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Canadian Securities Exchange: Symbol J

Lotus Announces First Quarter Fiscal 2023 Results

Vancouver, British Columbia – March 1, 2023 – Lotus Ventures Inc. (CSE:J) (OTC:LTTSF) (“Lotus” or the “Company”) a North Okanagan based licensed cannabis producer and the owner of Lotus Cannabis Co.™, a premium-craft consumer brand in Canada announced the financial results for the period ending November 30, 2022.

Q1 2023 CORPORATE OVERVIEW

The first fiscal quarter of 2023 was a transitional period for the Company as it continued the diversification of its sales channels and partners. The Company started working with local companies in B.C. to expedite its product launch schedule. The Company’s business-to-business wholesale model allows Lotus to supply its flower to wholesale partners with brands in the medical and recreational markets in Canada. The Company currently has one flower and one pre-roll SKU of the Keylime Kush listed under the Lotus brand in British Columbia and another several SKUs listed by wholesale partners using the Lotus Tranquil Elephantizer and Black Blossom flower. The following highlights our progress during the quarter ending November 30, 2022:

- On October 6th, 2022 the Company appointed Albert Duwyn as Chairman of the Board. Mr. Duwyn is an early supporter of Lotus and is one of the Company’s largest shareholders.
- Lotus received approval for direct-to-store delivery sales in British Columbia. During the quarter, the Company sold dried flower on a wholesale basis which was then delivered to retail stores by a wholesale partner in British Columbia.
- Lotus completed the production and development of its new exclusively grown Keylime Kush and Black Blossom cannabis strains. The Company expects the new strains to be sold in multiple provinces in 2023 and has received positive initial test results for cannabinoid and terpene content.

Q1 2023 SALES AND MARKETING OVERVIEW

- As of the date of this MD&A, Lotus is selling its Keylime Kush in British Columbia, and its Black Blossom in B.C. and Alberta in collaboration with a wholesale partner. The Lotus flower is being used in 3.5 gram and 7 gram flower offerings as well as in pre-rolls.
- The Lotus Tranquil Elephantizer is being sold at select retailers in B.C. and the Lotus Kalifornia is listed in Ontario. The Lotus Tranquil and Kalifornia flower is being used in flower and pre-roll offerings.

Q1 2023 OPERATIONAL OVERVIEW

- During the quarter, Lotus completed its 105th production harvest since commencing operations. The Company is growing its new strains regularly now and has started the phenohunt process in search of its subsequent strains. The Company has found operational success regarding control and consistency with its Controlled Environment Agriculture (CEA) method of indoor hydroponic cannabis cultivation.
- The recently grown premium Lotus Keylime Kush and Black Blossom are both first-to-market strains in the legal Canadian market and are expected to test in the range of 24% - 30% in THC content and between 2.5% - 3.5% in terpene content. Initial test results have been received as expected.
- As at November 30, 2022, the Company had approximately 1,536 kg of cannabis available for sale consisting of primarily the Kalifornia and Tranquil Elephantizer strains. During the quarter, cost of sales recognized was representative of approximately 70,000 grams.

Q1 FINANCIAL OVERVIEW

- During the quarter ending November 30, 2022, the Company sold \$144 thousand of bulk cannabis. Subsequent to the end of the first quarter, the Company initiated further wholesale relationships and also commenced selling its Keylime Kush in the British Columbia recreational market.
- The Company recorded a gross margin deficient of \$428 thousand, compared to a gross margin of \$437 thousand during the prior year period. The decrease in margin is a result of the industry wide price compression in the business-to-business wholesale market.
- The Company recorded a net loss of \$765 thousand, compared to a net profit of \$241 thousand in the prior year's period. The Company posted profitable financials through the first two years of sales as a wholesale company and has continued to evolve its multi-channel sales approach as the Canadian cannabis industry has matured.

For more information on the Q1 Financial Statements, please visit lotuscannabis.ca/investors or SEDAR.com.

ON BEHALF OF LOTUS VENTURES INC:

Lotus Ventures Inc.

"Dale McClanaghan"

Dale McClanaghan, President and CEO

About Lotus Ventures Inc.

Lotus Ventures Inc. is a BC-based licensed producer of premium cannabis. Lotus owns 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 premium cannabis in Canada. With operations in the North Okanagan B.C., the Lotus Cannabis team has launched popular cultivars like the Keylime Kush, Black Blossom, Tranquil Elephantizer and Kalifornia and currently has flower being sold in British Columbia, Alberta, and Ontario.

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).

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To learn more, visit lotuscannabis.ca and follow the Lotus Cannabis Co.™ brand on social media.

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

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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.