

## OTC Pink® Basic Disclosure Guidelines

Federal securities laws, such as Rules 10b-5 and 15c2-11 of the Securities Exchange Act of 1934 ("Exchange Act") as well as Rule 144 of the Securities Act of 1933 ("Securities Act"), and state Blue Sky laws, require issuers to provide *adequate current information* to the public markets. With a view to encouraging compliance with these laws, OTC Markets Group has created these OTC Pink Basic Disclosure Guidelines. We use the basic disclosure information provided by OTC Pink companies under these guidelines to designate the appropriate tier in the OTC Pink marketplace: Current, Limited or No Information. OTC Markets Group may require companies with securities designated as Caveat Emptor to make additional disclosures in order to qualify for OTC Pink Current Information tier.

### Qualifications for the OTC Pink - Current Information Tier

Companies that make the information described below publicly available on a timely basis (90 days after fiscal year end for Annual Reports; 45 days after each fiscal quarter end for Quarterly Reports) qualify for the Current Information Tier. Financial reports must be prepared according to U.S. GAAP or IFRS, but are *not required to be audited* to qualify for the OTC Pink Current Information tier.

#### Initial Qualification:

1. Subscribe to the [OTC Disclosure & News Service](#) on [www.OTCIQ.com](http://www.OTCIQ.com) to publish your financial reports and material news.
2. Create the following documents, save them in PDF format and upload them via [www.OTCIQ.com](http://www.OTCIQ.com):
  - Annual Financial statements (Document must include: Balance Sheet, Income Statement, Statement of Cash Flows, Notes to Financial Statements) for the previous two fiscal years. If these reports are audited, please attach the audit letter from the [PCAOB](#) registered audit firm. Each year's Annual Financial statements should be posted separately under the report type "Annual Report" in OTCIQ.
  - Any subsequent Quarterly Reports since the most recent Annual Report.
  - The most recent fiscal period end report should also include information in accordance with these OTC Pink Basic Disclosure Guidelines; use the fillable form beginning on page 3.
3. If financial reports are not audited by a [PCAOB](#) registered audit firm:
  - Submit a signed Attorney Letter Agreement (first two pages of the [Attorney Letter Guidelines](#)).
  - After following the appropriate procedures with a qualified attorney, upload an Attorney Letter complying with [Attorney Letter Guidelines](#) through your otcIQ.com account.

#### Ongoing Qualification:

1. **For each Fiscal Quarter End**, upload a Quarterly Report via [www.OTCIQ.com](http://www.OTCIQ.com) within **45 days** of the quarter end. (A separate quarterly report is not required for the 4<sup>th</sup> quarter.) The Quarterly Report should include:
  - Information in accordance with these OTC Pink Basic Disclosure Guidelines -- use the fillable form beginning on page 3.
  - Quarterly financial statements (Balance Sheet, Income Statement, Statement of Cash Flows, Notes to Financial Statements).
  - No Audit Letter or Attorney Letter is required.
2. **For each Fiscal Year End**, upload an Annual Report within **90 days** of the fiscal year end. The Annual Report should include:
  - Information in accordance with these OTC Pink Basic Disclosure Guidelines -- use the fillable form beginning on page 3.
  - Annual financial statements (Balance Sheet, Income Statement, Statement of Cash Flows, Notes to Financial Statements, and Audit Letter, if the financial statements are audited).
3. If financial reports are not audited by a PCAOB registered audit firm, upload an Attorney Letter via [www.OTCIQ.com](http://www.OTCIQ.com) complying with the [Attorney Letter Guidelines](#) within **120 days** of the fiscal year end.

### Qualifications for the OTC Pink - Limited Information Tier

Companies that make the information described below publicly available within the prior 6 months qualify for the Limited Information Tier.

1. Subscribe to the [OTC Disclosure & News Service](#) on [www.OTCIQ.com](http://www.OTCIQ.com) to publish your financial reports and material news.
2. Create a Quarterly Report or Annual Report for a fiscal period ended within the previous 6 months, save it in PDF format and upload it via [www.OTCIQ.com](http://www.OTCIQ.com). The Quarterly Report or Annual Report includes:
  - Balance Sheet, Income Statement, and Total Number of Issued and Outstanding Shares. Financial statements must be prepared in accordance with US GAAP, but are not required to be audited. (Please note that Cash Flow Statements are not required to qualify for the Limited Information tier; however, unless the financial statements include a Cash Flow Statement, no financial data will be included in the OTC Financials Data Service, which distributes company financial data to online investor portals and makes the data available on your company's Financials tab on [www.otcm Markets.com](http://www.otcm Markets.com))
  - A company in the Limited Information tier, may, but is not required to, include information in accordance with these OTC Pink Basic Disclosure Guidelines using the fillable form beginning on page 3.

### **Current Reporting of Material Corporate Events**

OTC Markets Group encourages companies to make public disclosure available regarding corporate events that may be material to the issuer and its securities. Persons with knowledge of such events would be considered to be in possession of material nonpublic information and may not buy or sell the issuer's securities until or unless such information is made public. If not included in the issuer's previous public disclosure documents or if any of the following events occur after the publication of such disclosure documents, the issuer shall publicly disclose such events by disseminating a news release within 4 business days following their occurrence, and posting such news release through the OTC Disclosure & News Service.

Material corporate events include:

- Entry or Termination of a Material Definitive Agreement
- Completion of Acquisition or Disposition of Assets, Including but not Limited to mergers
- Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of an Issuer
- Triggering Events That Accelerate or Increase a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement
- Costs Associated with Exit or Disposal Activities
- Material Impairments
- Sales of Equity Securities
- Material Modification to Rights of Security Holders
- Changes in Issuer's Certifying Accountant
- Non-Reliance on Previously Issued Financial Statements or a Related Audit Report or Completed Interim Review
- Changes in Control of Issuer
- Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers
- Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year
- Amendments to the Issuer's Code of Ethics, or Waiver of a Provision of the Code of Ethics
- Other events the issuer considers to be of importance

## **OTC Pink Basic Disclosure Guidelines**

### **1) Name of the issuer and its predecessors (if any)**

In answering this item, please also provide any names used by predecessor entities in the past five years and the dates of the name changes.

Tapinator, Inc.  
Evolution Resources, Inc. (prior to November 4, 2013)

### **2) Address of the issuer's principal executive offices**

Company Headquarters  
Address 1: 140 West 57th Street  
Address 2: Suite 9C  
Address 3: New York, NY 10019  
Phone: (914) 930-6232  
Email: info@tapinator.com  
Website(s): www.tapinator.com

IR Contact  
Address 1: \_\_\_\_\_  
Address 2: \_\_\_\_\_  
Address 3: \_\_\_\_\_  
Phone: \_\_\_\_\_  
Email: \_\_\_\_\_  
Website(s): \_\_\_\_\_

### **3) Security Information**

Trading Symbol: TAPM  
Exact title and class of securities outstanding: Common  
CUSIP: 876037102  
Par or Stated Value: \$0.001  
Total shares authorized: 150,000,000 as of: 06/15/15  
Total shares outstanding: 56,909,303 as of: 06/30/15

Transfer Agent  
Name: Action Stock Transfer  
Address 1: 2469 E. Fort Union Blvd  
Address 2: Suite 214  
Address 3: Salt Lake City, Utah 84121  
Phone: (801) 274 1088

Is the Transfer Agent registered under the Exchange Act?\* Yes: ☒ No: ☐

\*To be included in the OTC Pink Current Information tier, the transfer agent must be registered under the Exchange Act.

List any restrictions on the transfer of security:

The certificates of certain common shares bear Rule 144 restrictive legends

Describe any trading suspension orders issued by the SEC in the past 12 months.

None

List any stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:

On October 1, 2014, the Company's newly created wholly-owned subsidiary, Tapinator IAF LLC ("TapIAF") executed a purchase agreement with InAppFuel, Inc., a Delaware corporation and related entity ("IAF"), and IAF's majority note holders to acquire certain assets and liabilities of IAF's mobile minigame software development business (the "IAF Business") in exchange for (i) the assumption of certain promissory notes owed by IAF, (ii) providing a revolving line of credit for the IAF Business, and (iii) the issuance of new Series A preferred stock in TapIAF to the equity holders of IAF.

On June 16, 2014, the Company executed a securities exchange agreement with the members of Tapinator, LLC, a New York limited liability company, whereby the Company issued 36,700,000 shares of its common stock (representing 80% of its then common stock outstanding after giving effect to the transaction) to the members of Tapinator, LLC stock in exchange for 100% of the outstanding membership interest units of Tapinator, LLC (the "Securities Exchange Transaction"). The exchange resulted in a business combination, and a change of control within its business purpose.

#### **4) Issuance History**

List below any events, in chronological order, that resulted in changes in total shares outstanding by the issuer in the past two fiscal years and any interim period. The list shall include all offerings of equity securities, including debt convertible into equity securities, whether private or public, and all shares or any other securities or options to acquire such securities issued for services, describing (1) the securities, (2) the persons or entities to whom such securities were issued and (3) the services provided by such persons or entities. The list shall indicate:

- A. The nature of each offering (e.g., Securities Act Rule 504, intrastate, etc.);
- B. Any jurisdictions where the offering was registered or qualified;
- C. The number of shares offered;
- D. The number of shares sold;
- E. The price at which the shares were offered, and the amount actually paid to the issuer;
- F. The trading status of the shares; and
- G. Whether the certificates or other documents that evidence the shares contain a legend (1) stating that the shares have not been registered under the Securities Act and (2) setting forth or referring to the restrictions on transferability and sale of the shares under the Securities Act.

On June 19, 2015, the Company raised \$2.0 million through the sale of a \$2.24 million 8% senior secured convertible debenture due January 1, 2017 with an initial conversion price of \$0.205 per share. The purchaser received five-year warrants to purchase 10.9 million shares at an exercise price of \$0.30 per share, and five-year callable warrants to purchase 10.9 million shares at an exercise price of \$0.30 per share, which are exercisable only upon a payment default. Certain officers, directors and other affiliates of the Company have pledged 29 million shares as security for the debenture

On June 18, 2015, pursuant to note conversion agreements dated June 9, 2015, two convertible promissory notes, each with a principal balance of \$75,000, were each converted into 300,000 shares of restricted Common Stock (600,000 restricted shares in total). These notes were originally issued in September 2014.

On June 18, 2015, the Company issued 117,981 shares of restricted Common Stock pursuant to the conversion of two convertible promissory notes issued in March and June 2015 with a combined principal balance of \$23,950.

On June 18, 2015, the Company issued 149,146 shares of restricted Common Stock pursuant to the conversion of a convertible promissory note with a principal balance of \$30,000, originating from the reclassification of a royalty agreement entered into with the Company in December 2014.

On June 18, 2015, the Company issued 246,815 shares of restricted Common Stock pursuant to the conversion of a convertible promissory note issued in April 2015 with a principal balance of \$50,000.

On June 18, 2015, pursuant to conversion agreements dated June 9, 2015 between the Company and the holders of the promissory notes assumed by the Company as part of the transaction with InAppFuel, a related party, (the "IAF Notes") such notes were converted into 423,893 shares of restricted Common Stock.

On June 18, 2015, pursuant to exchange agreements dated June 9, 2015 between the Company and the shareholders of the Redeemable Series A preferred stock of Tapinator IAF LLC (a wholly-owned subsidiary), such stock was exchanged for 257,833 shares of restricted Common Stock. These preferred shares were issued as part of the consideration of the IAF transaction in October 2014.

On June 18, 2015, pursuant to a conversion agreement dated June 9, 2015 between the Company and the two holders of the Series B preferred stock, such stock was converted into 36,764 shares of restricted Common Stock.

The Company issued 45,000 shares of restricted Common Stock pursuant to an investor relations consulting agreement dated April 22, 2015.

On July 12, 2014, the Company issued 334,266 shares of restricted common stock to purchase debt obligations totaling \$111,422 owed to the note holders of a related party.

On June 16, 2014, the Company cancelled 36,500,000 shares of its common stock, and issued 36,700,000 shares of restricted common stock (representing 80% of its then common stock outstanding after giving effect to the transaction) to the members of Tapinator, LLC, a New York limited liability company, pursuant to the share exchange agreement executed by the Company and the members. The certificates of stock issued pursuant to this transaction bear Rule 144 restrictive legends and state that the shares have not been registered under the Securities Act.

On June 9, 2014, the Company issued 885,500 shares of Series D preferred stock to various directors, advisory board members and consultants. The shares were originally convertible into restricted common shares at a conversion price of \$0.154. By consent of the Company and unanimous consent of the holders of this Series D, a mutual agreement was reached in September 2014 to amend the Series D designation. This amendment allowed the Company to retire all of the Series D shares by issuing 5,615,907 shares of restricted common stock by December 31, 2014.

From October 2013 to April 2014, the Company issued 461,100 shares of Series C preferred stock at a price per share of \$1.00 pursuant to a private placement offering of up to 500,000 shares in which the Company received \$351,000 of net cash proceeds. All Series C Preferred shares were subsequently converted to 3,074,000 restricted common shares in July 2014. The certificates of stock issued pursuant to this offering bear Rule 144 restrictive legends and state that the shares have not been registered under the Securities Act.

From December 2013 to June 2014, a total of 36,574,372 shares of restricted common stock were issued pursuant to the Company's acquisition of Tapinator, Inc. (Colorado); a total of 6,825,000 free trading common shares were issued to owners of the Company's Series A preferred stock in response to notices of conversion of such preferred stock; and a total of 2,237,117 free trading common shares were issued in response to a notice of conversion of \$212,526.16 of the Company's convertible debt.

## **5) Financial Statements**

Provide the financial statements described below for the most recent fiscal year end or quarter end to maintain qualification for the OTC Pink Current Information tier. For the initial disclosure statement (qualifying for Current Information for the first time) please provide reports for the two previous fiscal years and any interim periods.

- A. Balance sheet;
- B. Statement of income;
- C. Statement of cash flows;
- D. Financial notes; and
- E. Audit letter, if audited

The financial statements requested pursuant to this item shall be prepared in accordance with US GAAP by persons with sufficient financial skills.

You may either (i) attach/append the financial statements to this disclosure statement or (ii) post such financial statements through the OTC Disclosure & News Service as a separate report using the appropriate report name for the applicable period end. ("Annual Report," "Quarterly Report" or "Interim Report").

If you choose to publish the financial reports separately as described in part (ii) above, you must state in the accompanying disclosure statement that such financial statements are incorporated by reference. You may reference the document(s) containing the required financial statements by indicating the document name, period end date, and the date that it was posted to otcq.com in the field below.

---

Information contained in a Financial Report is considered current until the due date for the subsequent Financial Report. To remain in the OTC Pink Current Information tier, a company must post its Annual Report within 90 days from its fiscal year-end date and Quarterly Reports within 45 days of its fiscal quarter-end date.

## **6) Describe the Issuer's Business, Products and Services**

Describe the issuer's business so a potential investor can clearly understand the company. In answering this item, please include the following:

**A. a description of the issuer's business operations;**

The Company conceptualizes, designs, develops, publishes, markets and monetizes mobile games for the Apple iOS, Google Play and Amazon Kindle gaming platforms. The Company offers full-featured, original games, as well as rapid-launch, mass-appeal games utilizing its cost-effective offshore development resources and technology. The Company focuses on operating its own titles as well as publishing third-party games where it holds substantial ownership positions.

The Company's owned and operated portfolio includes over 110 mobile gaming titles that, collectively, have over 100 million installations. A number of these games have been featured and have risen to the top of the mobile leaderboards.

**B. Date and State (or Jurisdiction) of Incorporation:**

March 15, 2005 Nevada, migrated to Delaware on December 12, 2013

**C. the issuer's primary and secondary SIC Codes;**

7372

**D. the issuer's fiscal year end date;**

December 31

**E. principal products or services, and their markets;**

Mobile games and applications for the Google Android, Apple iOS and Amazon Kindle platforms.

## **7) Describe the Issuer's Facilities**

The goal of this section is to provide a potential investor with a clear understanding of all assets, properties or facilities owned, used or leased by the issuer.

In responding to this item, please clearly describe the assets, properties or facilities of the issuer, give the location of the principal plants and other property of the issuer and describe the condition of the properties. If the issuer does not have complete ownership or control of the property (for example, if others also own the property or if there is a mortgage on the property), describe the limitations on the ownership.

If the issuer leases any assets, properties or facilities, clearly describe them as above and the terms of their leases.

In November 2014, the Company entered into a lease for 1,080 square feet of office space to house the Company's New York headquarters which expires in November 2017. Future minimum payments under this lease for the fiscal years ending December 31, 2015, 2016 and 2017 are \$60,080, \$61,769 and \$58,080, respectively.

## **8) Officers, Directors, and Control Persons**

The goal of this section is to provide an investor with a clear understanding of the identity of all the persons or entities that are involved in managing, controlling or advising the operations, business development and disclosure of the issuer, as well as the identity of any significant shareholders.

- A. Names of Officers, Directors, and Control Persons. In responding to this item, please provide the names of each of the issuer's executive officers, directors, general partners and control persons (control persons are beneficial owners of more than five percent (5%) of any class of the issuer's equity securities), as of the date of this information statement.

### Ilya Nikolayev, Chairman & CEO

Mr. Nikolayev was Co-founder and CEO of Familybuilder, developer of the Family Tree application, until the successful sale of the Company to Intelius in 2011. Raised venture capital funding for the business and grew the Company to profitability, with over 45 million users on Facebook, and over 2 million users on mobile (iOS and Android). In 2013, co-founded InAppFuel, a developer of patent-pending casino minigame software for mobile game developers whose assets were acquired by Tapinator in September 2014. Prior to Familybuilder, worked in banking for JP Morgan. Graduated cum laude from New York University.

### Khurram Samad, CTO

Mr. Samad leads Tapinator's offshore engineering and design team. Prior to Tapinator, founded GeniTeam, an outsourced development Company focused on mobile with over 40 developers in-house. Experienced leader of offshore technical teams. Earned BS in Computer Science from National University of Computer and Emerging Science. MBA from LUMS.

### Andrew Merkatz, President & CFO

Mr. Merkatz is a finance executive with 20 years of experience as an investor and operator in media and technology growth companies. From 2008-2015, he was a Managing Director of Investments at Vision Capital where he managed investments in digital media and software technology. In 2007, he co-founded Familybuilder, a leading Facebook app developer, which profitably scaled to more than 45 million users prior to the successful sale of the Company in 2011. In 2013, he co-founded InAppFuel, a developer of patent-pending casino minigame software for mobile game developers whose assets were acquired by Tapinator in September 2014. Holds an M.B.A. from Harvard Business School and a B.A. in Economics, with distinction, from the University of Pennsylvania.

### Robert Crates, Director

Mr. Crates has over 25 years experience in private equity, investing in a broad range of industries and asset categories. He has invested in technology, entertainment, health care, manufacturing, distribution, industrial, commercial, financial, and oil & gas services business, including venture capital, buy-and-build, leveraged buyout, and distressed securities strategies. Has served on numerous boards of directors, including public and private companies.

- B. Legal/Disciplinary History. Please identify whether any of the foregoing persons have, in the last five years, been the subject of:

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses);

none

2. The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities;

none

3. A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated; or

none

4. The entry of an order by a self-regulatory organization that permanently or temporarily barred suspended or otherwise limited such person's involvement in any type of business or securities activities.

none

- C. Beneficial Shareholders. Provide a list of the name, address and shareholdings or the percentage of shares owned by all persons beneficially owning more than ten percent (10%) of any class of the issuer's equity securities. If any of the beneficial shareholders are corporate shareholders, provide the name and address of the person(s) owning or controlling such corporate shareholders and the resident agents of the corporate shareholders.

Ilya Nikolayev owns 22.2% of Common Stock. 140 West 57<sup>th</sup> St #9C, New York, NY 10019

Khurram Samad owns 26.9% of Common Stock. 140 West 57<sup>th</sup> St #9C, New York, NY 10019

## **9) Third Party Providers**

Please provide the name, address, telephone number, and email address of each of the following outside providers that advise your company on matters relating to operations, business development and disclosure:

### Legal Counsel

Name: Jeffrey M. Quick

Firm: Quick Law Group PC

Address 1: 1035 Pearl Street, Suite 403

Address 2: Boulder, CO 80302

Phone: (720) 259-3393

Email: jquick@quicklawgroup.com

### Auditor

Name: Jim Liggett

Firm: Liggett, Vogt & Webb P.A.

Address 1: 432 Park Avenue South

Address 2: New York, NY 10016

Phone: (212) 481-3490

Email: jiml@lvwcpa.com

Investor Relations Consultant

Name: \_\_\_\_\_

Firm: \_\_\_\_\_

Address 1: \_\_\_\_\_

Address 2: \_\_\_\_\_

Phone: \_\_\_\_\_

Email: \_\_\_\_\_

Other Advisor: Any other advisor(s) that assisted, advised, prepared or provided information with respect to this disclosure statement.

Name: \_\_\_\_\_

Firm: \_\_\_\_\_

Address 1: \_\_\_\_\_

Address 2: \_\_\_\_\_

Phone: \_\_\_\_\_

Email: \_\_\_\_\_

**10) Issuer Certification**

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer (or any other persons with different titles, but having the same responsibilities).

The certifications shall follow the format below:

I, Ilya Nikolayev certify that:

1. I have reviewed this Quarterly Disclosure Statement of Tapinator, Inc.;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

August 19, 2015

/s/ Ilya Nikolayev

Chairman and CEO