

FORM 7

TUGA INNOVATIONS, INC.

**MONTHLY PROGRESS REPORT**

Name of CSE Issuer: TUGA Innovations, Inc. (the “*Issuer*”).

Trading Symbol: TUGA

Number of Outstanding Listed Securities: 44,495,021

Date: April 4, 2022

**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.

**March 17, 2022**

The Issuer is making the leap across the digital divide from urban mobility into the metaverse with the help of Company co-founders and digital visionaries António Câmara and Edmundo Nobre. From the outset, the founders of TUGA Innovations saw the potential applicability for the integration of augmented reality (“AR”) and virtual reality (“VR”) through the power of artificial intelligence (“AI”). Today, with the emergence of the metaverse and the significant investment dollars being funneled into digital innovation, the founders of TUGA Innovations are pleased with their original conceptual strategy. Currently, the Company’s advanced planning encompasses a digitally enhanced all-electric urban vehicle combined with an AR/VR platform for use both within the vehicle and as an essential integrated component to the sales and marketing process.

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

**March 10, 2022**

The Issuer has elected CEO Mr. John Hagie to the role of Board Chairperson. With the accomplishment of advanced product development fully underway as demonstrated in the Issuers recently published corporate video (news - February 1, 2022), the corporate directors undertook an inaugural board meeting in February during which budgetary and strategic direction for fiscal 2022 were presented and discussed. The directors further determined the need for clear leadership and implementation of governance oversight commensurate with the strategic aims of the organization. To accomplish this, the board of directors unanimously agreed to elect Chief Executive, John Hagie to the position of board chairperson with immediate effect within the term and scope of that position as outlined in the corporate charter.

3. Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.

**Not applicable.**

4. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.

**Not applicable.**

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.

**March 23, 2022**

The Issuer has engaged the services of Venture Liquidity Providers Inc. ("VLP") to provide market-making services in accordance with the policies of the Canadian Securities Exchange (the "CSE"). VLP will trade common shares in the capital of the Issuer on the CSE with the purposes of maintaining an orderly trading market and improving the liquidity of the Issuer's common shares. Pursuant to the services agreement between the Issuer and VLP (the "Agreement"), the Issuer agreed to pay VLP a fee of C\$5,000 per month. The Agreement is for an initial term of three months and will renew for additional one-month terms unless terminated. There are no performance factors contained in the Agreement. Additionally, VLP will not receive shares or options of the Issuer, or any other form of equity-based compensation as payment. VLP is an arms-length party to the Issuer.

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.

**Not applicable.**

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.

**Not applicable.**

8. Describe the acquisition of new customers or loss of customers.

**Not applicable.**

9. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks.

**March 23, 2022**

The Issuer has filed a U.S. provisional patent application for a new approach to fore-and-aft seating comfort. The Issuer's expanding length vehicle chassis ("ELVC") system is designed to offer a unique backwards movement of the rear part of the vehicle chassis to enable improved passenger entry and exit. The Issuer proposes to integrate the ELVC system into the TUGA, a three-wheeled, fully electric fore-and-aft 2-seat vehicle which is being developed by the Issuer. The vehicle is no wider than a motorcycle for agility and boasts a patent pending expanding rear axle for stability at higher speeds.

**March 29, 2022**

**The Issuer has commenced branding efforts to strengthen and distinguish product identity in the increasingly competitive EV market. Driving the desire to compete at a high level, TUGA Innovations' founders recognized that building and properly managing effective branding has become a priority for companies of all sizes, in all types of industries, and in all types of markets. To oversee and manage the execution of the brand effort, the Issuer was delighted to turn to the experienced team of Chief Marketing Officer Ross Plummer and newly engaged Executive Creative Director Mr. John Filipe.**

10. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.

**Not applicable.**

11. Report on any labour disputes and resolutions of those disputes if applicable.

**Not applicable.**

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.

**Not applicable.**

13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.

**Not applicable.**

14. Provide details of any securities issued and options or warrants granted.

**Not applicable.**

15. Provide details of any loans to or by Related Persons.

**Not applicable.**

16. Provide details of any changes in directors, officers or committee members.

**Refer to 2**

17. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.

**The Company's primary source of funding is through the issuance of share capital. When the capital markets are depressed, the Company's activity level normally declines accordingly. As capital markets strengthen and the Company is able to secure equity financing with favorable terms, the Company's activity levels and the size and scope of planned projects will typically increase.**

## **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 Exchange 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 Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated April 4, 2022.

**Faizaan Lalani**

*Name of Director or Senior Officer*

**/s/Faizaan Lalani**

*Signature*

**Chief Financial Officer**

*Official Capacity*

|   |   |   |
|---|---|---|
| <b>Issuer Details</b><br><i>Name of Issuer</i><br><b>TUGA Innovations, Inc.</b> | <i>For Month End</i><br><b>March, 2022</b>                    | <i>Date of Report</i><br><i>YY/MM/DD</i><br><b>22/04/04</b> |
| <i>Issuer Address</i><br><b>Suite 1000 – 409 Granville Street</b>               |   |   |
| <i>City/Province/Postal Code</i><br><b>Vancouver, BC V6C 1T2</b>                | <i>Issuer Fax No.</i><br><b>N/A</b>                           | <i>Issuer Telephone No.</i><br><b>(604) 602-0001</b>        |
| <i>Contact Name</i><br><b>Faizaan Lalani</b>                                    | <i>Contact Position</i><br><b>CFO</b>                         | <i>Contact Telephone No.</i><br><b>(604) 602-0001</b>       |
| <i>Contact Email Address</i><br><b>Faizaan.lalani@tugainnovations.com</b>       | <i>Web Site Address</i><br><b>http://tugainnovations.com/</b> |   |