AUSTRALIS CAPITAL ANNOUNCES ITS INTENTION TO VIGOROUSLY DEFEND AGAINST LAWSUIT

LAS VEGAS, NV, July 3, 2020 – Australis Capital Inc. (CSE: AUSA) (OTC: AUSAF) ("Australis", "AUSA" or the "Company") today announced that it intends to vigorously defend itself against claims made by Green Therapeutics LLC and Meridian Companies LLC (the "Plaintiffs").

On June 29, 2020, the Plaintiffs served Australis with a lawsuit. It is the contention of Australis that the Plaintiffs' complaint of breach of contract is without merit and is an opportunistic ploy to reverse two separate and legitimate, closed deals in which the Green Therapeutics sold to Australis certain cannabis licenses, brands, and other assets in exchange for common shares of Australis, and Meridian sold to Australis certain real property. It is noteworthy that, with respect to the asset purchase agreement, the State of Nevada has placed a moratorium on cannabis license transfers since October of 2019, which has adversely impacted Australis' ability to realize any investment returns and for which Australis has not sought remuneration or relief from Plaintiffs.

About Australis Capital Inc.

AUSA invests in, operates and builds transformative, differentiated companies operating in highly regulated industries. Initially focused on investments in the cannabis industry, AUSA has expanded its business to offer proprietary unattended hardware and software technology to industries with the highest regulatory compliance standards along with supporting payment and fulfillment services. The globally available kiosk platforms are purpose-built in the cloud to deliver custom solutions in complex environments while emboldening customer confidence with features including data analytics, privacy, security and regulatory compliance. The Platform-as-a-Service (PaaS) technology delivers recurring revenue through long-term exclusive agreements initially focused on regulated retail environments and casino gaming while portable and scalable to profitably support organic growth and complementary acquisition opportunities.

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

For further information about AUSA, please visit the website at ausa-corp.com or contact the Company by e-mail at ir@ausa-corp.com.

ON BEHALF OF THE BOARD OF DIRECTORS

"*Cleve Tzung*"

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Cleve Tzung
Chief Executive Officer

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Forward-Looking Information Statement

This news release contains statements and information that, to the extent that they are not historical fact, constitute "forward-looking information" within the meaning of applicable securities legislation. Forward-looking information is based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made, but which may prove to be incorrect.

Forward-looking information involves known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Company to differ materially from any future results, performance or achievements expressed or implied by the forward-looking information. Accordingly, readers should not place undue reliance on any such forward-looking information. Further, any forward-looking statement speaks only as of the date on which such statement is made. New factors emerge from time to time, and it is not possible for the Company's management to predict all of such factors and to assess in advance the impact of each such factor on the Company's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. The Company does not undertake any obligation to update any forward-looking information to reflect information, events, results, circumstances or otherwise after the date hereof or to reflect the occurrence of unanticipated events, except as required by law including securities laws. This press release shall not constitute an offer to sell or the solicitation of an offer to buy securities.

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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