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Canadian Securities Exchange: Symbol J

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## Lotus Ventures Inc. Accelerates Path to Retail Market Sales Upon Receipt of Standard Processing Licence from Health Canada

Lotus Ventures Inc. (CSE: J) (OTC: LTTSF) (FRA: LV9) (“Lotus”, or the “Company”, or “Lotus Cannabis Co.”) a premium and profitable cannabis producer in Canada, is pleased to announce the issuance of the Company’s Standard Processing licence. In accordance with the *Cannabis Act* and *Cannabis Regulations*, the Company is now authorized to possess, produce, and sell cannabis directly to provincial distributors in Canada. The Processing licence is in addition to the Company’s currently held Standard Cultivation and Medical Sales licences which authorize the Company to sell cannabis on a business-to-business wholesale basis or directly to registered medical patients.

“This is an exciting milestone for our shareholders and a major step forward for the Company and our consumers. We have delivered on our strategic objectives as a wholesale company by consistently producing premium cannabis profitably. Our unique Kalifornia cultivar has established a proven demand in key markets such as Ontario and Alberta, and we look forward to increasing our direct sales nationwide by offering new and exclusive products from our seed bank of over 200 high quality cultivars” said Lotus CEO, Dale McClanaghan.

Table: Authorized licensed cultivators, processors and sellers under the *Cannabis Act*

| Licence holder      | Province / territory | Licence(s)  | Classes of cannabis the licence holder is authorized to sell       |  | Client Care phone numbers for registered patients | Date of initial licensing (year-month-day) |
|---------------------|----------------------|---|--|--|---|--|
|                     |                      |   | to provincially/territorially authorized distributors/retailers    | to registered patients   |   |  |
| Lotus Ventures Inc. | BC                   | <ul style="list-style-type: none"> <li>• Sale (Medical)</li> <li>• Cultivation</li> <li>• Processing</li> </ul> | <ul style="list-style-type: none"> <li>• Plants / Seeds</li> </ul> | <ul style="list-style-type: none"> <li>• Plants / Seeds</li> </ul> | N/A   | 2019-03-08                                 |

### STRATEGY

The Company plans to utilize the Processing licence to initially offer Lotus Cannabis Co.™ branded Kalifornia pre-rolls. The Company expects to launch the offering on the west coast to start, connecting our community with local products grown in B.C. The Processing licence also provides Lotus with the ability to sell additional classes of cannabis such as extracts, concentrates and edibles. The Company does not intend to offer these products in the near-term but will keep these channels open for future product launches.

## **KALIFORNIA SALES UPDATE**

During the Company's Third Fiscal Quarter, the Kalifornia cultivar sold in collaboration with the Company's consumer brand Lotus Cannabis Co.<sup>TM</sup> and Kolab Project reported the following statistics:

- Kalifornia was the 5<sup>th</sup> best-selling 3.5g dried flower SKU by dollar amount on the OCS. <sup>2</sup>
- Kalifornia was the 11<sup>th</sup> best-selling dried flower SKU overall by dollar amount on the Ontario Cannabis Store.
- Kalifornia was the 10<sup>th</sup> best-selling 3.5g dried flower SKU by dollar amount in the province of Alberta.

## **FACILITY EXPANSION - FINANCING**

Management is in discussion with an institutional lender to provide term loan financing for Lotus' Phase 2 Expansion on the Company's wholly owned 23-acre property near Armstrong B.C. The Company expects to receive a term sheet shortly and will announce any material information once it occurs.

## **FOURTH QUARTER OUTLOOK**

The Company recently completed its second harvest anniversary and since that time, the team has produced 62 crops averaging 65,000 grams. As well, the Company completed its fourth fiscal quarter at the end of August. The audited Annual Financial Statements are expected to be released by the end of the calendar year, and sales and cash flow are expected to be consistent with previous quarters. The Company expects a fifth quarter reporting positive EBITDA and positive net income.

## **ON BEHALF OF THE BOARD:**

Lotus Ventures Inc.  
*"Dale McClanaghan"*  
Dale McClanaghan, President and CEO

## **About Lotus Ventures Inc.**

Lotus Ventures Inc. is a premium B.C. grown cannabis producer based in the North Okanagan, Canada. The Company leverages expertise in agriculture, construction, and real estate development with a shared goal to be a leading producer of quality cannabis. In collaboration with Kolab Project, our consumer brand Lotus Cannabis Co.'s <sup>TM</sup> Kalifornia grown cultivar is a strong performing product in Ontario, Alberta, and B.C. The Company has established a profitable wholesale business across Canada and has its flower sold in provincial retailers and leading retail franchises in eight provinces.

To invest in the Company, Lotus Ventures Inc. is listed on the Canadian Securities Exchange under the symbol "J", on the OTC Markets under the symbol "LTTSF" and on the Frankfurt Stock Exchange under the symbol "LV9".

## **For More Information:**

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**Twitter:** [@lotuscannabisco](https://twitter.com/lotuscannabisco) , **LinkedIn:** [@lotuscannabisco](https://www.linkedin.com/company/lotuscannabisco) , **Instagram:** [@lotuscannabisco](https://www.instagram.com/lotuscannabisco)  
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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 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. All financial information contained within this news release has been recorded in Canadian dollars.

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

## **Sources:**

1. *Table of Authorized Licensed Producers:* [Government of Canada](#)
2. *Kalifornia stats:* *Hifyre data*