

LOTUS VENTURES INC.

Suite 1010 – 1030 West Georgia Street, Vancouver, British Columbia V6E 2Y3

Canadian Securities Exchange: Symbol J

Vancouver, British Columbia – January 30, 2017

Facility Financing Agreement

Lotus Ventures Inc. is pleased to announce that it has entered into a binding agreement to access up to \$12 million of financing. Monies will be advanced in two stages, as required to build out its first production facility, in Armstrong BC, and its planned initial expansion. Provision of this financing is subject to satisfaction of a number of pre-conditions including receipt of the Affirmation Confirmation from Health Canada. This financing will be completed as a future equity issue or series of issues done according to a very accretive pricing and production royalty formula in the agreement. This agreement has been modeled on similar agreements more commonly found in the mining sector.

The Company applied for the Building Permit for the production facility on November 28, 2016 and township officials advise the permit will be issued shortly.

Construction is planned to commence immediately following this Health Canada approval. Additional information will be provided on a more recurring basis as we progress towards becoming a licensed producer of medical marijuana.

These announcements are significant milestones on our path to becoming an important participant in the rapidly developing Canadian regulated market for marijuana production for medical and, soon to be legalized, adult recreational use.

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.