

Form 45-106F6
British Columbia Report of Exempt Distribution

This is the form required under section 6.1 of National Instrument 45-106 for a report of exempt distribution in British Columbia.

Issuer/underwriter information

Item 1: Issuer/underwriter name and contact information

A. State the following:

- the full name of the issuer of the security distributed. Include the former name of the issuer if its name has changed since this report was last filed;
- the issuer's website address; and
- the address, telephone number and email address of the issuer's head office.

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B. If an underwriter is completing this report, state the following:

- the full name of the underwriter;
- the underwriter's website address; and
- the address, telephone number and email address of the underwriter's head office.

N/A

Item 2: Reporting issuer status

A. State whether the issuer is or is not a reporting issuer and, if reporting, each of the jurisdictions in which it is reporting.

The issuer is not a reporting issuer.

B. If the issuer is an investment fund managed by an investment fund manager registered in a jurisdiction of Canada, name the investment fund manager and state the jurisdiction(s) where it is registered.

N/A

Item 3: Issuer's industry

Indicate the industry of the issuer by checking the appropriate box below.

- | | |
|---|--|
| <input type="checkbox"/> Bio-tech | Mining |
| Financial Services | <input type="checkbox"/> exploration/development |
| <input type="checkbox"/> investment companies and funds | <input type="checkbox"/> production |
| <input type="checkbox"/> mortgage investment companies | <input type="checkbox"/> Oil and gas |
| <input type="checkbox"/> securitized products issuers | <input type="checkbox"/> Real estate |
| <input type="checkbox"/> Forestry | <input type="checkbox"/> Utilities |
| <input checked="" type="checkbox"/> Hi-tech | <input type="checkbox"/> Other (describe) |
| <input type="checkbox"/> Industrial | |
-

Item 4: Insiders and promoters of non-reporting issuers

If the issuer is an investment fund managed by an investment fund manager registered in a jurisdiction of Canada, do not complete this table.

If the issuer is not a reporting issuer in any jurisdiction of Canada, complete the following table by providing information about each insider and promoter of the issuer. If the insider or promoter is not an individual, complete the table for directors and officers of the insider or promoter.

Information about insiders and promoters			
Full name, municipality and country of principal residence	All positions held (e.g., director, officer, promoter and/or holder of more than 10% of voting securities)	Number and type of securities of the issuer beneficially owned or, directly or indirectly controlled, on the distribution date, including any securities purchased under the distribution	Total price paid for all securities beneficially owned or, directly or indirectly controlled, on the distribution date, including any securities purchased under the distribution (Canadian \$) ⁴
Steven Woods Etobicoke, Canada	Officer, director and holder of more than 10% of voting securities. ¹	5,000,000 Common Shares 146,369 Series Seed Preferred Shares	\$138,451.44
Paul Teshima Toronto, Canada	Officer, director and holder of more than 10% of voting securities. ²	5,000,000 Common Shares 133,298 Series Seed Preferred Shares	\$126,087.58
OMERS VENTURES IIA, LP Toronto, Canada	Holder of more than 10% of voting securities and Director ³	4,245,383 Series Seed Preferred Shares	\$5,019,740.86

Note1: Steven Woods is a director and officer of the issuer, holds 146,369 Series Seed Preferred Shares directly in the issuer and indirectly holds an additional 5,000,000 Common Shares through the Steven Woods Family Trust.

Note 2: Paul Teshima is a director and officer of the issuer, holds 133,298 Series Seed Preferred Shares directly in the issuer and indirectly holds an additional 5,000,000 Common Shares through the Paul Teshima Family Trust.

Note 3: Jim Orlando is the Managing Director of OMERS Ventures II A, LP and a director of the Issuer.

Note 4: Based on US\$ to CDN\$ exchange rate of 1:1.2549 on April 29, 2016.

Details of distribution

Item 5: Distribution date

State the distribution date. If this report is being filed for securities distributed on more than one distribution date, state all distribution dates.

April 29, 2016

Item 6: Number and type of securities

For each security distributed:

- describe the type of security;
Series Seed Preferred Shares
- state the total number of securities distributed. If the security is convertible or exchangeable, describe the type of underlying security, the terms of exercise or conversion and any expiry date; and

8,062,920 Series Seed Preferred Shares (the “**Preferred Shares**”) were issued pursuant to Series C Preferred Share Purchase Agreement dated as of April 29, 2016 for a price per share of USD\$0.9422.

The Preferred Shares convert at any time, at the option of the holder thereof, into fully-paid and nonassessable Common Shares of the Issuer. The number of Common Shares to which a holder of Preferred Shares shall be entitled upon conversion shall be the product obtained by multiplying the Applicable Conversion Rate (as defined in the Issuer's articles of incorporation) relating to the Preferred Shares then in effect by the number of Preferred Shares being converted.

The Preferred Shares convert automatically into Common Shares, based on the then-effective Applicable Conversion Price, (A) at any time upon the affirmative election of the holders of the issued and outstanding Preferred Shares, or (B) immediately upon the closing of a Qualified IPO (as defined in the Issuer's articles of incorporation).

- if the issuer is an investment fund managed by an investment fund manager registered in a jurisdiction of Canada, state the exemption(s) relied on. If more than one exemption is relied on, state the amount raised using each exemption.

N/A

Item 7: Geographical information about purchasers

Complete the following table for each Canadian and foreign jurisdiction where purchasers of the securities reside. Do not include in this table information about securities issued as payment of commissions or finder's fees disclosed under item 9 of this report. The information provided in this table must reconcile with the information provided in item 8 and Schedules I and II.

Each Canadian and foreign jurisdiction where purchasers reside	Number of purchasers	Price per security (Canadian \$) ¹	Total dollar value raised from purchasers in the jurisdiction (Canadian \$)
Ontario	17	\$1.1824 per Series Seed Preferred Share \$0.9459 per Series Seed Preferred Share	\$6,901,890.33
British Columbia	1	\$0.9459 per Series Seed Preferred Share	\$100,874.46
Alberta	1	\$0.9459 per Series Seed Preferred Share	\$82,360.71
United States	9	\$0.9459 per Series Seed Preferred Share	\$792,016.23
United Kingdom	1	\$0.9459 per Series Seed Preferred Share	\$62,672.82
Singapore	1	\$0.9459 per Series Seed Preferred Share	\$690,979.31
Total number of Purchasers	30		
Total dollar value of distribution in all jurisdictions (Canadian \$)			\$8,630,793.86

Note 1: If securities are issued at different prices, list the highest and lowest price for which the securities were sold.

Item 8: Information about purchasers*Instructions*

A. If the issuer is an investment fund managed by an investment fund manager registered in a jurisdiction of Canada, do not complete this table.

B. Information about the purchasers of securities under the distribution is required to be disclosed in different tables in this report. Complete

- the following table for each purchaser that is not an individual, and
- the tables in Schedules I and II of this report for each purchaser who is an individual.

Do not include in the tables information about securities issued as payment of commissions or finder's fees disclosed under item 9 of this report.

C. An issuer or underwriter completing this table in connection with a distribution using the exemption in subparagraph 6.1(1)(j) [*TSX Venture Exchange offering*] of National Instrument 45-106 *Prospectus Exemptions* may choose to replace the information in the first column with the total number of purchasers, whether individuals or not, by jurisdiction. If the issuer or underwriter chooses to do so, then the issuer or underwriter is not required to complete the second column or the tables in Schedules I and II.

Information about non-individual purchasers					
Full name and address of purchaser and name and telephone number of a contact person	Indicate if the purchaser is an insider (I) of the issuer or a registrant (R)	Number and type of securities purchased	Total purchase price (Canadian \$) ¹	Exemption relied on	Date of distribution (yyyy-mm-dd)
The 2013 Adirim Corey Family Trust 186 Ranleigh Ave, Toronto ON M4N 1X4 Tel: 416-932-8073 Attn: Andrea Corey		66,640 Series Seed Preferred Shares	\$63,034.78	NI 45-106 s. 2.3	2016-04-29
The Wagner 2013 Family Trust 153 Glencairn Ave., Toronto ON, M4R 1N1 Tel: N/A Attn: Abe Wagner		731,294 Series Seed Preferred Shares	\$691,731.00	NI 45-106 s. 2.3	2016-04-29
Riekers Family Trust 27 Delroy Drive, Etobicoke ON, M8Y 1M9 Tel: N/A Attn: Ralf Riekers		133,102 Series Seed Preferred Shares	\$125,901.19	NI 45-106 s. 2.3	2016-04-29
15 Angels II LLC 1865 Palmer Ave., Larchmont, NY 10538 Tel: 914.833.5300 Attn: Scott Ring		145,116 Series Seed Preferred Shares	\$137,265.23	NI 45-106 s. 2.3	2016-04-29
The 1996 Dempsey Revocable Trust 2180 Sand Hill Road, Suite 345, Menlo Park, CA 94025 Tel: 650-804-4414 Attn: Neal Dempsey		108,878 Series Seed Preferred Shares	\$102,987.71	NI 45-106 s. 2.3	2016-04-29
OMERS VENTURES IIA, LP 200 Bay Street, Suite 1410, South Tower, P.O. Box 85, Toronto, Ontario, M5J 2J2 Tel: 416 369 3720 Attn: Jim Orlando	I	4,245,383 Series Seed Preferred Shares	\$5,019,740.86	NI 45-106 s. 2.3	2016-04-29

Note 1: Based on US\$ to CDN\$ exchange rate of 1:1.2549 on April 29, 2016.

Commissions and finder's fees

Item 9: Commissions and finder's fees

Instructions

A. Complete the following table by providing information for each person who has received or will receive compensation in connection with the distribution(s). Compensation includes commissions, discounts or other fees or payments of a similar nature. Do not include information about payments for services incidental to the distribution, such as clerical, printing, legal or accounting services.

B. If the securities being issued as compensation are or include convertible securities, such as warrants or options, add a footnote describing the terms of the convertible securities, including the term and exercise price. Do not include the exercise price of any convertible security in the total dollar value of the compensation unless the securities have been converted.

Full name and address of the person being compensated	Indicate if the person being compensated is an insider (I) of the issuer or a registrant (R)	Compensation paid or to be paid (cash and/or securities)				
		Cash (Canadian \$)	Securities			Total dollar value of compensation (Canadian \$)
			Number and type of securities issued	Price per security (Canadian \$)	Exemption relied on and date of distribution (yyyy-mm-dd)	
N/A						

Certificate

On behalf of the issuer, I certify that the statements made in this report are true.

Date: July 13, 2016

Nudge Software Inc.

Name of issuer (please print)

Kyle Lavender, Legal Counsel, (604) 484-1060 (x. 105)

Print name, title and telephone number of person signing

Kyle Lavender (signed)

Signature

Instruction

The person certifying this report must complete the information in the square brackets by deleting the inapplicable word. For electronic filings, substitute a typewritten signature for a manual signature.

Item 10: Contact information

State the name, title and telephone number of the person who may be contacted with respect to any questions regarding the contents of this report, if different than the person signing the certificate.

IT IS AN OFFENCE TO MAKE A MISREPRESENTATION IN THIS REPORT.

Notice - Collection and use of personal information

The British Columbia Securities Commission collects and uses the personal information required to be included in this report for the administration and enforcement of the *Securities Act*. If you have any questions about the collection and use of this information, contact the British Columbia Securities Commission at the following address:

British Columbia Securities Commission

P.O. Box 10142, Pacific Centre

701 West Georgia Street

Vancouver, British Columbia V7Y 1L2

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Toll free across Canada: 1-800-373-6393

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