

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: September 1, 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.

August 2, 2022

The Issuer announced the commencement of strategic activities designed to advance a twenty-four (24) to thirty-six (36) month commercial go-to-market action plan. This proposed agenda aims to align all aspects of engineering development, prototype testing, regulatory approvals, software, and hardware integration in combination with advanced digital technologies, marketing, and sales efforts.

The Issuer has also committed to evaluating the concept of Mobility-As-A-Service (“MaaS”) as a potential added-value feature for integration into the TUGA platform. The Issuer is also exploring the potential for added or enhanced benefits and features through the integration of augmented reality and virtual reality powered by artificial intelligence (“AI”). These features, including tie-ins with Metaverse-based platforms have the potential to offer all new customer-centric vertical integration possibilities combining innovative vehicle features, ride hailing software platforms, new user applications and associated services.

August 11, 2022

The Issuer announced a full lineup of vehicle models being designed to satisfy the addressable requirements of commercial fleet operators and independent consumers alike. Based on additional market research, TUGA Innovations embarked on a re-positioning strategy that emphasizes and clarifies the TUGA’s ability to easily transform functional aspects of the base model design. The Issuer has finalized a number of pre-determined configurations that share a several design features and functional elements that are being forged into an entire family of vehicles by introducing a new range of models, from high-end limited-edition versions through to mobility-oriented, service-focused, and utility vehicles.

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

Refer to 1.

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.

Not applicable.

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.

August 18, 2022

The Issuer has filed a patent application for an innovative affiliated emissions measuring technology branded as "PLUME." The technology inventors of PLUME are Francisca Cunha and Sofia Pereira who hold an affiliate relationship as contractors with TUGA Innovations. The proposed patent will be held by TUGA Innovations with preferential rights regarding future licensing opportunities. The Issuer views the technology as offering merit and synergistic opportunities regarding the development and pre-commercialization activities by TUGA. The proposed PLUME technology visualizes emissions from Internal Combustion Engines (ICE) in real-time. The technology offers the ability to identify and quantify actual emissions comparative to the stated particulate ratings released into the environment from a particular engine or vehicle model, and to visualize and display the resulting data using augmented reality tools.

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.

Not applicable.

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 September 1, 2022.

Faizaan Lalani

Name of Director or Senior Officer

/s/Faizaan Lalani

Signature

Chief Financial Officer

Official Capacity

Issuer Details <i>Name of Issuer</i> TUGA Innovations, Inc.	<i>For Month End</i> August, 2022	<i>Date of Report</i> <i>YY/MM/DD</i> 22/09/01
<i>Issuer Address</i> Suite 1000 – 409 Granville Street		
<i>City/Province/Postal Code</i> Vancouver, BC V6C 1T2	<i>Issuer Fax No.</i> N/A	<i>Issuer Telephone No.</i> (604) 602-0001
<i>Contact Name</i> Faizaan Lalani	<i>Contact Position</i> CFO	<i>Contact Telephone No.</i> (604) 602-0001
<i>Contact Email Address</i> Faizaan.lalani@tugainnovations.com	<i>Web Site Address</i> http://tugainnovations.com/	