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Canadian Securities Exchange: Symbol J

Lotus Provides an Update for Shareholders

Vancouver, British Columbia – July 27, 2022 - **Lotus Ventures Inc.** (CSE: J) (OTC: LTTSF) (“**Lotus**” or the “**Company**”), a licensed cannabis producer and wholesaler of premium cannabis flower in Canada is providing an update for its shareholders in regard to its sales and marketing strategy moving into the fall months of 2022.

Lotus in its initial two years of production achieved high sales volumes and profitability in the cannabis flower B2B market. Over the past six months Lotus has experienced a slowdown in its wholesale business due to several factors, including but not limited to, wholesale partners exiting the B2B space to focus on the adult-use recreational market, wholesale partners being acquired by other companies, or producers exiting the cannabis space altogether. Lotus is well along on implementing its original gameplan of adding the retail market channel to its sales approach. This new channel provides for both higher margins and a diversification of sales. The Company also recognizes the current state of the Canadian cannabis industry and has adjusted its strategy to further diversify sales channels away from solely B2B sales. The Company is confident it will be able to fulfill the current market demand with its diversified multi-pronged sales approach.

Production Update:

Thus far Lotus has made great strides in producing top-shelf cannabis along with sourcing and developing first-to-market and exclusive strains (The Kalifornia and Tranquil Elephantizer), both of which have been sold at the BC Cannabis Store and the Ontario Cannabis Store, as well as at participating retailers. Lotus recently harvested its largest single lot of the Tranquil Elephantizer with an over 50% greater yield than original expectations and we continually strive to push the quality and yield to even newer highs.

As Lotus obtained its Standard Processing/Sales license on September 8, 2021, the Company is working to obtain provincial sales SKUs. Lotus is currently looking at parallel direct-to-consumer packaging paths which include both in-house and outsourced options for these first steps. Outsourcing the mid-stream packaging and distribution responsibilities provides an expedited, and initially cheaper start-up capex. Direct-to-market creates additional sales channels and increases the margin potential without the need for a large capital influx. This in turn also reduces the volatility the industry has experienced in the B2B market.

Lotus has some traction with the Tranquil Elephantizer currently being sold in BC and Ontario but is preparing for the future with more exclusive cultivars that have already been placed into production. The Company is taking the reins to build a recognized brand that reflects the Lotus quality and pride put into the product that is grown in BC.

Lotus Steps Going Forward:

Lotus has started two new very promising cultivars with expected average THC levels of 25% and

expects the first harvests to reflect this. The Company is looking for consistent THC levels and to push the THC% ceiling of these new cultivars even higher. Upcoming harvests can be expected in late August with the potential to be ready to ship bulk product in mid to late October if packaged given no unforeseen delays.

The Company is currently working to meet all supply chain requirements to achieve direct-to-consumer sales in the shortest time frame possible. (Registrations, Applications, vendor relations, compliance).

With a long-term focus on the BC, Alberta, and Ontario markets, Lotus has continued to evolve its sales strategy into a multi-pronged approach which should effectively increase sales in all channels while improving the internal control for Lotus. The Company initially expects SKUs to be applied for in BC with Alberta and Ontario to promptly follow.

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 a BC-based licensed producer and wholesaler of premium cannabis. Lotus owns and operates the consumer brand Lotus Cannabis Co.[™], which has had its flower sold by wholesale partners in nine Canadian provinces to date, not including Quebec. Lotus is an experienced cultivator in the North Okanagan and the Lotus flower is currently sold in BC and Ontario by Kolab Project.

To invest in the Company, Lotus Ventures Inc. is listed on the Canadian Securities Exchange under the symbol J and on the OTC Markets under the symbol LTTSF.

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Forward-Looking Information:

The information contained within this news release has been prepared by Lotus Ventures Inc. This document includes certain statements that are not descriptions of historical facts but are forward-looking statements. Such statements include, among others, those concerning our expected financial performance and strategic and operational plans, our future operating results, our expectations regarding the market for medical and recreational cannabis products, our expectations regarding the continued growth of the medical and recreational cannabis market, as well as all assumptions, expectations, predictions, intentions, or beliefs about future events. Users are cautioned that any such forward-looking statements are not guarantees of future performance and that several risks and uncertainties could cause our actual results to differ materially from those anticipated, expressed or implied in the forward-looking statements. These risks and uncertainties have not been documented or mentioned in this document nor other communications made by the company. The words "believe," "expect," "anticipate," "project," "targets," "optimistic," "intend," "aim," "will" or similar expressions are intended to identify forward-looking statements. All statements other than statements of historical fact are statements that could be deemed forward-looking statements. The Company assumes no obligation and does not intend to update any forward-looking statements, except as required by law.

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