



AUDACIOUS ANNOUNCES CLOSE OF FINANCING FACILITY

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Company Enters into Capital Commitment Agreement with LDA Capital for up to \$10 Million, With an Option to Extend for an Additional \$10 Million

LAS VEGAS, Feb. 14, 2022 /CNW/ - Australis Capital Inc. (CSE: AUSA) (OTC: AUSA) ("**AUSA**", "**AUDACIOUS**" or the "**Company**") is pleased to announce that further to its press release of December 9, 2021, the Company has entered into a Capital Commitment Agreement ("Agreement") with LDA Capital Limited ("LDA Capital") a global investment group, to provide the Company up to C\$10 million in committed equity capital (the "Total Commitment"). The Total Commitment is renewable at the Company's option, for an additional C\$10 million under the same terms and conditions of this agreement.

Terry Booth, AUDACIOUS CEO, said, "With this new Agreement, we now have access to important additional funds that will enable us to accelerate our growth. I am pleased we were able to work with LDA and devise a structure that provides us with more flexibility and less dilution than the original agreement did. AUDACIOUS is firing on all cylinders, and with additional fuel in the tank, we will be able to further our position in the various markets we are and intend to operate in."

The Agreement grants AUDACIOUS the right, at its discretion, to issue shares in tranches for up to C\$10m. The Agreement allows AUDACIOUS to access capital on a flexible basis by allowing the Company to manage the timing and size of each capital call. In every Capital Call AUDACIOUS will set a floor price (at its discretion) for the shares issued to LDA Capital ensuring the shares are issued at a price aligned and with the best interest of all shareholders. The issue price of the shares under any capital call will be 90% of the average volume weighted average price (VWAP) in the 30-trading day period after the issue of the capital call by the Company.

LDA Capital has agreed not to hold in excess of 19.9% of the common shares of AUDACIOUS.

As part of the Agreement, LDA Capital will also receive warrants for up to 5,040,556 new common shares of AUDACIOUS at an exercise price of C\$0.1485 per ordinary share (subject to customary adjustments). The warrants will have a term of 3 years and 4 months from the date of signing the Agreement.

This funding instrument allows AUDACIOUS to deploy cash on an as-needed basis, rather than fully diluting existing shareholders at once for an amount of cash the Company may not need given other financing options available to the Company over the term of the Agreement. The funds will support the Company's execution on its ambitious growth strategy and will strengthen its balance sheet.

This news release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from

such registration is available.

About AUDACIOUS

AUDACIOUS is a next-generation MSO growing the cannabis industry of tomorrow from the ground up, led by industry pioneer Terry Booth and an accomplished management team with proven industry track records. With operations that range from providing industry-leading sustainable cultivation design and optimization to retail storefronts, growing flower in-house, and manufacturing award-winning brands, AUDACIOUS has products and solutions for everyone. Quickly expanding through innovative partnerships and collaborations, AUDACIOUS is forging the inclusive cannabis community of tomorrow, today. [Learn more about AUDACIOUS here.](#)

AUDACIOUS common shares trade on the CSE under the symbol "AUSA" and on the OTCQB under the symbol "AUSAF."

About LDA Capital

LDA Capital is a global alternative investment group with expertise in cross border transactions worldwide. Our team has dedicated their careers to international & cross border opportunities having collectively executed over 250 transactions in both the public and private middle markets across 43 countries with aggregate transaction values of over US\$10 billion. For more information please visit: www.ldacap.com; For inquires please email: info@ldacap.com.

ON BEHALF OF THE BOARD

"Terry Booth"

Terry Booth
Chief Executive Officer and Director


Neither the Canadian Securities Exchange nor its regulation services provider accepts responsibility for the adequacy or accuracy of this news release.

FORWARD-LOOKING STATEMENTS:

Cautionary Note Regarding Forward-Looking Statements: This release includes certain statements and information that may constitute "forward-looking information" within the meaning of applicable Canadian securities laws. All statements in this news release, other than statements of historical facts, including statements regarding future estimates, plans, objectives, timing, assumptions or expectations of future performance, including the Company's anticipated use of proceeds from the Offering, are forward-looking statements and contain forward-looking information. Generally, forward-looking statements and information can be identified by the use of forward-looking terminology such as "intends" or "anticipates", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "should", "would" or "occur". Forward-looking statements are based on certain material assumptions and analysis made by the Company and the opinions and estimates of management as of the date of this news release. These forward-looking statements are 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 statements or forward-looking information. Although management of the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements or forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements and forward-looking information. Readers are cautioned that

reliance on such information may not be appropriate for other purposes. The Company does not undertake to update any forward-looking statement, forward-looking information or financial outlook that are incorporated by reference herein, except as required by applicable securities laws.

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CNW 07:30e 14-FEB-22