

EARLY WARNING REPORT

FILED PURSUANT TO NATIONAL INSTRUMENT 62-103 – THE EARLY WARNING SYSTEM AND RELATED TAKE-OVER BID AND INSIDER REPORTING ISSUES

1. Security and Reporting Issuer

- 1.1 *Designation of securities to which this report relates and the name and address of the head office of the issuer of the securities.*

This report relates to common shares (the “**Common Shares**”) of Sangoma Technologies Corporation (the “**Issuer**”). The Issuer’s head office is located at 100 Renfrew Drive, Suite 100, Markham, Ontario, Canada, L3R 9R6.

- 1.2 *Name of the market in which the transaction or other occurrence that triggered the requirement to file this report took place.*

TSX Venture Exchange (the “**Exchange**”)

2. Identity of the Acquiror

- 2.1 *State the name and address of the Acquiror.*

Mr. Nicholas Galea
c/o 3CX Ltd.
303 Engomi Business Centre
1, 28 October Avenue
2414 Nicosia
Cyprus

- 2.2 *Date of the transaction or other occurrence that triggered the requirement to file this report and briefly describe the transaction or other occurrence*

Between July 5, 2017 and July 11, 2017, the Acquiror sold an aggregate of 1,109,500 Common Shares through the facilities of the Exchange at prices between \$0.4975 and \$0.5576 for aggregate consideration of \$581,598 (collectively, the “**Transaction**”).

- 2.3 *State the names of any joint actors*

Not applicable.

3. Interest in Securities of the Reporting Issuer

- 3.1 *Designation and number or principal amount of securities acquired or disposed of that triggered the requirement to file the report and the change in the acquirer’s security holding percentage in the class of securities.*

After giving effect to the purchase of Common Shares pursuant to the Transaction, the Acquiror, now owns or controls, directly or indirectly, an aggregate of 4,549,000 Common Shares, representing approximately 13.6% of the Issuer’s issued and outstanding Common Shares on a non-diluted basis.

- 3.2 *State whether the Acquiror acquired or disposed ownership of, or acquired or ceased to have control over, the securities that triggered the requirement to file the report.*

See Items 2.2 above.

- 3.3 *If the transaction involved a securities lending arrangement, state that fact.*

Not applicable.

- 3.4 *State the designation and number or principal amount of securities and the Acquiror's securityholding percentage in the class of securities, immediately before and after the transaction or other occurrence that triggered the requirement to file this report*

Immediately prior to the Transaction, the Acquiror owned 5,658,500 Common Shares. After giving effect to the Transaction, the Acquiror now owns or controls, directly or indirectly, an aggregate of 4,549,000 Common Shares, representing approximately 13.6% of the outstanding Common Shares on a non-diluted basis. The Acquiror does not own any securities of the Issuer other than the foregoing Common Shares.

- 3.5 *Designation and number or principal amount of securities and the Acquiror's security holding percentage in the class of securities referred to in Item 3.4 over which*

- (a) *the Acquiror, either alone or together with any joint actors, has ownership and control;*

See Item 2.2 above.

- (b) *the Acquiror, either alone or together with any joint actors, has ownership but control is held by other persons or companies other than the Acquiror, or any joint actor; and*

Not applicable.

- (c) *the Acquiror, either alone or together with any joint actors, has exclusive or shared control but does not have ownership.*

Not applicable.

- 3.6 *If the Acquiror or any of its joint actors has an interest in, or right or obligation associated with, a related financial instrument involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the related financial instrument and its impact on the Acquiror's securityholdings.*

Not applicable.

- 3.7 *If the Acquiror or any of its joint actors is a party to a securities lending arrangement involving a security of the class of securities in respect of which disclosure is required under this item, describe the material terms of the arrangement including the duration of the arrangement, the number or principal amount of securities involved and any right to recall the securities or identical securities that have been transferred or lent under the arrangement. State if the securities lending arrangement is subject to the exception provided in section 5.7 of NI 62-104.*

Not applicable.

- 3.8 *If the Acquiror or any of its joint actors is a party to an agreement, arrangement or understanding that has the effect of altering, directly or indirectly, the acquirer's economic exposure to the security of the class of securities to which this report relates, describe the material terms of the agreement, arrangement or understanding.*

Not applicable.

4. Consideration Paid

- 4.1 *The value, in Canadian dollars, or any consideration paid or received per security and in total.*

See Item 2.2 above.

- 4.2 *In the case of a transaction or other occurrence that did not take place on a stock exchange or other market that represents a published market for the securities, including an issuance from treasury, disclose the nature and value, in Canadian dollars, of the consideration paid or required by the Acquiror.*

Not applicable.

- 4.3 *If the securities were acquired or disposed of other than by purchase or sale, describe the method of acquisition or disposition.*

Not applicable.

5. Purpose of the Transaction

State the purpose or purposes of the Acquiror and any joint actors for the acquisition or disposition of securities of the reporting issuer.

The Common Shares sold were acquired for investment purposes and were sold in connection with the Acquiror's investment objectives. The Acquiror reviews its holdings from time to time and may increase or decrease its position as future circumstances may dictate. Depending on various factors, including the financial position of the Acquiror and its affiliates, such as 3CX Ltd., the Acquiror may in future take such actions with respect to its investment in the Issuer as the Acquiror deems appropriate, including, without limitation, seeking board representation, making proposals to the Issuer regarding changes to the capitalization, ownership structure, acquisitions or operations of the Issuer, acquiring additional Common Shares, and/or selling or otherwise disposing of some or all of its Common Shares. In addition, the Acquiror may formulate other purposes, plans or proposals regarding the Issuer or any of its securities to the extent deemed advisable in light of its general investment and trading decisions, market conditions or other factors that or may change its intention with respect to any and all of the foregoing.

Describe any plans or future intentions which the Acquiror and any joint actors may have which relate to or would result in any of the following:

- (a) *The acquisition of additional securities of the reporting issuer, or the disposition of securities of the reporting issuer;*

The Acquiror may, subject to market conditions, seek to acquire or sell additional Common Shares in accordance with applicable securities laws, and may increase or decrease its investment in the Issuer through the market, privately or otherwise, depending on market conditions or any other relevant factors.

- (b) *a corporate transaction, such as a merger, reorganization or liquidation, involving the reporting issuer or any of its subsidiaries;*

The Acquiror does not have any current plans for such a transaction; however, the intentions of the Acquiror and/or its affiliates may change from time to time depending on market factors and other relevant factors.

- (c) *a sale or transfer of a material amount of the assets of the reporting issuer or any of its subsidiaries;*

The Acquiror does not have any current plans for such a transaction; however, the intentions of the Acquiror and/or its affiliates may change from time to time depending on market factors and other relevant factors.

- (d) *a change in the board of directors or management of the reporting issuer, including any plans or intentions to change the number or term of directors or to fill any existing vacancy on the board;*

The Acquiror does not have any current plans for such a transaction; however, the intentions of the Acquiror and/or its affiliates may change from time to time depending on market factors and other relevant factors.

- (e) *a material change in the present capitalization or dividend policy of the reporting issuer;*

Not applicable.

- (f) *a material change in the reporting issuer's business or corporate structure;*

Not applicable.

- (g) *a change in the reporting issuer's charter, bylaws or similar instruments or another action which might impede the acquisition of control of the reporting issuer by any person or company;*

Not applicable.

- (h) *a class of securities of the reporting issuer being delisted from, or ceasing to be authorized to be quoted on, a marketplace;*

Not applicable.

- (i) *the Issuer ceasing to be a reporting issuer in any jurisdiction of Canada;*

Not applicable.

- (j) *a solicitation of proxies from securityholders; and*

Not applicable.

- (k) *an action similar to any of those enumerated above.*

Not applicable.

6. Agreements, Arrangements, Commitments or Understandings With Respect to Securities of the Reporting Issuer

Describe the material terms of any agreements, arrangements, commitments or understandings between the Acquiror and a joint actor and among those persons and any person with respect to securities of the class of securities to which this report relates, including but not limited to the transfer or the voting of any of the securities, finder's fees, joint ventures, loan or option arrangements, guarantees of profits, division of profits or loss, or the giving or withholding of proxies. Include such information for any of the securities that are pledged or otherwise subject to a contingency, the occurrence of which would give another person voting power or investment power over such securities, except that disclosure of standard default and similar provisions contained in loan agreements need not be included.

Not applicable.

7. Change in Material Fact

Description of any change in a material fact set out in a previous report filed by the Acquiror under the early warning requirements or Part 4 in respect of the reporting issuer's securities.

Not applicable.

8. Exemption

If the Acquiror relies on an exemption from requirements in securities legislation applicable to formal bids for the transaction, state the exemption being relied on and describe the facts supporting that reliance.

Not applicable.

9. Certification

I, Nicholas Galea, as the Acquiror, certify that the statements made in this report are true and complete in every respect.

DATED this 12th day of July, 2017.

(signed) "Nicholas Galea"

Nicholas Galea