



TUGA Signs Intent to Form Manufacturing Consortium for Advanced Urban EV

Portuguese design, engineer, and fabrication collaboration moves ahead

VANCOUVER, British Columbia and LISBON, Portugal, Nov. 28, 2022 -- TUGA Innovations, Inc. (CSE: TUGA) (FRA: DQ5) (OTC: TUGAF) ("TUGA Innovations," or the "Company"), a developer of solutions for urban mobility challenges with the [TUGA](#), a new type of electric vehicle ("EV"), is pleased to announce the execution of a non-binding letter of intent ("LOI") for the creation of a consortium with the intent to produce the initial TUGA commercial prototypes, limited series product line, and continued advancements towards future production vehicles.

The proposed all-Portuguese consortium comprises TUGA Innovations, VANGEST Group ("VANGEST"), and Optimal Structural Solutions ("Optimal") as an integrated amalgamation of ongoing efforts for the development of the TUGA three-wheeled, fully electric fore-and-aft 2-seat vehicles. The TUGA urban mobility solution is being designed to offer an optional suite of advanced digital communications and navigation aids and is no wider than a motorcycle for agility offering a patent-pending expanding rear axle for high-speed stability. The TUGA is also being designed to offer a patent pending expandable chassis designed for improved passenger comfort and cargo handling capability.

The LOI encompasses engineering design, dynamic and structural simulations, body moulding, interior design and fabrication, EU regulatory homologation, and integration of subsystems and components. It is also proposed that the consortium will model, design, and implement standards of quality for planned future production and assembly of TUGA models at anticipated regional production units within specified sales territories across the globe. Initially, the consortium will be tasked with initiating the Portuguese sales and marketing efforts for high-end limited-edition vehicles, and aid in the implementation of proposed mobility as a service (MaaS) five-star ride-hailing and premium delivery services.

Nuno Cipriano, CEO of VANGEST says, "We have been actively working with TUGA Innovations since their concept prototype launch last year. Their project and team position themselves ideally with the expertise we have to offer; and we are looking forward to extending our partnership together."

VANGEST is located 135km north of Lisbon and brings over 35 years of innovation and expertise employing integrated services. The company utilizes up-to-date technologies throughout its extensive industrial complex of facilities where twelve independently managed companies and over 300 skilled workers help design and undertake award-winning rapid prototyping, tooling, mould production and assembly of products to efficiently service the most demanding industries that build the future: including the automotive, aerospace, advanced electronics, and medical device sectors. For more information visit: <https://www.vangest.pt/en/>.

António Reis, Director, and co-owner at Optimal notes, "We are very close to the TUGA project and their excellent team, and we enjoy fantastic integration by having their offices within our premises. We are working closely together on the engineering of the advanced prototype and various sub-systems. This partnership opportunity will help mold our next steps together and validates all the hard work completed to-date. The proposed consortium will solidify and consolidate our relationship."

Optimal is a Portuguese enterprise founded in 2008 with headquarters in Cascais, near Lisbon. Optimal is 100% owned by Portuguese private investors and focused on advanced composite and metallic structures incorporating complex systems for applications in automotive, space, aeronautic, and defense sectors. The company has a dedicated team composed of engineers, product assurance and project managers integrated with procurement, storage & logistics, IT, test, and quality control staff. This unique combination provides full assurance of reliability, adherence to the highest industry standards, and responsive commitment to TUGA Innovations' requirements. For more information, visit: <http://optimalstruct.optimal.pt/>.

John Hagie, CEO of TUGA Innovations concludes, "We are honoured to work with such prestigious partners. With the proposed creation of our consortium, we aim to demonstrate the international nature of the TUGA project combined with a unified desire to leverage the very best resources here in Portugal to further our objective of bringing to market innovative, sustainable solutions to overcome significant urban mobility challenges. Together our companies have incredible talent, resources, experience, and ability to showcase excellent Portuguese engineering and production expertise towards the advancement of responsible and sustainable value generation."

On behalf of the Board of Directors,
Sincerely,

~John Hagie~

John Hagie
Chief Executive Officer & Director

TUGA Innovations, Inc.

As part of the Company's disclosure obligations as a public issuer, ongoing financial and material filings can be found under the Company's profile on the System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com. We invite the public to visit our website at www.tugainnovations.com and to sign up to our "news alerts" to be advised of future news and events. Please watch our [video](#) which is now available on the website, and follow us on [Instagram](#), [Twitter](#), and [LinkedIn](#).

About TUGA Innovations, Inc. (CSE: TUGA) (FRA: DQ5) (OTC: TUGAF)

TUGA Innovations is a development-stage electric vehicle company undertaking the conception, design, and production of specialized EVs to improve the urban mobility experience. The Company is looking to reduce urban mobility difficulties by developing a [family](#) of three-wheeled, fully electric fore-and-aft 2-seat vehicles. The vehicle is no wider than a motorcycle for agility and offers a patent pending expanding rear axle for high-speed stability along with a patent pending expandable chassis designed for passenger comfort. The vehicle will offer advanced connectivity technology to maximize safety, performance, environmental impact, comfort, maintenance, and navigation. The TUGA vehicle is being designed to deliver an estimated 160 km range, have an estimated top speed of 140km/hour with the comforts of a car, and with more protection than a motorcycle in an interchangeable multi-body, multi-function platform. Find out more at: <https://tugainnovations.com/>, watch our [video](#), and follow us on [Instagram](#), [Twitter](#), and [LinkedIn](#).

For further information, please contact:

TUGA Investor Relations

Tel: +1 415.799.7911

Email: info@tugainnovations.com

Forward-Looking Statement

This news release contains statements and information that, to the extent that they are not historical fact, may constitute "forward-looking information" within the meaning of applicable securities legislation. Forward-looking information may include financial and other projections, as well as statements regarding future plans, objectives, or economic performance, or the assumption underlying any of the foregoing. In some cases, forward-looking statements can be identified by terms such as "aim", "aims to", "may", "would", "could", "will", "will be", "likely", "expected", "anticipated", "proposed", "believe", "intend", "intent", "looking forward", "plan", "forecast", "project", "estimate", "outlook", "hope", "the potential to" or the negative thereof or other similar expressions concerning matters that are not historical facts. Examples of such statements include, but are not limited to, statements with respect to the Company addressing challenges faced when driving in, between, and around urban centres and metropolitan areas; the creation and composition of a consortium with the intent to produce initial TUGA commercial prototypes, limited series product line, and continued advancements towards future production vehicle; work to be conducted by the proposed consortium including engineering design, dynamic and structural simulations, body moulding, interior design and fabrication, EU regulatory homologation, integration of subsystems and components, initiating Portuguese sales and marketing efforts for high-end limited-edition vehicles, and aiding in the implementation of proposed Mobility as a Service (MaaS) five-star ride-hailing and premium delivery service; the extension of a partnership between parties to the LOI and the effect of the proposed consortium on relationships between such parties; the Company's commercialization of its automotive concepts including the creation of a branded family of vehicles;; the design of the vehicle including the three wheels, the number of seats, an optional suite of advanced digital communications and navigation aids, the width of the vehicle, the expanded rear axle feature of the vehicle and its anticipated passenger comfort and cargo handling capability, the advanced connectivity features of the vehicle and anticipated benefits, the km range and top speed of the vehicle, and the safety, performance, and comfort offered by the vehicle.

Forward-looking information is based on the assumptions, estimates, analysis, and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made, but which may prove to be incorrect. The material factors and assumptions used to develop the forward-looking information contained in this news release include, but are not limited to, key personnel and qualified employees continuing their involvement with the Company; the Company's ability to secure additional financing on reasonable terms; the competitive conditions of the industries in which the Company operates; and laws and any amendments thereto applicable to the Company.

Forward-looking information involves known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of the Company to differ materially from any future results, performance or achievements expressed or implied by the forward-looking information, including, without limitation, risks relating to the future business plans of the Company; risks that the Company will not be able to retain its key personnel; risks that the Company will not be able to secure financing on reasonable terms or at all, as well as all of the other risks as described in the Company's final prospectus dated November 30, 2021 under the heading "Risks Factors." Accordingly, readers should not place undue reliance on any such forward-looking information. Further, any forward-looking information speaks only as of the date on which such statement is made. New factors emerge from time to time, and it is not possible for the Company's management to predict all such factors and to assess in advance the impact of each such factor on the Company's business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking information. The Company does not undertake any obligation to update any forward-looking information to reflect information or events after the date on which it is made or to reflect the occurrence of unanticipated events, except as required by law, including securities laws.

The CSE does not accept responsibility for the adequacy or accuracy of this release.