

FORM 11

NOTICE OF PROPOSED STOCK OPTION GRANT OR AMENDMENT

Name of Listed Issuer: TUGA Innovations, Inc. (the "Issuer").

Trading Symbol: TUGA

Date: December 30, 2021

1. New RSUs Granted:

Date of Grant: December 29, 2021

Name of Recipient	Position (Director/ Officer/ Employee/ Consultant/ Management Company)	Insider Yes or No?	No. of RSUs	Exercise Price	Expiry Date	No. of Options/ RSUs Granted in Past 12 Months
Faizaan Lalani	Director/Officer	Yes	100,000 ⁽¹⁾	N/A	N/A	100,000 Options
Consultants	Consultants	No	2,241,500 ⁽²⁾	N/A	N/A	Nil

(1) These RSUs vest on April 29, 2022.

(2) 2,000,000 of these RSUs vest on April 29, 2022 and 80,500 RSUs vest on April 9, 2022. The remaining 161,000 RSUs vest on an aggregate monthly basis of 20,125 RSUs per month from May to December 2022.

Total Number of optioned shares proposed for acceptance: 2,341,500 RSUs .

2. Other Presently Outstanding Options and Restricted Share Units:

Name of Optionee	No. of Optioned Shares ⁽¹⁾	Exercise Price	Original Date of Grant	Expiry Date
Consultant	187,500 ⁽²⁾	N/A	Nov 10, 2021 ⁽³⁾	N/A
Directors and/or Officers	200,000	\$0.40	December 8, 2021	December 8, 2023

(1) Set out number of optioned shares for each grant with different terms.

(2) Restricted Share Units ("RSUs"). The RSUs will vest monthly over twelve months.

(3) The Issuer's board of directors approved the grant of RSUs on November 10, 2021. The grant was subject to the Issuer's omnibus equity incentive compensation plan becoming effective upon conversion of subscription receipts.

3. Additional Information

- (a) If shareholder approval was required for the grant of options (including prior approval of a stock option plan), state the date that the shareholder meeting approving the grant was or will be held.

The Company's board of directors approved an omnibus equity incentive compensation plan on September 22, 2021, and the plan became effective on December 2, 2021. The plan will be put before the shareholders for approval at their next meeting (if required).

- (b) State the date of the news release announcing the grant of RSUs.

December 29, 2021

- (c) State the total issued and outstanding share capital at the date of grant or amendment.

42,330,059

- (d) State, as a percentage of the issued and outstanding shares of the Issuer indicated in (c) above, the aggregate number of shares that are subject to incentive stock options, including new options, amended options and other presently outstanding options.

Stock Options: 0.47%

RSUs: 5.97-%

- (e) If the new options are being granted pursuant to a stock option plan, state the number of remaining shares reserved for issuance under the plan.

4,033,005 Options and 1,700,508 RSUs, share appreciation rights, deferred share units, and performance share units.

- (f) If the Issuer has completed a public distribution of its securities within 90 days of the date of grant, state the per share price paid by the public investors.

N/A.

- (g) Describe the particulars of any proposed material changes in the affairs of the Issuer.

N/A.

4. 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 is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the 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 11 Notice of Proposed Stock Option Grant or Amendment is true.

Dated December 30, 2021.

Faizaan Lalani
Name of Director or Senior
Officer

"Faizaan Lalani"
Signature

CFO and Corporate Secretary
Official Capacity