



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

Canadian Securities Exchange: Symbol J

---

## Lotus Announces Delay of Filing Audited Annual Financials

**Vancouver, British Columbia – January 4, 2023 – Lotus Ventures Inc.** (CSE:J) (OTC:LTTSF) (“**Lotus**” or the “**Company**”) a licensed cannabis producer, wholesaler, and the owner of Lotus Cannabis Co.™, a premium-craft consumer brand in Canada, would like to inform shareholders of a recent delay in filing its Audited Financial Statements.

Lotus was required to file the following on SEDAR by December 29, 2022 in the normal course but was not able to:

- a. Audited Financial Statements for the year ended August 31, 2022 as required by Part 4 of National Instrument 51-102 and;
- b. Management Discussion and Analysis (MD&A) relating to the Audited Financial Statements as required by Part 5 of National Instrument 51-102 and;
- c. CEO and CFO certificates related to the Audited Financial Statements as required by National Instrument 52-109 Certification of Disclosure in the Issuers’ Annual and Interim Filings (collectively the “required filings”).

Accordingly, the Company applied to the British Columbia Securities Commission pursuant to National Policy 12-203 Cease Trade Orders for Continuous Disclosure Defaults for an order that the Commission issue a Management Cease Trade Order until the required filings are made.

During the Issuers’ Fiscal 2022 period, there were unforeseen challenges including, but are not limited to: Staffing and IT issues. A significant IT challenge affecting this audit cycle was the transition to a new inventory software from one specialized IT provider for its seed to sale tracking software to another. Under the terms of the Issuers’ cannabis license, stringent record keeping requirements must be met requiring complex processes and software. Lotus has a strong compliance record. In line with this commitment Lotus is implementing a new inventory management and record-keeping system which once fully working, will be much less labour intensive. As a result of this transition, processes were changed and the production of year-end materials was delayed. Such materials were provided to this Issuers’ auditors with insufficient time for them to adequately complete their engagement before the statutory filing deadline. The audit remains in progress and the Company is working expeditiously to facilitate information requests. The Company anticipates being able to file the Audited Financial Statements by January 31, 2023 and intends to satisfy the provisions of the alternative information guidelines so long as it remains default.

### **ON BEHALF OF LOTUS VENTURES INC.:**

Lotus Ventures Inc.

*"Dale McClanaghan"*

Dale McClanaghan, President and CEO

**About Lotus Ventures Inc.**

Lotus Ventures Inc. (CSE:J) (OTC:LTTSF) is a BC-based licensed producer and wholesaler of premium cannabis. Lotus owns and operates the premium-craft consumer brand Lotus Cannabis Co.™ which has had its cannabis flower sold by wholesale partners in all provinces to date. Lotus is an experienced cultivator on a mission to produce the cleanest and most consistent cannabis in Canada. With operations in the North Okanagan, BC, the Lotus Cannabis team has launched popular strains like the Kalifornia and Tranquil Elephantizer and currently has flower being sold in British Columbia, Alberta, and Ontario through collaborative strain launches.

To invest in the Company, Lotus Ventures Inc. is listed on the Canadian Securities Exchange (CSE:J), on the OTC Markets (OTC:LTTSF) and on the Frankfurt Stock Exchange (FRA:LV9).

**For More Information:****President & CEO**

Dale McClanaghan  
604-644-9844

**Investor Relations & Communications**

Daniel McRobert  
investors@lotuscannabis.ca  
604-842-4625

**General Inquiries**

info@lotuscannabis.ca  
604-842-4625

To learn more, visit [lotuscannabis.ca](http://lotuscannabis.ca) and follow the Lotus Cannabis brand on social media.

**Instagram:** [@lotuscannabisco](https://www.instagram.com/lotuscannabisco)

**Twitter:** [@lotuscannabisco](https://twitter.com/lotuscannabisco)

**LinkedIn:** [@lotuscannabisco](https://www.linkedin.com/company/lotuscannabisco)

**Facebook:** [@lotuscanna](https://www.facebook.com/lotuscanna)

**Forward-Looking Information:**

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 a number of 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.***