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Canadian Securities Exchange: Symbol J

Lotus Announces Closing of Previously Announced Transactions

Vancouver, British Columbia – August 19, 2024 – Lotus Ventures Inc. (CSE:J) (“**Lotus**” or the “**Company**”) announces today that it has closed the previously announced transaction (the “**Transaction**”) contemplated by the Company’s proposal to its creditors, as amended (the “**Proposal**”), and the Company’s subscription agreement dated May 3, 2024 with 5008679 Ontario Limited (the “**Purchaser**”), as amended and restated on June 4, 2024 and further amended on July 15, 2024 (the “**Agreement**”). The Transaction was completed in accordance with the terms of the Agreement and the provisions of a reverse-vesting order granted by the Supreme Court of British Columbia In Bankruptcy and Insolvency on June 14, 2024 (the “**RVO**”).

As part of the completion of the Transaction, the Company has issued to the Purchaser 1,000 common shares of the Company (the “**Subscribed Shares**”) for an aggregate, all-inclusive purchase price of \$2,538,398.00 and all of the previously issued and outstanding securities of the Company (other than the Subscribed Shares) have been cancelled without consideration. The Purchaser, located at 1662 Valley Close, Burlington, Ontario, L7P 4W4, is now the sole securityholder of the Company. Prior to the Transaction, the Purchaser held, directly or indirectly, 7,003,733 common shares of the Company, representing 6% of the issued and outstanding common shares of the Company.

Lotus is expected to be delisted from the CSE effective at the close of trading on August 20, 2024, and is expected to be concurrently delisted from the OTC Markets. Lotus also expects to make an application to seek full revocation of the failure-to-file cease trade order issued on April 4, 2024, and to cease to be a reporting issuer in each of Alberta, British Columbia, and Ontario.

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 Proposal proceedings, at: [Lotus Ventures Inc | MNP LTD \(mnpdebt.ca\)](https://www.mnpdebt.ca).

This disclosure is also issued pursuant to *Multilateral Instrument 62-104 – Take-Over Bids and Issuer Bids*, which requires an early warning report to be filed containing additional information with respect to the foregoing matters. A copy of the early warning report will be made available on SEDAR+ under Lotus’ profile at www.sedarplus.ca. To obtain a copy of the early warning report, or further information, please contact Albert Duwyn, President of Lotus, at 416-460-7058.

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.

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 the delisting of Lotus from the CSE and OTC Markets and the timing thereof, receipt of a revocation order relating to the

applicable cease trade order of Lotus, Lotus ceasing to be a reporting issuer in Alberta, BC and Ontario, 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.