



Lotus Ventures Provides Operational Update for Investors

Canadian Securities Exchange: Symbol J

VANCOUVER, Sept. 4, 2019 /CNW/ - **Lotus Ventures Inc.** (CSE: J) (FRA: LV9) (OTC: LTTSF) (the "Company" or "Lotus") would like to provide an update to its shareholders and prospective investors. As the Company has continued to ramp up to full production over the past month, our operational team has successfully populated 6/6 of the production rooms with plants at various stages. Lotus has its first scheduled harvest for the end of September 2019 and will be harvesting two and a half batches per month yielding 165,000 grams once at full capacity.

Favourable Initial Health Canada Facility Inspection:

During the ramp-up period, Health Canada made an initial inspection and has confirmed that our operation is compliant under the Cannabis Act and its Regulations.

B2B Sales to Commence:

As per the definitive agreement between Lotus and Auxly Cannabis Group Inc. ("Auxly") dated September 11, 2018, Auxly has committed to purchase 50% of the initial facility's production at a fixed cost, which is expected to be enough to cover the Company's production costs. The remaining 50% of production will be initially sold to either a Licence Holder with a Processing licence, or to Auxly based on wholesale prices sourced by Lotus.

Facility Expansion:

The Lotus management has taken an experienced and conservative approach when planning its future expansion. Our team's focus is to act in the best interest of our shareholders, and the Company continues to seek non-dilutive financing, including bank debt and/or other methods. Our management team has a corporate banking background and believes it can obtain non-dilutive financing moving forward.

The expansion facility is in for building permits and will be up to an additional 30,000 square feet including an in-house processing lab. Using an automated growing technique, Lotus estimates its production to be increased by approximately 4,000,000 grams of cannabis flower per year.

Financial Projections:

Lotus designed its operation under the premise that it can grow high-quality cannabis at a low-cost due to the customization of its facility, automated production systems, and the personal care given to each individual plant by its operational team. The Company estimates its production costs to be below \$1.50 per gram (once at full capacity) and has continued to keep its operating expenses low with the goal to be cash flow positive in the calendar year of 2020.

ON BEHALF OF THE BOARD

Lotus Ventures Inc.

"Dale McClanaghan"

Dale McClanaghan, President and CEO

About Lotus Ventures Inc.

Lotus Ventures Inc. (CSE: J) is an Okanagan-based licensed producer focused on growing exceptional cannabis products for the B2B and future recreational market in Canada. Lotus operates an innovative 22,500 square foot growing facility with access to unique proven strains and an entirely handcrafted production process created by one of the regions most experienced growing teams.

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

SOURCE Lotus Ventures Inc.

View original content to download multimedia:

<http://www.newswire.ca/en/releases/archive/September2019/04/c6043.html>

%SEDAR: 00036638E

For further information: Dale McClanaghan, CEO: dalemccclanaghan@gmail.com, 604-644-9844; Daniel McRobert, Investor Relations: investors@lotuscannabis.ca, 604-842-4625

CO: Lotus Ventures Inc.

CNW 08:55e 04-SEP-19