower banner. Sol Flower is a mixed-use dispensary concept established in 2019 by Copperstate Farms. Dedicated to building an inclusive community by empowering wellness for all, Sol Flower is a resource for both medical cannabis patients and adult use consumers. Sol Flower includes a public-facing classroom, café and lounge, and hosts educational courses with trusted wellness experts. Sol Flower has four locations throughout Arizona including, Sun City, two in Tempe and the only cannabis retail location in Scottsdale.



SOL Flower Dispensary in Scottsdale (CNW Group/Australis Capital Inc.)

About Copperstate Farms Management, LLC

Established in 2016, Copperstate Farms Management, LLC, is a vertically integrated cannabis company headquartered in Phoenix, Arizona. The company manages the licensed production and distribution of medical and recreational cannabis in Arizona and operates a 1.7-million-square-foot greenhouse facility in Snowflake, Arizona. Copperstate Farms is the parent company of multiple product suites and the dispensary retail concept SOL Flower, which includes a public-facing café and wellness classroom. The multi-use dispensary brand has locations in Tempe, Scottsdale, and Sun City, Arizona. Copperstate Farms is dedicated to bringing growth to the local and state economy through the hiring of local Arizonians, material suppliers, and contractors.

About Australis Capital Inc.

AUSA is laser focused on a growth strategy towards establishing a highly competitive and profitable MSO in the U.S. and the global cannabis markets. AUSA's business lines and assets include a 51% ownership interest in ALPS with an option to acquire the remaining 49%, along with investments in Cocoon, Body and Mind Inc., Quality Green and land assets in Washington. The Company also owns the iconic Mr. Natural Brand has a joint venture partnership with 3 Rivers Biotech for plant tissue culture, genetics clean-up and micro propagation. AUSA has also completed the first phase in the transaction to acquire Green Therapeutics LLC, an award-winning MSO with operations in Nevada, and is taking steps to operationalize related assets in California, Oklahoma and Missouri.

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

"Terry Booth"

Terry Booth
Chief Executive Officer

Forward-Looking Statement

This press release contains "forward-looking information" within the meaning of applicable securities legislation. All statements, other than statements of historical fact, included herein is forward-looking information. Generally, forward-looking information may be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "proposed", "is expected", "budgets", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases, or by the use of words or phrases which state that certain actions, events or results may, could, would, or might occur or be achieved. In particular, this press release contains forward-looking information in relation to: the timing and ability to close the proposed transaction; the anticipated development of the GT business and its ability to grow revenues; the proposed transaction being immediately accretive to the Company's financial position; the ability of the Company to scale up the GT assets across multiple jurisdictions; the ability for the Company to be able to execute on its plans for expansion in Oklahoma, Missouri, Nevada, California and other markets; the impact of the changes to U.S. federal and state developments with respect to the cannabis industry and the opportunities this may present for the Company; and the Company's current liquidity. This forward-looking information reflects the Company's current beliefs and is based on information currently available to the Company and on assumptions the Company believes are reasonable. legal changes relating to the cannabis industry proceeding as anticipated; and the Company's continued response and ability to navigate the COVID-19 pandemic being consistent with, or better than, its ability and response to date.

Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information. Such risks and other factors may include, but are not limited to: general business, economic, competitive, political and social uncertainties; general capital market conditions and market prices for securities; the actual results of the Company's future operations; competition; changes in legislation affecting the Company; the timing and availability of external financing on acceptable terms; lack of qualified, skilled labour or loss of key individuals;

risks related to the COVID-19 pandemic including various recommendations

A description of additional risk factors that may cause actual results to differ materially from forward-looking information can be found in the Company's disclosure documents on the SEDAR website at www.sedar.com. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. Accordingly, readers should not place undue reliance on forward-looking information. Readers are cautioned that the foregoing list of factors is not exhaustive. Readers are further cautioned not to place undue reliance on forward-looking information as there can be no assurance that the plans, intentions or expectations upon which they are placed will occur. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated.

Forward-looking information contained in this press release is expressly qualified by this cautionary statement. The forward-looking information contained in this press release represents the expectations of the Company as of the date of this press release and, accordingly, are subject to change after such date. However, the Company expressly disclaims any intention or obligation to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as expressly required by applicable securities law.

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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