

AUDACIOUS™

AUDACIOUS Now Licensed to Cultivate in New York for Adult Use

Strengthening Early Mover Advantage in 4th Largest U.S. State

LAS VEGAS, June 23, 2022 – Australis Capital Inc. (CSE: AUSA) (OTC: AUSA) (“AUSA”, “AUDACIOUS”, or the “Company”), today announced that the Company has entered into an agreement with Hempire Farms, LLC (“Hempire”), a New York based cannabis company licensed to cultivate, process and distribute cannabis products in the New York State recreational market. The agreement between Audacious and Hempire is contingent upon state approval.

New York Cannabis Market

With 20.2 million people, New York is the fourth largest U.S. state by population. Industry insiders project the state’s adult use market to reach \$4.2 billion by 2024. New York State has implemented the initial phase and is working towards implementing an adult use program, including finalizing regulations for the full program. The state has introduced rules that enable certain hemp license holders to obtain provisional cannabis licenses to serve the adult use market. AUDACIOUS’ partner, Hempire, meets all requirements and was awarded an Adult-Use Conditional Cultivator License. The license also includes the ability to manufacture and distribute cannabis products – activities that the state has yet to fully define.

New York Operation

AUDACIOUS and Hempire intend to commence planting its first batch of adult use cannabis towards the end of June 2022, with first harvest anticipated some 8-10 weeks later. Under the regulations, the Company is allowed to have one acre of canopy, which equates to approximately 1.5 acres in total space. Based on its deep experience in cannabis cultivation, the Company anticipates this to yield approximately 2,100 lbs of dried flower and trim. The operations will be located in Broome County, New York.

As announced by the regulators, intent is for product to be sold through the first batch of adult use dispensaries, with approximately 150 retail licenses to be awarded to social equity applicants.

Expanded early mover advantage

With work commenced at the Company’s project with its partner [First Americans](#) of the Saint Regis Mohawk Tribe, this is AUDACIOUS’ second early start project in New York State. (NYS) While adult use

has been legalized, industry insiders anticipate that operators under the new licenses for hemp farmers provide an early mover advantage of at least one year. During this time, AUDACIOUS will be able to introduce its products to the New York market and build up market share and brand recognition.

Quick start cultivation operations have been designed in the past months by the Company's majority owned subsidiary ALPS, whose crop consultants have developed optimized operational protocols to ensure the Company will be able to serve the market with high quality product.

Management commentary

Terry Booth, AUDACIOUS CEO, commented, "This truly is a transformational deal for AUDACIOUS. We promised our investors we would focus on the east coast, and now our hard work has come to fruition. With both New York State and New Jersey State licenses in place, this deal makes AUDACIOUS one of, if not the best positioned MSO to capitalize on the massive opportunity presented by the East Coast cannabis market. Moreover, this NYS license, combined with the First Americans project, enables entry into this nascent market before adult use is opened up for general license application, giving us a substantial early mover advantage that we are well set up for to execute on. We have been preparing for this project for months now, and are ready to roll with planting, equipment, employees and operational SOPs. Our New York team, including ALPS and our advisors, have done an amazing job in securing this opportunity for us and we look forward to working with the Hempire founders, David and Jordan, to get started and serve the people of New York with our high-quality adult use cannabis products."

David Seamans, co-founder of Hempire, added, "The operational excellence at AUDACIOUS brings a broad range of experience, from financing, through to cultivation design, crop consulting, manufacturing, recognized brands and logistics. These were all crucial elements in us selecting AUDACIOUS as our partner in capitalizing on a huge opportunity for hemp farmers in New York. Their inclusive approach, as reflected by their partnership with First Americans of the Saint Regis Mohawk Tribe, was another important factor that showed us that their partnership approach is genuine and not just lip service to look good in the media. AUDACIOUS, in our eyes, embodies how inclusion should be done, and we are very excited to be working with Terry, Duke, Leah, Thomas and the rest of the AUDACIOUS team towards executing on this incredible opportunity."

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."

Terry Booth, CEO
ir@audacious.net

For further information, please contact:

For Investors:

Marc Lakmaaker
T: +1.647.289.6640
marc@audacious.net

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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, 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 out-look that are incorporated by reference herein, except as required by applicable securities laws.

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