



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

Canadian Securities Exchange: Symbol J

Lotus Updates on Creditor Plan and Restructuring

Vancouver, British Columbia – May 17, 2024 – Lotus Ventures Inc. (CSE:J) (“Lotus” or the “Company”) wishes to provide an update following the filing of its Notice of Intention to Make a Proposal (“NOI”) under the Bankruptcy and Insolvency Act (Canada), as previously announced on January 18, 2024.

On March 25, 2024, the Company made a proposal to its creditors, which was subsequently amended on April 5, 2024 (the “**Proposal**”). A meeting of the Company’s creditors was originally scheduled for April 18, 2024 to vote on whether the Proposal should be approved. This meeting was subsequently adjourned, first to May 3 and then to May 8, 2024.

On May 3, 2024, Lotus entered into a subscription agreement (the “**Agreement**”) with 5008679 Ontario Limited (“**5008**”), whereby, among other things and subject to the terms and conditions of the Agreement, 5008 agreed to pay to the Company CAD \$2,538,398, which amount will be used to pay the Company Obligations (as defined therein), with the balance (along with all claims of the Company’s creditors) to be vested in Lotus Cannabis Alberta Incorporated (“ResidualCo”, a subsidiary of the Company).

The transactions under the Agreement (the “**5008 Transaction**”) will be completed in accordance with its terms, and the provisions of a reverse-vesting order (the “**Order**”) to be granted by the Supreme Court of British Columbia In Bankruptcy and Insolvency in the NOI proceedings. Upon completion of the 5008 Transaction: (i) all outstanding equity interests of the Company will be deemed cancelled for no consideration, and 5008 will be issued shares to become the sole shareholder of the Company; and (ii) ResidualCo will thereafter be bankrupted, with the Company’s creditors receiving distributions thereunder in full satisfaction of their claims.

On May 7, 2024, Lotus amended the Proposal again to incorporate the 5008 Transaction. Such further amended Proposal was approved by the Company’s creditors at the creditors’ meeting on May 8, 2024.

The 5008 Transaction is expected to close in June 2024 (the “**Closing**”). The Closing is subject to significant closing conditions, including that Lotus obtain the Order and that the cease trade order issued on April 4, 2024 with respect to the Company will not prevent the 5008 Transaction.

Further information regarding the Proposal and the Agreement, including copies thereof, can be accessed through the website hosted by MNP Ltd., in its capacity of proposal trustee of Lotus in the NOI proceedings, at: [Lotus Ventures Inc | MNP LTD \(mnpdebt.ca\)](https://lotusventuresinc.com/mnp-ltd/mnp-ltd-mnpdebt.ca)

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 cannabis producer. Lotus grows premium cannabis which is carried in retail locations across BC and Ontario.

Lotus Ventures Inc. is listed on the Canadian Securities Exchange (CSE:J) and on the OTC Markets (OTC:LTTSF).

For More Information:**President & CEO**

Dale McClanaghan

dalemccclanaghan@gmail.com

(604) 644-9844

Investor Relations

investors@lotuscannabis.ca

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.