

FORM 7

MONTHLY PROGRESS REPORT

September 2021

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

Trading Symbol: J

Number of Outstanding Listed Securities: 89,969,799

Date: October 5, 2021

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 premium cannabis producer based in British Columbia, Canada. The Issuer is fully licensed by Health Canada to cultivate, process, and sell cannabis products in Canada. The Issuer operates a scalable 22,500 square foot purpose-built cultivation facility situated on 23-acres of owned farmland near Armstrong, B.C. The Issuer sells cannabis flower on a business-to-business wholesale basis to licensed producers nationwide. The Issuer's cannabis flower has been sold by wholesale partners in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Newfoundland and Labrador, Prince Edward Island, Nova Scotia, and New Brunswick. The Issuer's cannabis flower has been sold through both private and government run retail networks across Canada.

[On September 8, 2021](#), the Issuer announced the issuance of a Standard Processing license by Health Canada. In addition to wholesale, the Issuer is now authorized to sell cannabis directly to provincial distributors in Canada. As well, the Issuer is authorized to produce cannabis 2.0 products such as vapes, edibles, extracts and concentrates.

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

The Issuer continues to be in discussion with an institutional lender to provide term loan financing for the Phase 2 Expansion on the Issuer's property near Armstrong B.C. The Company expects to receive a term sheet shortly and expects to announce any material information once it occurs. The Issuer also continued strategic planning around the launch of its own branded pre-roll products into the Canadian consumer market.

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

The Issuer, through Kolab Project's growers' series launched a 14-gram Kalifornia unit on the Ontario Cannabis Store.

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: October 12, 2021

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	September, 2021	YYYY/MM/DD
Lotus Ventures Inc.		2021/10/12
Issuer Address		
2750 Rupert St, Vancouver, British Columbia V5M 3T7		
City/Province/Postal Code	Issuer Fax No.	Issuer Telephone No.
Vancouver, BC V5M 3T7	n/a	604-644-9844
Contact Name	Contact Position	Contact Telephone No.
Dale McClanaghan	President and CEO	604-644-9844
Contact Email Address	Web Site Address	
dalemccclanaghan@gmail.com	www.lotuscannabis.ca	