

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

May 12, 2016

Item 3 News Release

May 12, 2016 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

May 13, 2016

LOTUS VENTURES INC.

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

Canadian Securities Exchange: Symbol J

Vancouver, British Columbia – May 12, 2016

NEWS RELEASE

ENGAGEMENT OF KILBRIDE PARTNERS AS FINANCIAL ADVISOR

Dale McClanaghan, President of Lotus Ventures Inc. announced today that Lotus has engaged Kilbride Partners to evaluate strategic alternatives for the financing of its production facility in British Columbia. Representing Kilbride Partners will be Mark W. Cosens, Founder and Managing Director and Scott Samuel, Managing Director.

Mr. McClanaghan says: “The representatives of Kilbride Partners recognize Lotus’ potential as a future producer of both medical marijuana and recreational marijuana when it becomes legal in 2017. I feel confident that this new injection of expertise to the company will be very successful.”

Kilbride Partners is a multi-disciplinary strategic advisory business whose principals have extensive track records in assisting public and private companies in generating shareholder value and attracting investment capital for its clients.

Mark Cosens’ experience includes corporate law, corporate and investment banking, and executive search. Prior to establishing Kilbride Partners, he was a Managing Director at Korn/Ferry International in Toronto, where he assisted a variety of organizations with executive recruiting and management assessments. Prior to Korn/Ferry, Mark worked in the Investment Banking groups at both Burns Fry Limited and CIBC Wood Gundy.

Scott Samuel has more than 25 years of investment banking and corporate legal work which has moved into a hands-on role with many entrepreneurial clients. Scott has had a long and distinguished career on “Bay Street” both in the executive management of financial institutions and in the transactional capital markets advisory role with clients. Scott recently completed the sale of Skura Corporation three years after raising capital for the private company. He was COO and CFO of Skura Corp.

ON BEHALF OF THE BOARD

Lotus Ventures Inc.

“Dale McClanaghan”

Dale McClanaghan, President and CEO

For further information, contact:

Dale McClanaghan, President and CEO - (604) 644-9844

The Canadian Securities Exchange does not accept responsibility for the adequacy or accuracy of this release.