

Form 51-102F3
Material Change Report

Item 1 Name and Address of Company

LOTUS VENTURES INC.
200 – 24 East 4th Avenue
Vancouver, BC V5T 1E8

Item 2 Date of Material Change

December 9, 2015

Item 3 News Release

December 9, 2015 Dissemination through Stockwatch

Item 4 Summary of Material Change

The attached news release contains an accurate summary of the nature and substance of the material change.

Item 5 Full Description of Material Change

See attached news release which contains a full description of the material change.

Item 6 Reliance on subsection 7.1(2) of National Instrument 51-102

Not applicable

Item 7 Omitted Information

Not applicable

Item 8 Executive Officer

Dale McClanaghan, President and CEO
604-644-9844

Item 9 Date of Report

December 14, 2015

LOTUS VENTURES INC.

Suite 910 – 1125 Howe Street, Vancouver, British Columbia V6Z 2K8

Canadian Securities Exchange: Symbol J

Vancouver, British Columbia – December 9, 2015

NEWS RELEASE

Health Canada has notified the Company that it is in the personnel Security Clearance phase of the MMPR application process.

This is an important step in the process and permits the Company to make concrete plans for the construction of the planned facility, providing it passes the final Review stage and receives a Confirmation of Readiness for Pre License Inspection from Health Canada.

The policy of the new federal government to legalize marijuana will require extensive expansion of properly licensed production capacity to replace illicit market production. Accordingly the Company will take the following steps

1. File a second MMPR application for an identical second facility without delay.
2. Add to its present building design prototype to double the production space for a third application.

ON BEHALF OF THE BOARD

Lotus Ventures Inc.

“Dale McClanaghan”

Dale McClanaghan, President and CEO

For further information contact:

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