

AUDACIOUS™

AUDACIOUS MANAGEMENT CHANGE

Company Provides Update on Audit

December 19, 2022, Edmonton, Alberta – Australis Capital Inc. (CSE: AUSA) (OTC: AUSA) (“AUSA”) (“AUDACIOUS” or the “Company”) today announced that Mr. Jon Paul will no longer serve as the Company’s CFO, effective immediately. Mr. Paul has agreed to act in an advisory capacity during a transitional period. The Company is pleased to share it has found a replacement in Mr. Derrek Higgins, who will be joining the Company as special advisor, effective immediately. Mr. Higgins is expected to be appointed CFO upon Board approval, which is anticipated for early to mid-January.

Hanoz Kapadia, Chairman of the Company, commented, “We want to thank Jon for his efforts for the Company over the past couple of years and wish him well with his future endeavors. We are grateful he has agreed to serve as an advisor while we transition this leadership role. We are very pleased having been able to secure the services of Derrek Higgins, who comes with an exceptional industry track record, which includes CFO positions with major cannabis companies, such as Glass House Brands and FLRish/Harborside. His background in leading the finance function, as well as his proven track-record in fund raising, are key skills that we believe will greatly benefit AUDACIOUS going forward as we execute on our growth strategy.”

Derrek Higgins

Derrek Higgins has more than 20 years of public and private company financial expertise in preparing venture-backed startups for public listings, representing shareholders and implementing comprehensive profitability and working capital plans. Derrek has held various key roles throughout his career, including most recently as Chief Financial Officer (CFO) for Glass House Group where he utilized his comprehensive financial, operational, public markets and cannabis industry experience to take the Company public and to drive profitability and scale as a leader in the rapidly evolving global cannabis market. Prior to Glass House Group, Derrek served as the CFO and Board member of FLRish Inc., the parent company of Harborside Inc., one of the oldest, largest and most respected cannabis operators in the world. At FLRish/Harborside, Higgins lead the completion of Harborside’s reverse takeover of FLRish, Inc., recapitalized the business and

implemented public reporting frameworks, accounting policies and operational transformation initiatives across Harborside, its subsidiaries and controlled entities.

Prior to FLRish/Harborside, Higgins served as a consultant for The Brenner Group LLC, where he provided CFO advisory services to venture-backed startups and mid-size companies, developed and executed strategic plans, raised capital and managed shareholder representation. Derrek also served as a strategic consultant at Alvarez & Marsal, a global professional services firm where he worked in turnaround management and performance improvement of large, high-profile businesses both in the U.S. and internationally, providing critical assistance to companies in crisis situations and helping to stabilize financial and operational performance by developing and implementing comprehensive profitability and working capital plans.

Higgins holds a B.S. degree in Accounting from Arizona State University and an MBA from the USC Marshall School of Business and a CPA (inactive) in California.

Mr. Higgins commented, “I look forward to joining AUDACIOUS, a company with amazing assets in New York, New Jersey and elsewhere. I believe these assets provide a unique and differentiated foundation to accelerate growth from. Team is always a key consideration when assessing new opportunities, and the AUDACIOUS team has proven over the years that they are among the elite in the cannabis industry. The knowledge and capabilities represented by them and the Company’s partners, as well as the asset base, made it easy to decide to join and help AUDACIOUS reach the next level in its development.”

Audit Update

The Company continues to work closely with its auditors towards completion of the Company’s annual filing of its financial results. Good progress is being made, and the Company is confident it will complete the filing within the coming weeks.

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](#).

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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. These statements involve known and unknown risks, uncertainties, and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Forward looking statements in this news release include, but are not limited to, the anticipated timing of the Company making the Annual Filings and Interim Filings, as well as receiving board approval for the appointment of Mr. Higgins as CFO.

The forward-looking statements contained in this news release are based on certain key expectations and assumptions made by the Company, including, without limitation, information based on the current state of the Annual Filings and Interim Filings; the Company's belief that its external auditor will complete its audit and release its audit opinion in a timely manner that will allow the Company to file the Annual Filings; that the unaudited financial statements prepared by management of the Company will not differ materially from audited financial statements once available; and the ability of the Company's management to execute its business strategy, objectives and plans. Although the Company believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because the Company can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, risks and uncertainties arising from any delay in filing the Annual Filings and Interim Filings;

the Company's ability to satisfy the requirements of NP 12-203; the revocation of the MCTO and replacement with a cease trade order; general business, economic, competitive, political and social uncertainties; the impact of the COVID-19 pandemic on the Company's operations and other factors, many of which are beyond the control of the Company.

The forward-looking statements contained in this news release represent the Company's expectations as of the date hereof and are subject to change after such date. The Company disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except as required under applicable securities regulations.

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