

FORM 7

MONTHLY PROGRESS REPORT

October 2020

Name of CNSX Issuer: Lotus Ventures Inc. (the "Issuer").

Trading Symbol: J

Number of Outstanding Listed Securities: 89,969,799

Date: November 2, 2020

Report on Business

- 1. Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.**

The Issuer is a licensed cannabis producer pursuant to Health Canada's *Cannabis Act* and specializes in premium cannabis cultivation. The Issuer built and operates a state-of-the-art growing facility in the North Okanagan region, and currently sells dried flower to wholesale partners across Canada.

During the previous month, the Issuer commented in response to an article published by BNN Bloomberg in regard to "Too much (cannabis) cultivation" being narrated across Canada. On the contrary, the Issuer continues to see strong sales demand for a premium-craft product and was able to sell through 100% of production in the previous quarter. In addition, the Issuer gained a 1.2% market share in the Ontario cannabis flower market with strong sales in BC, Alberta and New Brunswick. The full release can be read on the Issuer's website here: <https://bit.ly/3eiQW56>

- 2. Provide a general overview and discussion of the activities of management.**

The Issuer has continued to focus on the production and the sale of its cannabis, increasing its brand recognition in the wholesale market, and expanding its distribution access across Canada through its collaboration with Kolab Project. Management has established solid wholesale relationships in the market and continues to receive positive feedback on production quality.

Lotus as announced, plans to add up to an additional 30,000 square foot extension to its initial facility near Armstrong, B.C. Building permits have been approved by local officials and the company has started pre-construction work. The Issuer is using this time to accumulate capital and build on our strong sales and profit record which in turn will support financing of the expansion.

- 3. Describe and provide details of any new products or services developed or offered.**

None

4. **Describe and provide details of any products or services that were discontinued.**
None
5. **Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.**
None
6. **Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced.**
None
7. **Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship.**
None
8. **Describe the acquisition of new customers or loss of customers.**
None
9. **Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trademarks.**
None
10. **Report on any employee hiring's, terminations or lay-offs with details of anticipated length of lay-offs.**
None
11. **Report on any labour disputes and resolutions of those disputes if applicable.**
None
12. **Describe and provide details of legal proceedings to which the Issuer became a party, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.**
None

13. **Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.**
None
14. **Provide details of any securities issued and options or warrants granted.**
None
15. **Provide details of any loans to or by Related Persons.**
None
16. **Provide details of any changes in directors, officers or committee members.**
None
17. **Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.**
None

Certificate of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there were no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to CNSX that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all CNSX Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated: November 2, 2020

Dale McClanaghan
Name of Director or Senior Officer

"Dale McClanaghan"

Signature
President and CEO

Issuer Details	For Month End	Date of Report
Name of Issuer Lotus Ventures Inc.	October, 2020	YYYY/MM/DD 2020/11/02
Issuer Address Suite 1848 Commercial Drive, Vancouver, British Columbia V5N 4A5		
City/Province/Postal Code Vancouver, BC V5N 4A5	Issuer Fax No. n/a	Issuer Telephone No. 604-644-9844
Contact Name Dale McClanaghan	Contact Position President and CEO	Contact Telephone No. 604-644-9844

Contact Email Address dalemclanaghan@gmail.com	Web Site Address www.lotuscannabis.ca
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